

1. The Securities Commissioner has jurisdiction over this matter pursuant to S.C. Code Ann. § 35-1-601(a).

III. RESPONDENT

[REDACTED]

65736, Dubai, United Arab Emirates; P.O. Box 122036, Dubai, United Arab Emirates; and Fairmont Hotel, Sheikh Zayed Road, Dubai, United Arab Emirates.

IV. FINDINGS OF FACT

3. The Respondent is a foreign technology company that conducted its business

9. On or about January 3, 2018, the Respondent sold investment packages to a South Carolina investor (the "SC Investor") through the use of its online presence, including its website, social media, and videos.

10. The Respondent called its investment package the Bitcoin Package (the "BTC Package"). The Respondent claims that the BTC Package allowed investors to share in the profits

11. The Respondent represented that investors who purchased the BTC Package would receive an average daily interest rate of one percent (1%), Monday through Friday, for a term of 140 days.

12. The Division calculated an average daily interest rate of around one percent (1%) to compound to an annual rate of over three thousand percent (3,000%).

¹ Referring to the Respondent's ability to trade different cryptocurrencies and gain initial access to initial coin offerings due to the algorithm that the Respondent allegedly uses.

package investment by stating that investors could earn this profit with "No Recruiting," "No Daily Tasks," and "No Selling."

18. The Respondent provided a "BTC Package Calculator" on its website that purported

Exchange Commission v. W.J. Howey Co., 328 U.S. 293, 66 S.Ct. 1100, 90 L.Ed. 1244 (1946) ("an investment contract exists where there has been (i) an investment of money, (ii) in a common enterprise, (iii) with an expectation of profits garnered solely from the efforts of others. . . . [This] test is a flexible one, 'capable of adaptation to meet the countless and variable schemes devised by those who seek the use of the money of others on the promise of profits.'")

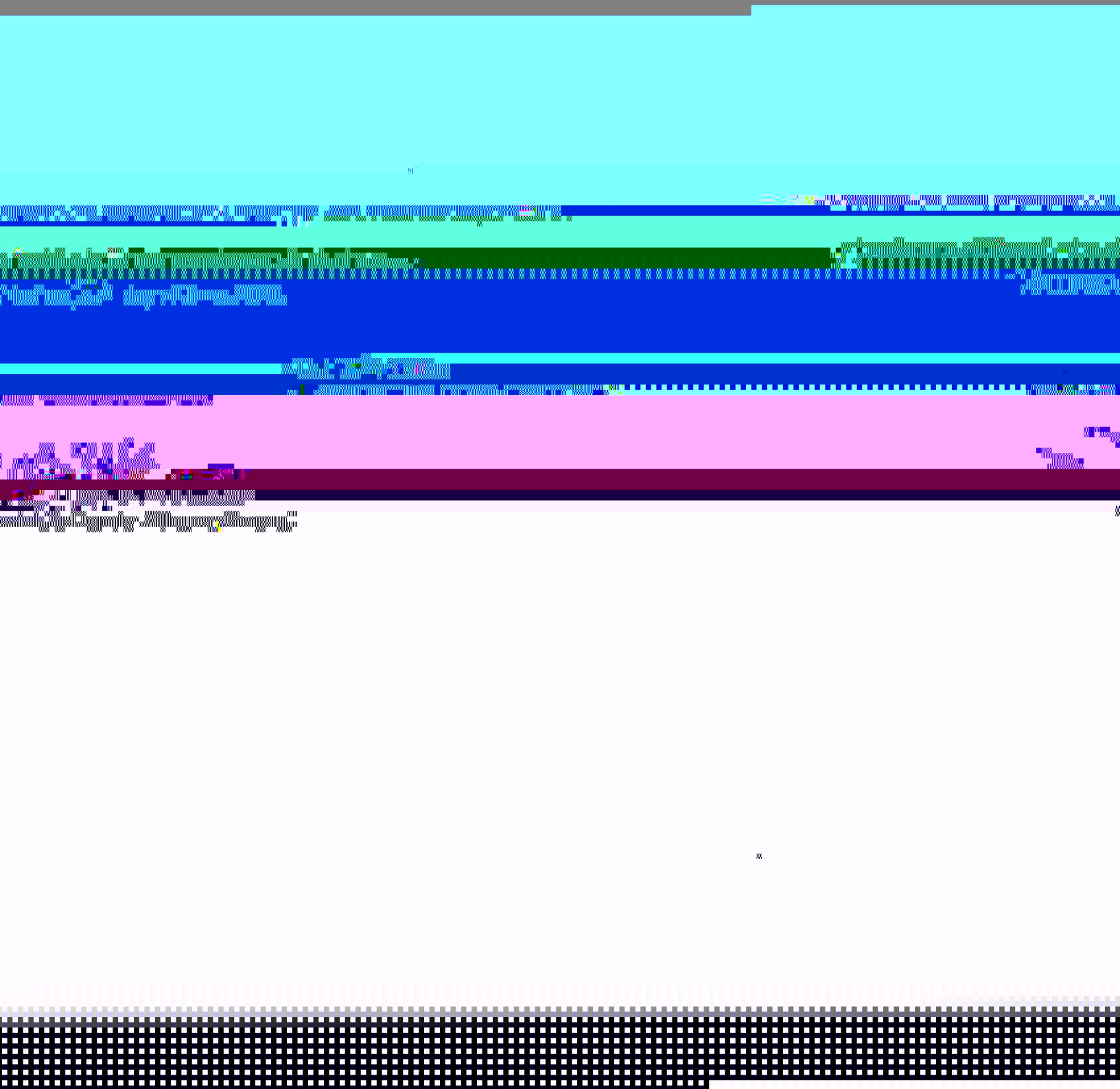
39. The DC investor has not received any funds of commercial value from the Respondent since the initial investment.

V. CONCLUSIONS OF LAW

this Order becomes effective by operation of law, or, if the Respondent seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed

\$10,000 for each violation of the Act by the Respondent, and the actual costs of

the hearing process will be marked with this Order to the Respondent.



prescribed by this regulation or by an order of the Securities Commissioner begins with the first day following

the act or event that initiates the time period. The last day of the time period so computed is not a business day unless it is a Saturday, Sunday, State holiday, or any other day on which the Division is closed, in which event the period runs until the end of the next business day.

(4) If a notice or other filing is served by mail or e-mail and the Party served is entitled or required to take some action within a prescribed time period after service:

- (a) The date of mailing is the date of service; and
- (b) Three days are added to the prescribed time period.

D. Content of Documents.

been revoked, the Securities Commissioner shall specify the portions of the Administrative Hearing for which the delegation has been revoked.

(c) The Securities Commissioner shall serve the order of revocation on all Parties and the Hearing Officer.

(d) A decision issued by the Securities Commissioner shall reflect the revocation of delegation, and a copy of the revocation order shall be included as part of the record.

(e) The Securities Commissioner may withdraw all or part of a delegation as Hearing Officer of an Administrative Hearing as to a Respondent at any time with the consent of that Respondent and the Division.
H. Notice of Hearing.

(b) A production of documents or tangible items is sought, a particular description of the documents or tangible items sought; and

(c) The name, address, and telephone number of the Party requesting the subpoena.

(3) A subpoena may be served by personal service or by registered or certified mail. The Party requesting

the subpoena shall be responsible for, and bear the cost of, service.

(4) A Party shall promptly file a return of service with the Hearing Officer including an affidavit by the

- (1) Unless otherwise permitted by these regulations or by the Hearing Officer, motions shall:
(a) Be made in writing, unless otherwise permitted by the Hearing Officer during the course of an

documentation and memoranda.

~~(b) (5) - Disclosures of Confidential Information~~
the specialized knowledge of the Division.

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(1) Notify each Party before or during the hearing; and

or by tape recorder or other device. The recording of the proceedings, which need not be transcribed, shall be maintained in the custody of the Division. In the event of an appeal from a decision of the Securities

Commissioner, the appellant shall pay the cost of transcription of the record. Other verbatim reports of

1. Severability Clause. The provisions of this regulation are severable. If any part of this regulation is deemed invalid or unconstitutional, that declaration shall not affect the parts which remain. Notwithstanding any invalidation, the remaining parts shall nonetheless continue to provide a workable and predictable procedure for conducting Administrative Hearings held pursuant to Sections 35-1-306, 35-1-412, and 35-1-604.

Fiscal Impact Statement

There will be no increased costs to the State or its political subdivisions due to the regulations.

Statement of Rationale:

The Attorney General, as Securities Commissioner, oversees and enforces the provisions of the South Carolina Uniform Securities Act of 2005. Pursuant to the Act, the Securities Commissioner is authorized to conduct

administrative hearings, should one be requested, after the issuance of an administrative order. This regulation would clearly disclose to the parties of such an administrative hearing what procedures are to be followed.