

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)
TRUSTEDPOS.CO)
)
)
)
)
RESPONDENT)
)
ADMINISTRATIVE ORDER
NO. CD-2024-0024

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. **TRUSTEDPOS.CO** (“**TRUSTEDPOS**”) is an entity that purports to be a cryptocurrency trading platform operating on the peer-to-peer blockchain network via a decentralized application (dApp). **TRUSTEDPOS** is accessible via the blockchain.

STATEMENT OF FACTS

2. On May 2, 2024, a complaint was received by the Commission from an Alabama resident regarding an investment made with a cryptocurrency trading platform named **TRUSTEDPOS**. The victim was first contacted on WhatsApp by someone named Adelisa Kasdey (Adelisa). The conversation was casual in nature at first and then turned romantic. The Alabama resident only communicated with Adelisa via WhatsApp. On the first day of messaging, Adelisa claimed to work for a company named Galaxy Digital that specialized in cryptocurrencies and hedge funds. She further stated she served as a Division Manager and was the head of risk for the Los Angeles branch.

3. Within five days of the conversation, Adelisa began talking about her successes with investing in cryptocurrency. At Adelisa's advice, the Alabama resident decided to liquidate an IRA and try investing with cryptocurrency. Adelisa instructed the Alabama resident how to download the Crypto.com application to their mobile device, wire funds from their bank to Crypto.com, and purchase Tether (USDT). Adelisa then instructed the Alabama resident how to send cryptocurrency to the secondary trading platform which was a dApp known as **TRUSTEDPOS**. The Alabama resident then sent cryptocurrency on one occasion to the **TRUSTEDPOS** account in April 2024. The Alabama resident sent cryptocurrency in the form of USDT on the Ethereum blockchain to the following wallet address at **TRUSTEDPOS**:

- USDT: 0x4a6fb42c8924ae2e387fd310a452fe3e99037c2d

4. After several days, the Alabama resident attempted to withdraw their investment and was advised by **TRUSTEDPOS** that their funds were flagged for suspected money laundering. The Alabama resident was then advised that they must send another amount of cryptocurrency matching the exact same amount as the first transaction to verify that the funds are not being laundered to get the account released. The Alabama resident then sent another transaction for the same amount, but the funds were still not released. Between the first investment and the second verification of funds transaction the Alabama resident sent approximately 135,973 USDT. The Alabama resident was then told they must verify their account by depositing an additional 135,000 USDT to a Trust Wallet. The Alabama resident then became suspicious and began conducting more due diligence and realized they may have invested in a fraud.

CONCLUSIONS OF LAW

5. 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 plans 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, are securities as defined by the Act.

6. 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, and imposed undisclosed fees 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 21st day of November, 2024.



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BY:

AMANDA L. SENN
Director