

Trump Media saved in 2022 by Russian-American under criminal investigation

Exclusive: Trump's social media company went public relying partly on loans from trust managed by person of interest to prosecutors

Donald Trump's social media company Trump Media managed to go public last week only after it had been kept afloat in 2022 by emergency loans provided in part by a Russian-American businessman under scrutiny in a federal insider-trading and money-laundering investigation.

The [former US president](#) stands to gain billions of dollars – his stake is currently valued at about \$4bn – from the merger between Trump Media and Technology Group and the blank-check company Digital World Acquisition Corporation, which took the parent company of Truth Social public.

But Trump Media almost did not make it to the merger after regulators opened a securities investigation into the merger in 2021 and caused the company to burn through cash at an extraordinary rate as it waited to get the green light for its stock market debut.

The situation led Trump Media to take emergency loans, including from an entity called ES Family Trust, which opened an account with Paxum Bank, a small bank registered on the [Caribbean](#) island of Dominica that is best known for providing financial services to the porn industry.

Through leaked documents, the Guardian has learned that ES Family Trust operated like a shell company for a Russian-American businessman named Anton Postolnikov, who co-owns Paxum Bank and has been a subject of a years-long joint federal criminal investigation by the FBI and the Department of Homeland Security (DHS) into the Trump Media merger.

The existence of the trust has previously been [reported by the Guardian](#) and the Washington Post. However, who controlled the account, how the trust was connected to Paxum Bank, and how the money had been funneled through the trust to Trump Media was unknown.

The new details about the trust are drawn from documents including: Paxum Bank records showing Postolnikov having access to the trust's account, the papers that created the trust showing as its settlor a lawyer in St Petersburg, Russia, and three years of the trust's financial transactions.

The concern surrounding the loans to Trump Media is that ES Family Trust may have been used to complete a transaction that Paxum itself could not.

Paxum Bank does not offer loans in the US as it lacks a US banking license and is not regulated by the FDIC. Postolnikov appears to have used the trust to loan money to help save Trump Media – and the Truth Social platform – because his bank itself could not furnish the loan.

Postolnikov, the nephew of Aleksandr Smirnov, an ally of the Russian president, [Vladimir Putin](#), has not been charged with a crime. In response to an email to Postolnikov seeking comment, a lawyer in Dominica representing Paxum Bank warned of legal action for reporting the contents of the leaked documents.

There is also no indication that Trump or Trump Media had any idea about the nature of the loans beyond that they were opaque, nor has the company or its executives been accused of wrongdoing. A spokesperson for Trump Media did not respond to a request for comment.

After this story was published, a lawyer representing Trump Media said in a statement: “The Guardian continues to propagate its false narrative that TMTG has these fake connections to Russia. It is a hoax. Litigation will continue on this point and we are confident that The Guardian will ultimately be held responsible for its defamation and this story should be retracted.”

But Postolnikov has been under increasing scrutiny in the criminal investigation into the Trump Media merger. Most recently, he has been [listed on search warrant affidavits](#) alongside several associates – one of whom was indicted last month for money laundering on top of earlier insider-trading charges.

Postolnikov and the trust

In late 2021, Trump Media was facing financial trouble after the original planned merger with Digital World was delayed indefinitely when the Securities and Exchange Commission opened an investigation into the merger, Trump Media’s since-ousted co-founder-turned-whistleblower Will Wilkerson recounted in an interview.

Part of the problem was that Trump Media struggled to get financing because traditional banks were reluctant to lend millions to Trump’s social media company in the wake of the January 6 Capitol attack, Wilkerson said.

Trump Media eventually found some lenders, including ES Family Trust, but the sequence of events was curious.

ES Family Trust was established on 18 May 2021, its creation papers show. Postolnikov’s “user” access to the account was “verified” on 30 November 2021 [by a Paxum Bank manager in Dominica](#). The trust was funded for the first time on 2 December 2021.

Trump Media then received the loans from ES Family Trust: \$2m on 23 December 2021, and \$6m on 17 February 2022.

The loans came in the form of convertible promissory notes, meaning ES Family Trust would gain a major stake in Trump Media because it was offering the money in exchange for Trump Media agreeing to convert the loan principal into “shares of Company Stock”.

Oddly, the notes were never signed. But the investment in Trump Media proved to be huge: while precise figures can only be known by Trump Media, ES Family Trust’s stake in Trump Media is worth between \$20m and \$40m even after the sharp decline of the company’s share price in the wake of a poor earnings report.

The ES Family Trust account also appears to have benefited Postolnikov personally. As the criminal investigation into the Trump Media deal intensified towards the end of last year, the trust recorded several transfers to Postolnikov with the subject line “Partial Loan Return”.

In total, the documents showed that the trust transferred \$4.8m to Postolnikov’s account, although \$3m was inexplicably “reversed”.

(On 17 July 2023, Postolnikov received \$300,000. On 17 October 2023, Postolnikov received \$1.5m, before it was reversed the next day; later the same day, Postolnikov again received \$1.5m, which was also reversed. On 19 October 2023, Postolnikov received the \$1.5m for a third and final time.)

The reason for the trust’s creation remains unknown. Aside from the money that went to Trump Media, the trust’s statements show the trust has directly invested money with only two other companies:

\$10.8m to Eleven Ventures LLC, a venture capital firm, and \$1m to Wedbush Securities, a wealth management firm.

The current status of ES Family Trust is also unknown. The trust's address is listed as a residential home in Hollywood, Florida. But, according to the property website Redfin, the six-bedroom home appears to have been sold in December 2023.

The creation papers also contained something notable: a declaration that, if the original trustee – a Paxum employee named Angel Pacheco – stepped down from the role, his successor would be a certain individual named Michael Shvartsman.

Sprawling money-laundering investigation

Last month, federal prosecutors charged Michael Shvartsman, a close associate of Postolnikov, with [money laundering in a superseding indictment](#) after previously charging him and two others in July with insider-trading Digital World shares. Shvartsman and his co-defendants pleaded not guilty.

At least part of the evidence against Shvartsman came from a confidential informant for the DHS, court filings show: in one March 2023 meeting with the informant and an associate, Shvartsman mentioned a friend who owned a bank in Dominica and made bridge loans to Trump Media.

“[Shvartsman] stated that a friend of his owns a bank in the island of Dominica and would be able to provide banking services to Russian and Ukraine Nationals if the [confidential informant] had other clients in need of that service,” [the DHS report said](#).

“[Shvartsman's associate] told the [confidential informant] that he does not think the SEC would be able to go after [Shvartsman] for his part in the investment but mentioned that [Shvartsman] essentially provided ‘bridge financing’ for the firm behind the Truth [Social media](#) platform,” it said.

The unredacted parts of the DHS report do not specify whether the “friend” was Postolnikov and what the “bridge financing” referred to – but the report left open the possibility that Shvartsman also had a role with the trust.

A lawyer for Shvartsman declined to comment on his client's relationship with Postolnikov. A spokesperson for the US attorney's office for the southern district of New York also declined to comment.

It is unclear whether federal prosecutors are aware that Trump Media was propped up by Postolnikov via ES Family Trust. At the same time, the money-laundering investigation surrounding the Trump Media merger and the scrutiny on Postolnikov appears to have ballooned in recent months.

The investigation into potential money laundering appears to have started after Wilkerson's lawyers Phil Brewster, Stephen Bell and Patrick Mincey alerted the US attorney's office in the southern district of New York to the ES Family Trust loans in October 2022.

Months later, in June 2023, the FBI expanded its investigation to work jointly with the Department of Homeland Security's El Dorado taskforce, which specializes in money laundering, and its Illicit Proceeds and Foreign Corruption group, which targets corrupt foreign officials who use US entities to launder illicit funds.