

**ALABAMA SECURITIES COMMISSION**  
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#### **ALABAMA SECURITIES COMMISSION UPDATES COORDINATED CRYPTO CRACKDOWN**

**Montgomery, AL (August 7, 2019)** – With news surrounding the surging price of cryptocurrencies such as bitcoin and a new product backed by Facebook poised to enter the market, investors and con artists alike have returned to cryptocurrency-related investment products looking for quick profits.

The Alabama Securities Commission (ASC) today reported that more than 130 new investigations of Initial Coin Offerings (ICOs) and cryptocurrency-related investment products have been initiated this year pursuant to “Operation Cryptosweep,” an initiative of the North American Securities Administrators Association (NASAA), of which ASC is a member. Operation Cryptosweep, originally conceived by the Alabama Securities Commission, was coordinated through a NASAA task force of its member state and provincial securities regulators in April of 2018 to begin a series of investigations into initial coin offerings (ICOs) and other cryptocurrency-related investment products. This coordinated regulatory focus has resulted in at least 85 pending or completed enforcement actions involving ICOs or cryptocurrency-related investment products and approximately 330 inquiries or investigations by securities regulators from U.S. states and Canadian provinces.

As of July 1, 2019, the Alabama Securities Commission has 25 active ICO inquiries or investigations and has issued 15 Cease and Desist orders involving cryptocurrencies. “Recent headlines of potentially new cryptocurrency products and the near tripling in value of some cryptocurrencies and the sharp increase in market capitalization for all cryptocurrencies are again creating an environment that attracts white-collar criminals, bad actors, and other promoters of illegal and fraudulent securities schemes,” said ASC Director Joseph P. Borg. “Investors should be mindful of the hype and be aware of the risks when considering whether to jump into cryptocurrency-related investment products.” The enforcement actions are located on the ASC website and can be accessed through the following link: <http://asc.alabama.gov/2019.aspx>

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