

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

WWW.MEXC-COIN.NET

RESPONDENT

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ADMINISTRATIVE ORDER

NO. CD-2024-0027

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. **WWW.MEXC-COIN.NET ("MEXC-COIN")** is an online entity that purports to be a cryptocurrency trading platform. **MEXC-COIN** was accessible via the website www.mexc-coin.ent and may be served through (1) its domain registrar Namesilo LLC located at 1300 E Missouri Ave Suite A-110, Phoenix, AZ 85014 and via electronic mail at legal@namesilo.com, or (2) via the email address dbex1688@gmail.com, which was provided to Namesilo LLC by the purchaser when the domain was purchased.

STATEMENT OF FACTS

2. On May 3, 2024, a complaint was received by the Commission from an Alabama resident regarding an investment made with an online cryptocurrency trading platform named **MEXC-COIN**. The victim was first contacted on Facebook Messenger by someone named "Xiuli Ye" (Ye). After a brief period, the conversation moved to WhatsApp. The conversation was casual in nature at first and then turned romantic. The Alabama resident only communicated with "Ye" via text messaging.

3. After several weeks, Ye began talking about her success at investing in cryptocurrency and at “Ye’s” advice, the Alabama resident was persuaded to invest in cryptocurrency. “Ye” instructed the Alabama resident how to purchase cryptocurrency from a U.S. based exchange and send it to **MEXC-COIN** to trade and to purchase miners. Ye instructed the Alabama resident how to create a **MEXC-COIN** account online. The Alabama resident then sent cryptocurrency on eight separate occasions to the **MEXC-COIN** account from October 2023 through January of 2024. The Alabama resident sent approximately \$613,000.00 U.S. dollar worth of cryptocurrency in the form of Ether (ETH) to the following wallet address at **MEXC-COIN**:

- ETH: 0xa1ee1a8a26db2804767e60732c771567b0d711d5

4. After several months of trading cryptocurrency and purchasing what they believed to be additional miners on the **MEXC-COIN** platform, the Alabama resident attempted to withdraw their investment and was met with undisclosed fees before they were able to withdraw. The Alabama resident was told they must pay an outstanding electricity bill that the mining machines accrued in the amount of 589,814.039 Tether. The Alabama resident then became suspicious and began conducting more due diligence and realized they may have been defrauded by **MEXC-COIN**.

5. On August 19, 2024, a review of the registration files of the Alabama Securities Commission revealed no registration for the **RESPONDENT** in any capacity.

CONCLUSIONS OF LAW

6. 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.

7. 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.

8. 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.



ALABAMA SECURITIES COMMISSION
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BY:

A handwritten signature in blue ink, appearing to read "A. Senn", is written over the printed name of the director.

AMANDA L. SENN
Director