

ALABAMA SECURITIES COMMISSION

Post Office Box 304700

Montgomery, Alabama 36130-4700

Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240

Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

**Sneaky SwiftTradings' Bitcoin and Securities Trading Platform
Sunk by Alabama Securities Commission**

MONTGOMERY, ALABAMA (June 5, 2020) – The Alabama Securities Commission (ASC) issued an emergency Cease and Desist Order to SwiftTradings for multiple violations of the Alabama Securities Act. SwiftTrading failed to comply with Alabama law and meet registration requirements for investment advisors and securities. The company also misled investors with promises of preposterous returns, concocting account statements and failing to disclose their fee schedule for investment accounts. The company is allegedly based in Los Angeles, California. SwiftTradings advertised on Instagram and used the account name @Gregta_swiftrtradings247 to communicate with investors. SwiftTradings' dishonest website (www.swiftrtradings.com) sounds too good to be true with promises to investors of a 96% profit in 30 seconds. Furthermore, the website claims "that an investment of \$500 would earn thousands of dollars in four weeks." For a copy of this news release and the Cease and Desist Order go to our ASC website [CON WATCH](#) area.

The ASC was alerted of SwiftTradings' unlawful activity when a complaint was filed against the company by an Alabama resident. The resident saw an advertisement for SwiftTradings on Instagram and invested \$500 worth of Bitcoin with the company. After only three months, statements indicated the account was valued at \$32,515.73. When the Alabama resident attempted to make withdrawals from the account, they were required to pay over \$7,600 in undisclosed fees. The company alleged some fees were assessed due to the COVID-19 pandemic, but other fees, like the "wasting time fee," were causes for concern. **The investor never received any returns from SwiftTradings and the Instagram account was deleted.**

"The SwiftTradings fraud is elaborate with an impressive showcase. They created a professional-looking website, claimed to have conducted consumer outreach through social media platforms and even produced investment statements," said ASC Director, Joseph P. Borg. "When tactics like this are deployed, discerning between fake and sound investment companies may confuse potential investors. However, all trustworthy financial professionals and the products they offer must be properly registered with the ASC. Call our **Investor's Hotline at 1-800-222-1253** to check out the registration of anyone from anywhere who offers you an investment opportunity."

The SwiftTradings scheme illustrates multiple red flags of investment fraud. First, is the failure to

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comply with Alabama law and properly register. Second, is the promise of outrageously high returns. The third red flag is extremely high account fees which the company failed to disclose as required by law. Furthermore, they required additional funds be paid to cover fictitious account fees.

“We want Alabamians to know that the Commission is aggressively pursuing action against this company and any others who seek to cheat Alabama investors out of their hard earned cash,” said ASC Chief Deputy Director, Amanda Senn.

As a participant in an international task force created to protect U.S., Canadian, and Alabama residents, the ASC discovered SwiftTradings’ advertisements and ordered the businesses to cease and desist operations. ASC Director Borg indicated that the Commission has taken this proactive measure for the protection of Alabama investors. To assist in protecting investors from investment scams during the COVID-19 pandemic, the ASC has launched a new email address to encourage public reporting of fraudulent COVID-19 scams. Investors who see or suspect that they fell victim to COVID-19 related investment scams can directly report them by email to COVIDCONS@asc.alabama.gov.

The ASC cautions citizen investors of all ages and experience to thoroughly scrutinize and research any investment opportunity or offer. Contact the ASC at 1-800-222-1253 to check out any person or financial professional offering an investment opportunity or investment advice for a fee, and the products they offer for proper registration. Contact the ASC to report suspected fraud, inappropriate securities business practices or to obtain consumer information. The ASC provides free investor education and fraud prevention materials in print, on our website and through educational presentations upon request.

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For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)	
)	ADMINISTRATIVE ORDER
SWIFTTRADINGS)	NO. CD-2020-0010
)	
<u>RESPONDENT</u>)	

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, has determined as follows:

RESPONDENTS

1. SWIFTTRADINGS ("SWIFT") is an online entity that purports to be a bitcoin and securities trading platform accessible to Alabama residents via the website www.swiftradings.com and may be served through its domain provider; WhoisSecure located at 18 San Carlos Street, Los Angeles, California 94110, or at contact@whoissecure.net

STATEMENT OF FACTS

2. On May 15, 2020, an Alabama resident filed a written complaint with the Commission regarding an investment made with a bitcoin trading platform advertised on the social media website Instagram via address [@Gregta_swiftradings247](#). The Instagram address was an advertisement platform and direct message communication portal for the online website; www.swiftradings.com. The Alabama resident received emails from support@swiftradings.com and direct messages from the Instagram address [@Gregta_swiftradings247](#).

3. According to the complaint, SWIFT, through emails and direct messages, represented that an investment of \$500.00 would earn thousands of dollars in four weeks.

4. According to the SWIFT website, the “How it works” section represents; “*MAKE DEPOSITS AND TRADE: Make a deposit, trade any of [sic] many assets and stocks. Make up to 96% profit in 30 seconds.*”

5. Based on SWIFT’s representations, the Alabama resident opened a SWIFT account on or about January 7, 2020 and transferred \$500.00 worth of bitcoin to a SWIFT wallet address which was provided to the Alabama resident by a SWIFT Instagram direct message.

6. From January 7, 2020 to March 16, 2020, the Alabama resident received periodic statements via Instagram messages, which indicated a profit in the monetary value of the account from \$500.00 to \$32,515.73.

7. When the Alabama resident attempted to withdraw bitcoin, SWIFT assessed assorted fees to the account, claiming that such fees were required to be paid by the investor in order to distribute proceeds from the investor’s SWIFT account. The Alabama Investor paid the following fees, at the request of SWIFT, in order to facilitate the distribution of the funds SWIFT claimed to be within the Alabama investor’s SWIFT account:

02/26/2020	\$1048.52	Escrow Fee
04/15/2020	\$ 450.00	Express Fee
04/17/2020	\$ 450.00	2 nd Express Fee
04/22/2020	\$ 648.00	Maintenance Fee
04/22/2020	\$ 650.06	Holding Fee
04/24/2020	\$ 955.08	Advisor Fee
04/25/2020	\$ 955.07	Advisor Fee
05/08/2020	\$1650.00	Transaction Fees and Commissions
05/13/2020	\$ 850.00	Wasting Time Fee

All of the foregoing fees were paid by the Alabama investor from funds not contained in the Alabama investor’s SWIFT account even though SWIFT claimed assets within the Alabama investor’s SWIFT account were in excess of \$32,515.73. Additionally, the express fee collected from the Alabama investor on April 15, 2020 were paid for “express delivery” of CORONAVIRUS earnings during the pandemic.

8. The Terms and Conditions listed on the SWIFT website, failed to disclose the various fees assessed to and paid by the Alabama investor, including investment advisory fees, express fee related to the CORONAVIRUS Pandemic, and a Holding fee.

9. According to the Alabama investor, regardless of paying the required fees, their returns on investment were never distributed, SWIFT closed their Instagram account and ceased further communications with the Alabama investor.

10. On May 26, 2020, a review of the registration files of the Alabama Securities Commission revealed no registration for the RESPONDENT in any capacity.

11. A review of the Alabama Secretary of State's online database revealed no record for the RESPONDENT as a domestic or foreign business.

CONCLUSIONS OF LAW

12. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes investment contracts and profit-sharing agreements. The investment plans outlined by RESPONDENT require the investment of money in the investment program managed by RESPONDENT from which the Alabama investor expected profits to be derived from the efforts of RESPONDENT and are securities as defined by the Act.

13. Pursuant to Section 8-6-2(18), Code of Alabama 1975, an Investment Adviser is any person who, for compensation, advises others, either directly or indirectly, as to the value of, or the advisability of investing in securities. The definition includes those who manage portfolios or the accounts of other investors. RESPONDENT represented that they managed and traded the account of the Alabama investor, charged investment advisory fees and transaction fees, and is an Investment Adviser as defined in the Act.

14. Pursuant to Section 8-6-17(b)(2), Code of Alabama 1975, it is unlawful for any person who receives, directly or indirectly, any consideration from another person for advising the other person as to the value of securities or their purchase or sale, whether through the issuance of

analyses or reports or otherwise to employ any device, scheme, or artifice to defraud the other person. RESPONDENT promised excessive returns to investors, reported fictitious account values and imposed undisclosed fees in violation of the Act.

This Order does not prevent the 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 RESPONDENT to make a timely request for a hearing, or default of the RESPONDENT, it is the intention of the Commission to impose sanctions upon the RESPONDENT. Such sanctions may include, inter alia, an administrative assessment imposed on the RESPONDENT, an additional administrative assessment for investigative cost arising from the investigation of the violation(s) described herein against the RESPONDENT, and a permanent order to bar the RESPONDENT from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that the **RESPONDENT** 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 4th day of June 2020.



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BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. The signature is stylized and somewhat abstract.

Joseph P. Borg
Director