

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

**ENCOUNTER INVESTMENT
MANAGEMENT, AKA
ENCOUNTERXP.COM, AKA
INFO.ENCOUNTER-PRO.COM**

RESPONDENT

)
) **ADMINISTRATIVE ORDER**
) **NO. CD-2024-0021**
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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:

RESPONDENT

1. **ENCOUNTER INVESTMENT MANAGEMENT**, aka **ENCOUNTERXP.COM**, aka **INFO.ENCOUNTER-PRO.COM** ("ENCOUNTER") is an online entity that purports to be a cryptocurrency trading platform. **ENCOUNTER** was accessible via the website **ENCOUNTERXP.COM** and may be served through its domain registrar **GNAME.COM PTE. LTD** located at 6 BATTERY ROAD, #29-02/03, SINGAPORE and/or via electronic mail at complaint@gname.com.

STATEMENT OF FACTS

2. On June 27, 2024, a complaint was received by the Commission from an Alabama resident regarding an investment made with an online cryptocurrency trading platform named **ENCOUNTER INVESTMENT MANAGEMENT**. The victim received a call from a subject who identified themselves as an investment advisor named Adelisa Kasdey (**KASDEY**). After several phone calls, the conversation moved to the messaging platform Whatsapp.

3. The Alabama Resident was directed to invest by **KASDEY** to send funds via cryptocurrency to accounts he believed were associated with **ENCOUNTER**. **KASDEY** told the victim of previously successful investments in the platform. The victim was directed to buy cryptocurrency at a U.S. based exchange and send it to **ENCOUNTER** to invest in a group Bitcoin trading operation.

4. **KASDEY** instructed the Alabama resident to create an **ENCOUNTER** account online. From September of 2023 to January of 2024 the Alabama resident sent cryptocurrency on three separate occasions to the **ENCOUNTER** account. The Alabama resident sent approximately \$36,000 in cryptocurrency in the form of Litecoin (LTC) and Bitcoin (BTC) to the following wallet addresses at **ENCOUNTER**:

- LTC: LT61FVJKjc4vJnCQZD9gwaEt3Dh1uqvqRN
- BTC: 3MHwxu5KZrv3LBjyBxV91HhBSHuMFj684b

5. The Alabama resident was initially advised to access **ENCOUNTER** through the domain **INFO.ENCOUNTER-PRO.COM**, and when that domain was unavailable the victim was directed to download **I-XAUFX-XP**, an app on the Apple App Store, to interface with **ENCOUNTER**. The victim was later directed to **ENCOUNTERXP.COM** for web access to **ENCOUNTER**.

6. After several months of trading cryptocurrency through the web interface on the **ENCOUNTER** platform and through the associated app **I-XAUFX-XP**, the Alabama resident attempted to withdraw their investment funds, but was advised that they needed to pay \$13,330 in taxes before their funds could be withdrawn. The Alabama resident then became suspicious, conducted further due diligence, but suspected they had invested in a fraud.

7. On September 10, 2024, a review of the registration files of the Alabama Securities Commission revealed no record of registration for the **RESPONDENT** in any capacity.

CONCLUSIONS OF LAW

8. 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 plan outlined by **RESPONDENT** require the investment of money in the investment program managed by **RESPONDENT** from which the investor expected profits to be derived from the efforts of **RESPONDENT** and therefore is a security as defined by the Act.

8. Pursuant to section 8-6-4, Code of Alabama, 1975, it is unlawful for any person to offer or sell any security in this state unless: (1) it is registered under the Act; (2) the security is exempt from registration under Section 8-6-10; or (3) the transaction is exempt under Section 8-6-11. **RESPONDENT** sold a security as defined under 8-6-2(10), Code of Alabama 1975, while that security was neither exempt nor registered with the state, in violation of the Act.

9. Pursuant to section 8-6-17(b)(1), 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, imposed undisclosed fees, and prevented the investors from withdrawing funds in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

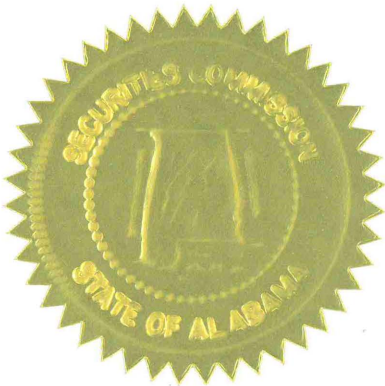
This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Act.

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 **RESPONDENT**, an additional administrative assessment for investigative costs arising from the investigation of the violations described herein against **RESPONDENT**, and a permanent order to bar **RESPONDENT** from participation in any securities-related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENT CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama, this 26th day of November, 2024.



ALABAMA SECURITIES COMMISSION
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BY:

Amanda L. Senn
Director