

United States Senate

WASHINGTON, DC 20510

April 15, 2026

Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Bessent:

The proposed \$110.9 billion merger between Paramount Skydance (Paramount) and Warner Bros. Discovery (WBD) presents serious national security questions that necessitate review by the Committee on Foreign Investment in the United States (CFIUS). The transaction's capital structure represents a convergence of foreign sovereign wealth, Chinese military-linked investment, and American media assets. To our knowledge, no review has been initiated. We urge the Committee to open an investigation immediately, before this transaction closes.

According to Paramount's SEC filings, the deal was structured so that foreign investors hold no governance rights or board seats specifically to avoid triggering mandatory CFIUS review.¹ Even if foreign investors do not have board representation, they may have informal influence over governance and access to sensitive information that warrants review. Moreover, by designing the transaction to place \$24 billion in Gulf sovereign capital and a Department of Defense-designated Chinese Military Company's investments outside the reach of national security review, Paramount created precisely the kind of arrangement CFIUS is authorized to examine, one whose "structure is designed or intended to evade or circumvent the application" of the statute.² In seeking to place the transaction outside CFIUS's jurisdictional reach, Paramount may have placed it squarely within the statute's anti-evasion provision.

I. The Foreign Capital Structure

The Paramount-WBD merger is funded by \$45.7 billion in equity commitments from Larry Ellison, co-founder and Chair of Oracle and father of Paramount's Chair and CEO David Ellison, and RedBird Capital Partners, alongside \$54 billion in debt commitments from Bank of America, Citigroup, and Apollo.³ Within that equity structure, approximately \$24 billion has been committed by Gulf sovereign wealth funds: Saudi Arabia's Public Investment Fund (PIF), Abu Dhabi's L'imad Holding Co., and the Qatar Investment Authority (QIA).⁴ These are sovereign instruments of foreign governments, and their participation in the acquisition of a company that

¹ Paramount Skydance Corp., Tender Offer Statement, EX-99.(A)(1)(A) (Dec. 8, 2025), <https://www.sec.gov/Archives/edgar/data/1437107/000119312525310708/d92876dex99a1a.htm>.

² 50 U.S.C. § 4565.

³ Paramount Skydance Corp., (8-K) (Apr. 7, 2026), https://www.sec.gov/ix?doc=/Archives/edgar/data/0002041610/000110465926040178/tm2611206d1_8k.htm; see also Jessica Toonkel & Lauren Thomas, *Gulf Funds Agree to Back Paramount's \$81 Billion Takeover of Warner*, WALL ST. J. (Apr. 6, 2026), <https://www.wsj.com/business/deals/three-gulf-funds-agree-to-back-paramounts-81-billion-takeover-of-warner-04eda364>.

⁴ *Id.*

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will control CBS News, CNN, HBO, Nickelodeon, Paramount+, and Warner Bros. Pictures, raises significant questions about foreign influence over American media and, by extension, the American public.

In December 2025, Paramount’s initial offer for WBD included a \$1 billion equity commitment from Tencent⁵ —a company designated by the Department of Defense as a “Chinese Military Company” under Section 1260H of the FY2021 National Defense Authorization Act. Tencent’s investment was subsequently withdrawn after WBD’s board raised concerns that Tencent’s participation could trigger a prolonged CFIUS review.⁶ As of early March 2026, Bloomberg has reported that Tencent intends to reinvest several hundred million dollars in the transaction as a passive financial investor.⁷ In addition, Tencent Holdings Ltd. holds an existing minority nonvoting stake in Paramount Skydance, dating to a strategic investment in Skydance Media in January 2018.⁸ Tencent has co-financed films produced by Skydance and supported marketing and distribution for the studio’s major releases.

To summarize: one of the largest media mergers in American history is financed in part by sovereign wealth funds controlled by the governments of Saudi Arabia, the United Arab Emirates, and Qatar, and potentially by a company the Department of Defense has designated a Chinese Military Company, whose participation has shifted from a \$1 billion commitment to withdrawal to a reported re-entry at a lower amount, calibrated at each stage to avoid triggering the very review this letter requests. The fact that Tencent withdrew and has reportedly re-entered at a lower dollar amount does not eliminate the CFIUS question—it underscores it. If anything, the pattern of withdrawal and re-entry—each time at a level designed to stay below the jurisdictional threshold—is itself potential evidence that the transaction’s foreign capital structure is being managed to evade review, not to eliminate the national security concerns under Section 721.

II. Foreign Capital Entanglement and Influence Over American Media

The national security concern in this transaction is not limited to whether Gulf sovereign wealth funds or Tencent will exercise editorial control over CNN or CBS News. It extends to whether the foreign capital structure creates a vehicle through which sovereign and adversary-linked investors exercise financial leverage over a combined media entity with extraordinary reach into American political and civic life.

Larry Ellison has provided an irrevocable personal guarantee of approximately \$40.4 billion of the equity financing for the Paramount–WBD merger, secured against approximately 1.16 billion shares of Oracle common stock.⁹ This guarantee binds the merged entity’s financial foundation to foreign sovereign and adversary-linked capital. PIF, L’imad, QIA, and Tencent are not passive

⁵ *Id.*

⁶ Elaine Kurtenbach, *Paramount Says China’s Tencent Withdrew From Its Warner Bros Bid To Avert National Security Issues*, AP (Dec. 10, 2025, at 5:06 AM) <https://apnews.com/article/china-paramount-warner-netflix-tencent-eb3b4b18e67438d7633e5c4a1ec227c1>.

⁷ Dong Cao & Manuel Baigorry, *Tencent Is Said to Be Back on Paramount-Warner Bros Deal With Fresh Funding*, BLOOMBERG, (Mar. 8, 2026, at 10:30 PM EDT), <https://www.bloomberg.com/news/articles/2026-03-09/tencent-is-said-to-be-back-on-paramount-warner-bros-deal-with-fresh-funding>.

⁸ Press Release, Skydance Media, *Skydance Media Announces Strategic Investment By Tencent Holdings Limited* (Jan. 25, 2018), <https://skydance.com/press-release/skydance-media-announces-strategic-investment-tencent-holdings-limited/>.

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investors—they are structural counterparties whose continued participation is essential to the transaction’s viability and to the ongoing financial health of the combined company.

The result is a financial and operational structure in which foreign sovereign capital and Chinese military-linked capital underwrite the formation of a dominant American media conglomerate controlling CBS News, CNN, Paramount+, and one of the largest film and television libraries in the world. CFIUS’s review of this transaction should not be limited to the question of whether PIF, L’imad, QIA, or Tencent can influence media content directly. It must encompass whether the foreign capital structure creates financial dependencies that could be used to exert indirect pressure on editorial, political, and strategic decisions at a company with outsized power to shape what Americans see, hear, and believe.

III. The Known Investor Program Should Not Shield This Transaction

The CFIUS Known Investor Program (KIP) is designed to create an expedited “fast-track” review process for repeat foreign investors from allied and partner countries. Among the baseline eligibility criteria proposed in the RFI, investors must demonstrate that they are not organized in, nor have their principal place of business in, an “Adversary Country,” and must have a track record of successful CFIUS filings. The Gulf sovereign wealth funds financing this transaction are likely candidates for Known Investor Entity status under these criteria: Saudi Arabia, the UAE, and Qatar are not designated Adversary Countries, and these funds are active, repeat participants in U.S. investment transactions. But the KIP’s streamlined review should not be applied to this transaction because this is not a routine investment by allied-country capital. It is a transaction in which foreign sovereign capital, alongside capital linked to a Chinese military-associated company designated under Section 1260H of the NDAA, is financing the creation of a dominant American media conglomerate with control over CBS News, CNN, major broadcast and cable networks, and one of the largest film and television libraries in the world. The merged entity’s capacity to shape American political discourse and public opinion demands a full review.

Tencent’s participation underscores the point. Its reported re-entry into the transaction as a “passive” investor at a lower dollar amount does not change its status and does not resolve the underlying concern—the characterization as “passive” and “nonvoting” describes the investor’s formal governance rights. It does not describe the informal leverage, relationship capital, or financial dependencies that flow from a Chinese military-associated company holding an equity stake in the entity that controls CBS News, CNN, and some of the most consequential platforms for American political journalism. CFIUS should evaluate Tencent’s participation in this transaction on its merits, regardless of the dollar amount or the “passive” label.

IV. A Full Review is Required

CFIUS should initiate, or reconsider its decision not to initiate, a full review of this merger under Section 721 of the Defense Production Act. No amount of creative restructuring should counsel otherwise. We urge CFIUS to conduct a full review of this transaction under Section 721 of the Defense Production Act that encompasses the aggregate foreign capital structure. This review should be completed before the merger closes.

⁹ Press Release, *Paramount Skydance, Paramount Amends Its Superior \$30 Per Share All-Cash Offer for Warner Bros. Discovery* (Dec. 22, 2025), <https://ir.paramount.com/node/72306/pdf>.

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Additionally, CFIUS should coordinate with the Department of Justice Antitrust Division, and the Federal Communications Commission, to ensure that the national security review, the merger competitive effects analysis, and the FCC's Section 310(b) foreign ownership review proceed in a coordinated fashion.

The foreign capital structure of the Paramount-Warner Bros. Discovery transaction—involving sovereign wealth funds from three Gulf states and a company designated by the Department of Defense as a Chinese Military Company—poses legitimate national security concerns. The Trump Administration has a responsibility to carefully evaluate these concerns—and if CFIUS will not conduct a thorough review, it must identify which agency will undertake that analysis

We appreciate your attention to this matter and request a response no later than April 22, 2026.

Sincerely,



Cory A. Booker
Ranking Member
Subcommittee on Antitrust,
Competition Policy, and
Consumer Rights



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs