

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
) ADMINISTRATIVE ORDER
TFEXC.COM)
FIPROBIT.COM) NO. CD-2025-0012
)
RESPONDENTS)

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. **TFEXC.COM ("TFEXC")** is an entity that purports to be a cryptocurrency trading platform. **TFEXC** was accessible through the website www.tfexc.com and may be served through the domain registrar, Gname.com Pte. Ltd. via electronic mail at complaint@gname.com.

2. **FIPROBIT.COM ("FIPROBIT")** is an entity that purports to be a cryptocurrency trading platform. **FIPROBIT** was accessible through the website www.fiprobit.com and may be served through the domain registrar, Gname.com Pte. Ltd. via electronic mail at complaint@gname.com.

STATEMENT OF FACTS

3. On December 26, 2024, a complaint was received by the Commission from an Alabama resident regarding an investment made with a cryptocurrency trading platform. The Alabama resident encountered the suspect by developing a romantic relationship with them on the dating application known as Bumble. After several days of communicating through Bumble and WhatsApp, the suspect with whom the Alabama resident developed an online romantic

relationship, persuaded the Alabama resident to purchase cryptocurrency and invest at a fraudulent cryptocurrency platform with the website www.tfexc.com. **TFEXC** appeared to be a legitimate cryptocurrency platform known as Bitfinex.

4. The Alabama resident was advised by the suspect that they had expertise in cryptocurrency trading and would educate and mentor them on how to invest the cryptocurrency in what the suspect called “*BTC binary options trading*.” The suspect guided the Alabama resident on how to create an account and load the fraudulent application on their cell phone. The suspect then guided the Alabama resident on how to purchase cryptocurrency and send it to their newly created trading account at what they thought was Bitfinex. Unbeknownst to the Alabama resident, when they would send cryptocurrency to the fraudulent platform, the cryptocurrency was actually being sent to a cryptocurrency wallet address that belonged to the suspect. During the duration of the Alabama resident’s investment deposits, **TFEXC** became inoperable and they were redirected by the suspect to www.fiprobit.com to continue their investments. **FIPROBIT** also appeared to be a legitimate cryptocurrency platform known as Bitfinex.

5. In early December, the Alabama resident’s account had reached a value of 443,818.00 USD because of the claimed trading strategies. The Alabama resident then attempted a withdrawal from their account and was advised by the “Customer Security Support-Tax Department” via email that:

“Upon reviewing your recent withdrawal request, and in accordance with the regulatory requirements of the Commodity Futures Trading Commission (CFTC), we have determined that the funds you wish to withdraw are classified as taxable investment assets. Under the regulations of the Internal Revenue Service (IRS), cryptocurrency investment profits exceeding certain thresholds are subject to capital gains tax, which is taxed at ordinary income tax rates ranging from 10% to 37%. Based on an assessment conducted by our finance department, your individual investment trading profit has been calculated at 273,952.64 USDT. As per IRS regulations, 20% of this amount

(54,790.5 USDT) must be remitted as personal investment income tax. Once this tax payment has been completed, you will have unrestricted access to withdraw all funds from your account.”

Important Reminder:

You are required to complete this tax payment within 20 business days of submitting your withdrawal request. Failure to do so will result in additional late fees of 1% per day, up to a maximum of 100%. Upon receipt of the tax payment, we will report this transaction to the IRS within 7–14 business days and include it in your annual tax filing. A tax receipt will be mailed to you after the filing process is complete. You may settle the tax payment using BTC, ETH, or USDT.

*Please note that cryptocurrency transactions fall under the regulatory oversight of the **Financial Crimes Enforcement Network (FinCEN)**. Both individuals and organizations are prohibited from using virtual currency for tax evasion or money laundering purposes. We urge you to ensure timely compliance.”*

6. The Alabama resident then attempted to have their payment withdrawn from gains but was advised:

“We would like to inform you that it is not permissible to directly deduct tax payments from your account funds. Tax payments involving cryptocurrencies such as USDT must be processed as separate transactions. This policy is designed to ensure strict compliance with financial regulations and to prevent illegal activities, including money laundering, that could potentially involve digital assets.

The requirement to process tax payments externally is implemented to:

*1. **Enhance Fund Security:** By ensuring that your account remains secure from unauthorized transactions.*

2. **Protect Personal Privacy:** External transactions maintain transparency and safeguard sensitive account details.

3. **Ensure Regulatory Compliance:** Adhering to established financial laws and anti-money laundering (AML) measures.

We understand this process may seem complex, but it is essential to maintain the integrity of your transactions and provide an added layer of protection for your assets.”

7. The Alabama resident then suspected a scam and quit communicating with the suspect and **FIPROBIT** and notified the Commission.

8. The Alabama resident sent cryptocurrency in the below asset and blockchain to a wallet address at **TFEXC** and **FIPROBIT**:

- BTC: 1363jxKRwxEFNuZU6x1aW4szVEYgK3M3Kp
- BTC: bc1qrh5d3d0vhznCapmmw5c9awn240884zdhzwxyal
- BTC: 17GyyGLAngsdEH4iyVWL2JP1vAs7WgyKcY
- BTC: 12zGWoHnYaHm1u8tdPkHg39xAfh9AhyBqw
- ETH: 0x2f9c5026fdf2889bd434d912e0343453b9556bff

CONCLUSIONS OF LAW

9. Pursuant to section 8-6-2(10), Code of Alabama, 1975, the definition of a security includes “investment contracts.” The investment plans outlined by **RESPONDENTS**, which require the investment of money in the investment program managed by **RESPONDENTS** from which the investor expected profits to be derived from the efforts of **RESPONDENTS**, are investment contracts, and therefore securities as defined by the Act.

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

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

Entered at Montgomery, Alabama, this 10th day of April, 2025.

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BY:

Asena
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Director

