

## ALABAMA SECURITIES COMMISSION

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### CRYPTO-CURRENCY INVESTOR ALERT: Alabama Securities Commission Warns Alabamians of another Potential Scam

**MONTGOMERY, ALABAMA (October 3, 2019)** - The Alabama Securities Commission (ASC) issued an emergency Cease and Desist Orders against a binary option and cryptocurrency exchange selling illegal investment contracts in binary options, FOREX and cryptocurrency trades to Alabama citizens.

ASC Director Joseph P. Borg indicated that the Commission has taken this action in the public interest for the protection of Alabama investors. The suspected business **FXCRYPTOFAIR LTD (FXCF)** and the account manager going by the name **Barbara Lawson** have been ordered to immediately cease and desist from sales of any securities (ICOs) in the State of Alabama.

On Friday September 13, 2019, Commission Staff received a registration and interstate commerce inquiry from the National Futures Association (NFA). Representatives of the NFA were seeking the registration status of FXCF due to a complaint received by their office. According to the NFA inquiry, the original complainant had invested funds with Barbara Lawson the account manager with FXCF and had not received their stated monthly returns.

The trades outlined by Lawson to the investor appear to be investment contracts/and or a profit-sharing agreement. Both FXCF and Lawson (as an account manager) are required to be registered with the ASC by law. A review of the registration files of ASC revealed that FXCF and Lawson were not registered to offer securities to Alabamians, or from within Alabama to other states.

FXCF is an online entity that purports to be an online exchange company based in New York, Florida and allegedly located at 217 Summit Boulevard, Birmingham, Alabama. FXCF is not at this address which is at The Summit Mall.

Unverified statements of profitability and growth by unregulated corporations who sell securities in the State of Alabama, offer no protections for investors and are highly speculative and often fraudulent. At this time ASC has issued 16 Cease and Desist Orders involving crypto-currency and currently has 5 active crypto related inquiries or investigations as part of its initiative to protect investors.

While not every ICO or crypto-currency related investment is fraud, it is important for individuals purchasing these products to realize they are highly speculative and very often based outside the United States and are rarely regulated. If you choose to invest in this type of business, do your own research and due diligence and be aware of the risk.

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To view the administrative order (CD-2019-0028) in its entirety, go to: [www.asc.alabama.gov](http://www.asc.alabama.gov); click the Enforcement tab and then Administrative Actions.

“Be cautious when dealing with promoters who claim their ICO or crypto-currency offering is exempt from securities registration but do not ask about your income, net worth or level of investing sophistication,” Director Borg said. “Do your homework and contact the ASC with any concerns *before* parting with your hard-earned money – afterwards may be too late.”

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

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