

**STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF: )  
BITSTENTRADE.COM )  
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 )  
 )  
RESPONDENT )  
 )  
ADMINISTRATIVE ORDER  
NO. CD-2025-0004

## **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. **BITSTENTRADE.COM** ("BITSTENTRADE") is an entity that purports to be a cryptocurrency trading platform. **BITSTENTRADE** was accessible through the website [www.bitstentrade.com](http://www.bitstentrade.com) and may be served through (1) the domain registrar, Cloudflare, Inc. located at 101 Townsend Street, San Francisco, CA 94107 and via electronic mail at [abuse+law@cloudflare.com](mailto:abuse+law@cloudflare.com), or (2) via the email address [kodesworx@gmail.com](mailto:kodesworx@gmail.com), which was provided to Cloudflare, Inc. by the purchaser of the domain.

## **STATEMENT OF FACTS**

2. On September 11, 2024, a complaint was received by the Commission from an Alabama resident regarding an investment made with a cryptocurrency trading platform named **BITSTENTRADE**. The Alabama resident encountered the suspect by following a fraudulent Truth Social account that was imitating a real person. Approximately one month later, the fraudulent account sent the Alabama resident a private message thanking the Alabama resident for following them and a conversation ensued. Within one day of conversation, the topic turned to cryptocurrency investing. The Alabama resident advised the suspect that their experience with

cryptocurrency involves buying and holding cryptocurrency but have not had great success. The suspect then advised the Alabama resident that they were investing in cryptocurrency the wrong way and should purchase mining bots to earn more quickly.

3. The suspect then sent the Alabama resident a link to the **BITSTENTRADE** website and began advising the Alabama resident how to start a bot and make money. The Alabama resident created an account at **BITSTENTRADE** and began funding it with cryptocurrency. The Alabama resident began to see their account increase in unrealistic amounts and continued to watch it increase without attempting any withdrawals. After several weeks, the suspect messaged the Alabama resident to inquire how the bots were performing. The suspect then advised the Alabama resident of another cryptocurrency investment opportunity that involved investing more funds. The new opportunity was phrased as a manual trade to earn a significant amount of money. The Alabama resident then made a second investment by sending additional cryptocurrency.

4. Following the second investment, the Alabama resident inquired how the suspect made money, and the suspect stated they would take a one-time 20% cut off the profits. Since the account was doing well, the Alabama resident decided to take a withdrawal. After initiating the withdrawal request, the Alabama resident received a message stating that they would not be able to make a withdrawal until additional fees were paid from new funds and not from the profits on their account. The Alabama resident then suspected a scam and quit communicating with the suspect and **BITSTENTRADE**.

5. The Alabama resident sent cryptocurrency in the below asset and blockchain to a wallet address at **BITSTENTRADE**:

**Bitcoin**

- BTC: bc1qzzckgecjdzyyuq2xnvchwtdjc6xdu56u3svklw

**CONCLUSIONS OF LAW**

6. Pursuant to section 8-6-2(10), Code of Alabama, 1975, the definition of a security includes “investment contracts.” 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 8-6-17(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 30<sup>th</sup> day of March, 2025.



ALABAMA SECURITIES COMMISSION  
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BY:

AMANDA L. SENN  
Director