

CZ claps back against ‘baseless’ US plea deal allegations

Former Binance CEO Changpeng Zhao denied reports that he agreed to testify against Justin Sun, calling the WSJ story baseless and politically motivated.

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News

Changpeng “CZ” Zhao, former CEO of Binance, has denied claims that he agreed to provide evidence against Tron founder Justin Sun as part of a plea deal with the United States Department of Justice (DOJ).

In an April 11 [report](#), The Wall Street Journal cited unnamed sources alleging that CZ had agreed to testify against Sun under the terms of his settlement with US prosecutors.

“As part of Zhao’s plea deal, he agreed to give evidence on Sun to prosecutors,” an “arrangement” that “hasn’t previously been reported,” the WSJ report stated, citing sources familiar with the matter.

“WSJ is really TRYING here. They seem to have forgotten who went to prison and who didn’t,” Zhao wrote in an April 12 X [post](#). “People who become gov witnesses don’t go to prison. They are protected. I heard someone paid WSJ employees to smear me.”



CZ  BNB 
@cz_binance



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Source: Changpeng [Zhao](#)

CZ was sentenced to four [months in prison in April 2024](#) for Anti-Money Laundering (AML) violations. He walked free from [federal prison on Sept. 27](#) as the wealthiest person to ever serve a US prison sentence, with a \$60 billion net worth at the time.

In a separate April 11 [post](#), CZ claimed multiple individuals had warned him about the Journal’s intentions to publish what he described as a “hit piece.”



H.E. Justin Sun

@justinsuntron



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They always try to use rumors to drive us apart, to divide us instead of unite us. Crypto is already a small space—only by standing together can we change everything! We need every single one of your votes!

Source: [Justin Sun](#)

Sun said he was “not aware of the circulation rumors,” calling CZ his “mentor and close friend,” [Cointelegraph reported on April 11](#).

“Some players are lobbying against us again in the US” — CZ

CZ further speculated that the report could be linked to lobbying efforts against him and his former company.

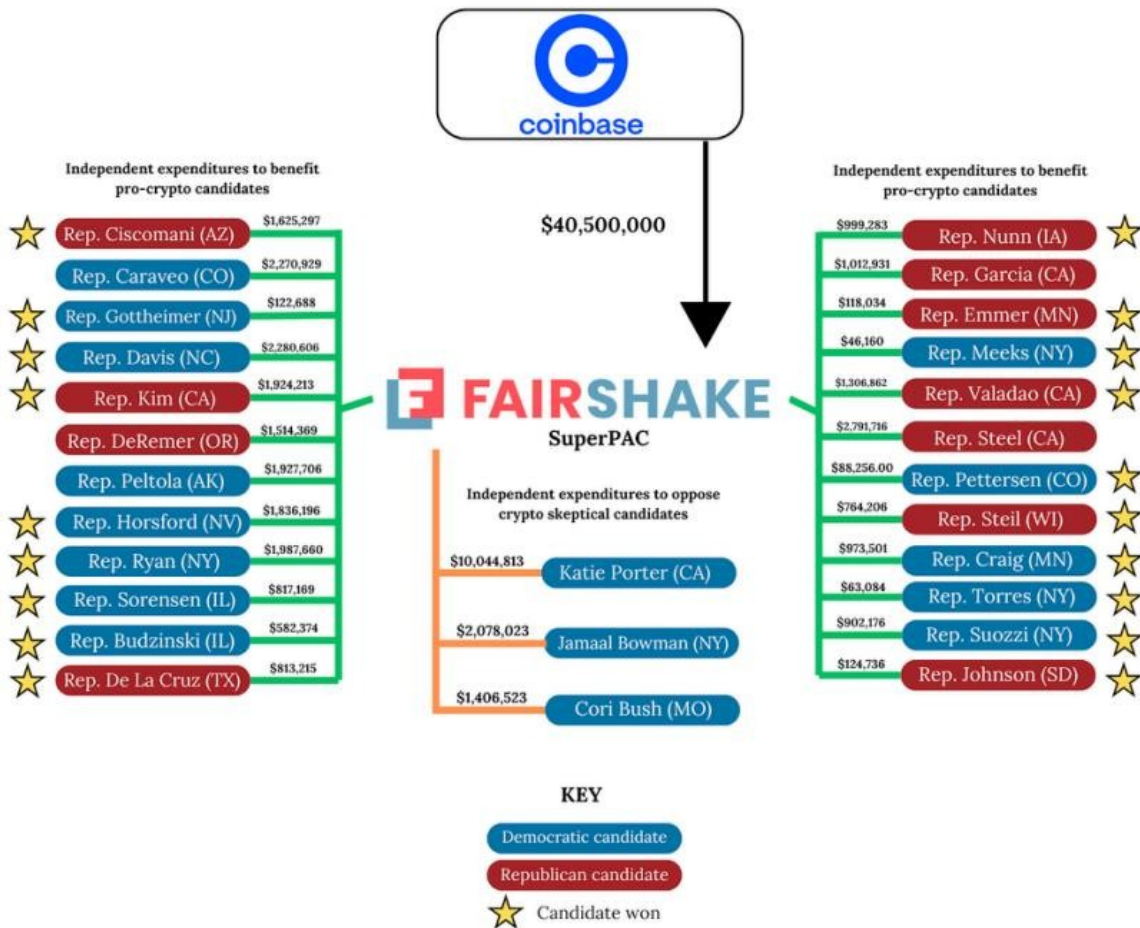
“I also heard some rumors about some players ‘lobbying’ against us again in the US,” CZ [said](#).

Cointelegraph has approached CZ for more details on the lobbying claims.

In November 2023, Zhao said that “FTX sought regulatory ‘crack down’ on Binance to increase market share,” citing a Federal Newswire [report](#).

Zhao’s comments come over a month after crypto donations raised influence concerns among industry participants.

[Crypto firms spent over \\$134 million](#) on the [2024 US elections](#) in “unchecked political spending,” which presents some critical challenges, Cointelegraph reported on March 10.



This chart indicates the money spent by Coinbase and which candidates won or lost.

Fairshake donations. Source: politicalaccountability.net

“While the companies making these contributions may be seeking a favorable regulatory environment, these political donations further erode public trust and expose companies to legal, reputational, and business risks that cannot be ignored,” according to a March 7 [report](#) by the Center for Political Accountability (CPA).