

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:

REFLECT BITCOIN

RESPONDENT

)
)
)
)
)

ADMINISTRATIVE ORDER
NO. CD-2021-0001

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the power 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:

RESPONDENT

1. REFLECT BITCOIN LTD. ("REFLECT") is an online entity that purports to be a crypto currency trading and cloud mining company, having a business address of 9 Boltons Lane, Pyrford, Woking, Surrey, United Kingdom, GU22 8TL. REFLECT is accessible via the website www.reflectbitcoin.com and may be served through its U.S. domain registrar PORKBUN LLC. located at 21370 SW Langer Farms Parkway, Suite 142-429 Sherwood, Oregon 97140 via abuse@porkbun.com.

STATEMENT OF FACTS

2. On August 31, 2020, the Commission Staff received information that an individual who identified himself as "Sabastian," solicited an Alabama resident to invest in the cryptocurrency trading platform, REFLECT. Sabastian assisted the Alabama resident in making investments totaling \$8,950 between August 2020 to October 2020. The Alabama resident was led to expect a return on the funds invested.

3. The Alabama resident was instructed to open several mobile banking accounts to

transfer funds to a **REFLECT** Bitcoin cryptocurrency wallet. **REFLECT** alleged that they (**REFLECT**) were conducting “trades” with the funds that the Alabama resident transferred to **REFLECT**. **REFLECT** alleged that **REFLECT** would in return deposit the profits made from the trades into one of the Alabama residents mobile banking accounts. The Alabama resident would reinvest the profits by transferring the earnings into another **REFLECT** bank account.

4. A review of the **REFLECT** website at www.reflectbitcoin.com revealed that the company claims to be an automated trading software company that can trade cryptocurrencies and forex in both automated and manual modes. The **REFLECT** website states that, **REFLECT**;

“...is one of the best platform [sic] with 0% fee.” The website states that their objective “...is to maximize success rate [sic] and customers profit from subsequent investment.”

5. A review of the files of the Registration Division of the Alabama Securities Commission disclosed no record of registration and/or exemption from registration for the **RESPONDENT** in the State of Alabama.

6. A review of the Alabama Secretary of State’s online database revealed no record for **REFLECT** as a domestic or foreign business.

CONCLUSIONS OF LAW

7. 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 **REFLECT** 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 **REFLECT** are investment contracts are securities as defined by the Act.

8. 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.” **REFLECT** issued investment contracts in the form of crypto trading and data mining interests and is an issuer as defined by the Act.

9. 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 the **RESPONDENT** 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.

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 **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 **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 7th day of January, 2021.



ALABAMA SECURITIES COMMISSION
445 Dexter Avenue, Suite 12000
Montgomery, AL 36104
(334) 242-2984
BY:


JOSEPH P. BORG
DIRECTOR