

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)	
BINH PARKER)	
CRYPTOSPOTTRADE.COM)	ADMINISTRATIVE ORDER
)	NO. CD-2022-0022
RESPONDENTS)	

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. BINH PARKER ("**PARKER**") at all times relevant, was an agent of **CRYPTOSPOTTRADE.COM**. **PARKER** may be served through CRYPTOSPOTTRADE U.S. domain registrar HostBlast.Net located at 244 Madison Avenue 10016-2817 New York, NY 10104 via domains@hostblast.net.

2. CRYPTOSPOTTRADE.COM ("**CRYPTO**") is an online entity that purports to be a crypto currency trading company, having a business address of 16713 Freeman Drive Basehor, KS 66007. **CRYPTO** is accessible via the website www.cryptospottrade.com and may be served through its U.S. domain registrar HostBlast.Net located at 244 Madison Avenue 10016-2817 New York, NY 10104 via domains@hostblast.net.

STATEMENT OF FACTS

3. On March 31, 2022, the Commission Staff received information from an Alabama resident that an individual who identified himself as **PARKER**, contacted the Alabama resident

based on a referral and solicited an investment in the cryptocurrency trading platform, **CRYPTO. PARKER** assisted the Alabama resident in making investments totaling \$111,700 between November 2021 to January 2022. **PARKER** told the Alabama resident to expect a return on the funds invested.

4. The Alabama resident was instructed to transfer funds to a **CRYPTO** cryptocurrency wallet. **PARKER** informed the Alabama resident that the trades **PARKER** was conducting on behalf of the Alabama resident would generate a profit. **CRYPTO**, through its website, led the Alabama resident to believe that they would be able to make withdrawals through **CRYPTO** from the profits made from trades. When attempting to withdraw funds from the **CRYPTO** website, the Alabama resident was informed by **CRYPTO** that approximately \$17,750 in activation and processing fees must be paid to withdraw the balance in the **CRYPTO** wallet. In January 2022, **CRYPTO** ceased all communication with the Alabama resident. As a result, the Alabama resident lost a total of \$117,000 USD invested with **CRYPTO**.

5. A review of the **CRYPTO** website at www.cryptospottrade.com revealed claims that **CRYPTO** was an award-winning company with fully functional investment services ranging from cryptocurrency investments, stock investments and real estate investment. The **CRYPTO** website states that their goal:

“...is to maximize investor’s return and maximize any protentional loss by applying some principles in a disciplined and pragmatic process.”

6. A review of the registration files of the Alabama Securities Commission disclosed no record of registration and/or exemption from registration for the **RESPONDENTS** in the State of Alabama.

7. A review of the Alabama Secretary of State’s online database revealed no record for **CRYPTO** as a domestic or foreign business. A review of the Kansas Secretary of State’s online database had no listing of **CRYPTO** as a business entity and an online search of the occupancy of 16713 Freeman Drive Basehor, KS 66007 revealed no listing for **CRYPTO** as an occupant in the building.

CONCLUSIONS OF LAW

8. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a “security” includes investment contracts. The crypto trading and data mining interests offered and sold by **CRYPTO** to the Alabama investor in which monetary value was invested in the common enterprise of crypto currency trading and mining with such common enterprise expected to yield profits derived from the efforts of **CRYPTO**, and not the investor, or without assistance from the investor, are investment contracts and therefore, are securities as defined by the Act.

9. Pursuant to Section 8-6-2(5), Code of Alabama 1975, the definition of “issuer” includes “every person who proposes to issue, has issued, or shall hereafter issue any security.” **CRYPTO** issued investment contracts in the form of crypto trading and data mining interests and is an issuer as defined by the Act.

10. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful for any person to offer or sell any security in the state unless it is registered under the Act, the security is exempt from registration under Section 8-6-10; or the transaction is exempt under Section 8-6-11. The securities offered and sold by **RESPONDENTS** were neither registered nor exempt from registration in Alabama at the time of solicitation or sale and were offered and sold in violation of the Act.

11. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of a “agent” includes any individual who represents a dealer or issuer in effecting or attempting to effect sales of securities. By soliciting and effecting sales of joint venture working interests in **CRYPTO** offerings to an Alabama resident, **PARKER** is an “agent” as defined by the Act.

12. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. **CRYPTO** employed **PARKER** as an unlicensed agent in violation of the Act.

This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

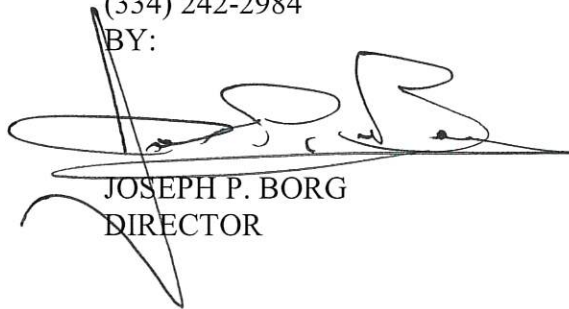
Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for a hearing, or default of the **RESPONDENTS**, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, inter alia, an administrative assessment imposed on the **RESPONDENTS**, an additional administrative assessment for investigative cost arising from the investigation of the violation(s) described herein against the **RESPONDENTS**, and a permanent order to bar the **RESPONDENTS** from participation in any securities related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENTS** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 28th day of September, 2022.

ALABAMA SECURITIES COMMISSION
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(334) 242-2984

BY:



JOSEPH P. BORG
DIRECTOR

