

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
LIZ ALIOSKI)
GOLDBITMINING.COM)
RESPONDENTS)
ADMINISTRATIVE ORDER
NO. CD-2021-0002

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. LIZ ALIOSKI ("ALIOSKI") purports to be an investment consultant soliciting investments on behalf of GOLDBITMINING.COM. ALIOSKI may be contacted through the domain registrar at the following address, 18 San Carlos Street, Los Angeles, CA 94110, USA via contact@whoissecure.net

2. GOLDBITMINING.COM ("GOLDBIT") is a registered domain name. GOLDBIT may be contacted through the domain registrar at the following address, 18 San Carlos Street, Los Angeles, CA 94110, USA via contact@whoissecure.net.

STATEMENT OF FACTS

3. RESPONDENTS represented that Alabama residents could provide identifying information to RESPONDENTS via GOLDBIT'S website.

4. The website RESPONDENTS used to solicit investments is "www.goldbitmining.com".

5. RESPONDENTS listed a company address of "Callahan, Florida 32011, USA" on the GOLDBIT webpage. RESPONDENTS provided a Value-Added-Tax ("VAT") ID number on the GOLDBIT website. The provided VAT ID includes the Slovenia country code. The VAT ID

and Company number provided to possible investors by RESPONDENTS returns a company name of “H-BIT, D.O.O” via the European Commission VIES VAT number validation tool.

6. ALIOSKI purports to be located in Birmingham, Alabama. ALIOSKI further purports to be Chief Operating Officer at “Bitcoin.com.”

7. Pursuant to an investigation conducted by Commission staff of open-source intelligence, ALIOSKI does not appear to be the Chief Operating Officer of Bitcoin.com.

8. RESPONDENTS solicited investments via comments on a popular social media platform. One such comment stated,

“Well Its now approaching \$20k. Our company goldbitmining.com is a Bitcoin cloud mining firm and we have over 30,0000 of the Bitmain Antminer S17 Pro miners situated in our facilities. We offer the public an opportunity to rent/subscribe to these miners and in turn get return on investment according to how many units of these miners rented. Visit our website for more on our plans and packages.”

9. The profile image used by ALIOSKI on the social media platform is the same image used by Ms. Elizabeth Cummings, a named respondent in Commission Order CD-2020-0016.

10. A review of the registration files of the Commission revealed no registration for RESPONDENTS in any capacity as of December 17, 2020.

11. A review of the Alabama Secretary of State’s online database revealed no record for a domestic or foreign business registered in Alabama for RESPONDENTS.

CONCLUSIONS OF LAW

12. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of “security” includes an investment contract. The “mining plans” offered and made available from GOLDBIT to Alabama citizens in which investors invest monetary value in a crypto-currency mining scheme from which profits would be derived from the crypto-mining efforts of RESPONDENTS are investment contracts and such contracts are securities as defined by the Act.

13. 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." GOLDBIT is representing itself to be issuing securities in the form of investment contracts and is an issuer as defined by the Act.

14. Pursuant to Section 8-6-2(2), Code of Alabama 1975, the definition of an "agent" includes any individual who represents a dealer or issuer in attempting to affect the sale of a security. ALIOSKI represents GOLDBIT, an unregistered issuer, in attempting to affect the sale of securities, the investment contracts called "mining plans", and is an agent as defined by the Act.

15. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this State as a dealer or agent for securities unless such person is registered under the Act. Additionally, it is unlawful to employ any person as an agent for sale of securities unless that person is registered. GOLDBIT employed ALIOSKI, an unregistered agent, to assist in effecting sales of securities on behalf of GOLDBIT, the "mining plans", in violation of the Act. ALIOSKI acted as an agent of GOLDBIT while not registered as such with the Commission in violation of the Act.

16. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer any security in this state unless it is registered under the Act or is subject to a perfected exemption from registration. RESPONDENTS offered a security to an Alabama citizen while that security was not registered, nor subject to a perfected exemption from registration in violation of the Act.

17. Pursuant to Section 8-6-17(a)(1), Code of Alabama 1975, it is unlawful for any person, in connection with the offer of a security, to employ any device, scheme, or artifice to defraud. RESPONDENTS employed a scheme or artifice to defraud through the offer of securities, the "mining plans", in which RESPONDENTS attempted to obfuscate their true location while soliciting investors in violation of the Act.

18. Pursuant to Section 13A-8-114(a), Code of Alabama 1975, a person commits the crime of phishing if the person uses the internet to induce another person to provide identifying information through unauthorized or illegitimate means. RESPONDENTS solicited residents of Alabama to provide identifying information under false pretenses in violation of the Alabama Criminal Code.

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 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 the RESPONDENTS immediately **CEASE AND DESIST** from further violations of the Act.

Entered at Montgomery, Alabama, this 7th day of January 2021.



ALABAMA SECURITIES COMMISSION
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BY:

Joseph Borg
Director