



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:)
)
MAVIXBTC LIMITED)
and its unknown principals, employees and agents,)
) Case No. AP-19-17
Respondent.)
)
Serve: Mavixbtc Limited)
support@Mavixbtc.ltd and)
mavixbtc.ltd@mavixbtc)

**ORDER TO CEASE AND DESIST AND ORDER TO SHOW CAUSE WHY
RESTITUTION, CIVIL PENALTIES, AND COSTS SHOULD NOT BE IMPOSED**

On September 25, 2019, the Enforcement Section of the Missouri Securities Division of the Office of Secretary of State (“the Enforcement Section”), through Director of Enforcement Steven C. Reed, submitted a Petition for Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed (“the Petition”). After reviewing the Petition, the Commissioner issues the following order:

I. ALLEGATIONS OF FACT

The Petition alleges the following facts:

A. Introduction

From at least September 23, 2019, a cryptocurrency company, Mavixbtc Limited, is intentionally misleading the investing public through its website, Mavixbtc.ltd, by falsely claiming to be registered with the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”), claiming to have a business location in St. Louis, Missouri, claiming to be affiliated with a St. Louis based investment firm, and offering brokerage and investment advisory services when it is not registered to offer such services.

B. Respondent and Related Parties

1. Mavixbtc Limited (“MBL”) maintains a website at Mavixbtc.ltd and claims to have an address at One North Brentwood Boulevard, Suite 850, St. Louis, Missouri 63105.

2. A check of the records maintained by the Missouri Commissioner of Securities, the Securities and Exchange Commission, and FINRA indicates that MBL has never been registered as a broker-dealer or investment adviser.

Enforcement Section's Investigation

3. On September 23, 2019, managing counsel for a St. Louis investment firm contacted the Enforcement Section regarding MBL and described how MBL claimed to be affiliated with the firm.
4. The investment firm received a call from a FINRA coordinator on September 12, 2019, regarding MBL. The FINRA coordinator advised that FINRA received a complaint from an individual who had invested with MBL and could not access their account.
5. The investor allegedly spoke with three MBL employees who were impersonating the St. Louis investment firm's employees.
6. The FINRA coordinator reviewed MBL's website and identified that they were claiming to be affiliated with the St. Louis investment firm. The coordinator then notified the firm.
7. The St. Louis investment firm is not and has never been affiliated with MBL.
8. The St. Louis investment firm states the Central Registration Depository ("CRD") number listed on MBL's website does in fact belong to an employee of the firm who is located in Arkansas. The employee is not affiliated with MBL and was completely unaware of MBL using the employee's CRD number as their own.

Mavixbtc.ltd

9. The Enforcement Section reviewed MBL's website at Mavixbtc.ltd and found, among other things, the following claims and quotes:
 - a. MBL states it has an address located at One North Brentwood Blvd, Suite 850, St. Louis, Missouri 63105;
 - b. "Success for us is helping you reach your goals from your long-term goals to your day-to-day trading";
 - c. "Mavixbtc Limited is a growing, national wealth investments management firm that is committed to putting its clients' interests first. Trust. Integrity. Mutual Respect. These are the principles that guide us as we deliver the informed investment advice you deserve, and the client-first service you expect";

- d. “Mavixbtc is legally Licensed on FINRA with license number (CRD#: 2215916). Investment Companies Securities Offered Through Mavixbtc Investment Group, Member SIPC”;
- e. “Mavixbtc Officially Registered and Licensed in 2015 under [St. Louis investment firm], Mavixbtc Limited started as a national wealth investments management firm in 2018 that is committed to putting its clients’ interests first. Trust. Integrity. Mutual Respect. These are the principles that guide us as we deliver the informed investment advice you deserve, and the client-first service you expect”;
- f. “Mavixbtc was founded by [St. Louis investment firm employee], a subsidiary of [St. Louis investment firm] a Broker-Dealer with over 2,136 financial professionals registered nationwide”;
- g. “Mavixbtc provides its clients with an opportunity to invest money into mining farms located all around the world to obtain quite a big income later, which can be done even without client's direct participation”;
- h. “Mavixbtc.ltd is a true opportunity to earn on cryptocurrency”;
- i. “The company actively uses trading bots on digital currency stock-markets, which is very convenient and profitable”;
- j. “Client-First Service: At [St. Louis investment firm], we are committed to providing the advice, service and support that our clients expect and deserve to help them achieve their financial goals and objectives”;
- k. “To empower our financial advisors with the freedom to address their clients’ needs as they see fit in an atmosphere grounded in trust, integrity and mutual respect. We are committed to client-first service, and support our financial advisors with the comprehensive resources they need to provide the informed and objective financial advice their clients deserve”; and
- l. “We firmly believe that our success today will drive the accomplishments of tomorrow. Everyone should be able access quality financial advice at fair, transparent prices. We’ve been rebuilding the financial services industry ever since.”

Twitter.com @Mavixbtc

- 10. The Enforcement Section reviewed MBL’s Twitter page at twitter.com@Mavixbtc and found, among other things, the following:
 - a. it purports to have an address located at One North Brentwood Blvd, Suite 850, St. Louis, Missouri 63105;

- b. it claims through their Twitter profile photograph to be located in a building that appears to be the J. Paul Getty Museum at the Getty Center in Los, Angeles California;
 - c. “#Mavixbtc #Limited is a growing, national wealth #Investments management firm that is committed to putting its clients’ interests first. Trust. Integrity”;
 - d. “Achieve all your goals by turning your 'capital' to profit on 'Mavixbtc Ltd. The most reliable, efficient and credible Bitcoin investment platform”;
 - e. “http://Mavixbtc.ltd is giving out free offer for interested investors...participate now!!!”;
 - f. “We Will Teach you How to Trade and make money with #bitcoin”;
 - g. “Mavixbtc Limited cares...invest and grow your wealth @ http://www.Mavixbtc.ltd”; and
 - h. “Don't Wait, We #offer Unparalleled #trading Conditions, Start Your Journey Now! Invest in #stocks, #Commodities & #Financial #markets With A Broker You Can Rely on. Start Trading. Access To #RealTime”.
11. The Enforcement Section found no evidence that MBL was ever a member of SIPC.¹
 12. The Enforcement Section checked MBL’s purported address at One North Brentwood Blvd, Suite 850, St. Louis, Missouri 63105, and learned that this location is the address of the St. Louis investment firm and MBL does not have an office at this location.
 13. The Enforcement Section checked MBL’s Twitter profile picture and learned that this location is the J. Paul Getty Museum at the Getty Center located in Los Angeles, California, and MBL does not have an office at this location.
 14. The Enforcement Section checked CRD number 2215916 and learned that it is assigned to an employee of the St. Louis investment firm and that the employee has no affiliation with MBL and was unaware MBL was using the CRD number as its own on the MBL website.
 15. The Enforcement Section checked with the managing counsel at the St. Louis investment firm and determined it has no affiliation with MBL.
 16. MBL, through its website Mavixbtc.ltd, is intentionally omitting to disclose material information and making misleading statements that are likely to deceive the investing public by, among other things:

¹ The Securities Investor Protection Corporation (“SIPC”) is a non-profit corporation whose main mission includes restoring investors’ assets when a securities firm fails financially.

- a. making it appear MBL is properly securities-registered when it is not;
 - b. claiming MBL is a member of the SIPC and FINRA when it is not;
 - c. not disclosing who the principals or managers of MBL are;
 - d. claiming to be affiliated with a St. Louis investment firm when it is not;
 - e. claiming to have been founded by an employee of the St. Louis investment firm when it was not;
 - f. claiming falsely that MBL is located in a building that appears to be the J. Paul Getty museum at the Getty Center in Los Angeles, California; and
 - g. claiming falsely to have an office located at One North Brentwood Blvd, Suite 850, St. Louis, Mo 63105.
17. The MBL website promises large returns, up to 55 percent in as little as six (6) days by investing with MBL.
18. The Enforcement Section's investigation will continue in an effort to identify the individuals behind the fraudulent website and violations of the Missouri Securities Act.

II. COMMISSIONER'S DETERMINATIONS AND FINDINGS

Multiple Violations of Transacting Business as an Unregistered Broker-Dealer

19. **THE COMMISSIONER DETERMINES** that Respondent and its principals, agents and employees transacted business as an unregistered, non-exempt broker-dealer in the state of Missouri by engaging, or attempting to engage, in the business of effecting transactions in securities for the account of others.
20. At all times relevant to this matter, Respondent was not registered as a broker-dealer either with the Securities and Exchange Commission or with the state of Missouri.
21. Respondent transacted business in Missouri without being registered or exempt from registration as a broker-dealer in violation of Section 409.4-401(a).²
22. Respondent's conduct in violation of Section 409.4-401(a) constitutes an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

² Unless otherwise noted, all statutory references are to the 2016 Revised Statutes of Missouri.

Multiple Violations of Transacting Business as an Unregistered Investment Adviser

23. **THE COMMISSIONER FURTHER DETERMINES** that Respondent and its principals, agents and employees transacted business as an unregistered investment adviser in the state of Missouri by advising others as to the value of securities or the advisability of buying and selling securities.
24. Respondent's activities constitute giving investment advice in the state of Missouri in violation of Section 409.4-403(a).
25. At all times relevant to this matter, Respondent had no registration or granted exemption from registration as an investment adviser.
26. Respondent's conduct in violation of Section 409.4-403(a) constitutes an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.

Multiple Violations of Making an Untrue Statement, Omitting to State Material Facts or Engaging in An Act, Practice, or Course of Business that Would Operate as a Fraud or Deceit Upon Another Person in Connection with the Offer or Sale of a Security

27. **THE COMMISSIONER FURTHER DETERMINES** that Respondent MBL, through its website Mavixbtc.ltd and Twitter page, is intentionally omitting to disclose material information and making misleading statements that are likely to deceive the investing public, and engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person by, among other things:
 - a. making it appear MBL is properly securities-registered by fraudulently using another firm's CRD number;
 - b. claiming MBL is a member of the SIPC and FINRA when it is not;
 - c. not disclosing who the principals or managers of MBL are;
 - d. claiming to be affiliated with a St. Louis investment firm when it is not;
 - e. claiming to have been founded by an employee of the St. Louis investment firm when it was not;
 - f. claiming falsely that MBL is located in a building that appears to be the J. Paul Getty museum at the Getty Center in Los Angeles, California;
 - g. claiming falsely to have an office located at One North Brentwood Blvd, Suite 850, St. Louis, Mo 63105;

- h. promising returns of as much as 55 percent in six (6) days; and
 - i. engaging in a course of business that operates as a fraud or deceit upon another person and thereby obtaining, or attempting to obtain, confidential financial information from investors.
28. Respondent and its principals, agents and employees made untrue statements of material fact, omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading or engaged in an act, practice, or course of business that would operate as a fraud or deceit upon another person in violation of Section 409.5-501, and engaged in an illegal act, practice, or course of business, and such conduct is, therefore, subject to the Commissioner's authority under Section 409.6-604.
29. An order is in the public interest and is consistent with the purposes of the Missouri Securities Act of 2003. *See* Section 409.6-605(b).

III. ORDER

NOW, THEREFORE, it is hereby ordered that Respondent, its principals, agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this order be prohibited from violating or materially aiding in any violation of:

- A. Section 409.4-401(a), by transacting business as an unregistered broker-dealer firm;
- B. Section 409.4-403(a), by transacting business as an unregistered investment adviser; and
- C. Section 409.5-501, by, in connection with the offer or sale of securities, making untrue statements of a material fact or omitting to state a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading or engaging in an act, practice, or course of business that operates or would operate as a fraud or deceit upon another person.

IV. STATEMENT

Pursuant to Section 409.6-604, the Commissioner hereby states that he will determine whether to grant the Enforcement Section's requests for:

- A. \$10,000 against Respondent for violations of Section 409.4-401(a), in a final order, unless Respondent requests a hearing and show cause why the penalties should not be imposed;
- B. \$10,000 against Respondent for violations of Section 409.4-403(a), in a final order, unless Respondent requests a hearing and shows cause why the penalties should not be imposed;


- C. \$10,000 against Respondent for more than one violation of Section 409.5-501, in a final order, unless Respondent requests a hearing and shows cause why the penalties should not be imposed;
- D. an order to pay restitution for any loss, including the amount of any actual damages that may have been caused by the Respondent's conduct, and interest from the date of the violation causing the loss, or disgorge any profits arising from any violation of Sections 409.4-401, 409.4-403, and 409.5-501; and
- E. an order against Respondent to pay the costs of the investigation in this proceeding, after a review of evidence of the amount submitted by the Enforcement Section.

SO ORDERED:

WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY,
MISSOURI THIS 26th DAY OF SEPTEMBER, 2019.



JOHN R. ASHCROFT
SECRETARY OF STATE



DAVID M. MINNICK
COMMISSIONER OF SECURITIES



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

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NOTICE

TO: Respondent and any unnamed representatives aggrieved by this Order:

You may request a hearing in this matter within thirty (30) days of the receipt of this Order pursuant to Section 409.6-604(b), RSMo 2016, and 15 CSR 30-55.020. Any request for a hearing before the Commissioner must contain:

- a. a brief statement of the facts;
- b. a summary of the factual and legal issues involved;
- c. a request for relief;
- d. suggestions in support of the relief sought, including the relevant statutes;
- e. the name of the party requesting the hearing; and
- f. the name of the attorney representing the party, if any.

Within fifteen (15) days after receipt of a request in a record from a person or persons subject to this order, the Commissioner will schedule this matter for a hearing.


A request for a hearing must be mailed or delivered, in writing, to:

David M. Minnick, Commissioner of Securities
Office of the Secretary of State, Missouri
600 West Main Street, Room 229
Jefferson City, Missouri, 65102

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of September, 2019, a copy of the foregoing Order to Cease and Desist and Order to Show Cause Why Restitution, Civil Penalties, and Costs Should Not Be Imposed in the above styled case was sent via **email to:**

Mavixbtc Limited
support@Mavixbtc.ltd
mavixbtc.ltd@mavixbtc


Laurie Dawson
Securities Office Manager