

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

4 IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Securities Act of Washington by:

5 DCPTG LLC,
Respondent.

Order No. S-24-3729-24-SC01

STATEMENT OF CHARGES AND NOTICE OF
INTENT TO ENTER ORDER TO CEASE AND
DESIST, TO IMPOSE A FINE, AND TO CHARGE
COSTS

7 **THE STATE OF WASHINGTON TO:** DCPTG LLC

8 **STATEMENT OF CHARGES**

9 Please take notice that the Securities Administrator of the State of Washington has reason to believe
10 that Respondent DCPTG LLC has violated the Securities Act of Washington. The Securities Administrator
11 believes these violations justify the entry of an order against Respondent DCPTG LLC to cease and desist
12 from such violations, to impose a fine, and to charge costs pursuant to RCW 21.20.390 and RCW 21.20.395.

13 The Securities Administrator finds as follows:

14 **TENTATIVE FINDINGS OF FACT**

15 **Respondent**

16 1. DCPTG LLC aka Digital Currency Pioneer Technology Group (“DCPTG”) is a Washington
17 entity formed on December 2, 2022 with its principal place of business purportedly in Spokane, Washington.
18 DCPTG claims to be a global cryptocurrency trading platform that utilizes artificial intelligence (“AI”)
19 quantification, which allows investors to buy and sell cryptocurrency on the DCPTG platform at a guaranteed
20 profit.

21 **Nature of the Conduct**

22 **Overview**

1 to copy the deposit address and paste it in their crypto wallet to transfer USDT¹ to DCPTG. Once the
2 transaction was complete, DCPTG instructed investors to return to the platform and click a “TRC20” icon.
3 The webpage promised that funds would be credited to their account within three minutes of hitting “TRC20.”

4 5. Investors relied on DCPTG to trade for a profit. The investor did not have any additional role
5 in earning a profit on their investment beyond clicking buttons within the platform.

6 6. DCPTG offered investors guaranteed profits via a tiered investment structure in which larger
7 investments yielded larger returns. DCPTG posted promotional materials on Facebook on April 19, 2023 in
8 which it broke investment tiers down to 6 “VIP levels.” VIP1 was designated for investment account values
9 of 100 USDT and promised a daily yield of 1.5%-2.0%, VIP2 required 300 USDT promising a 2%-2.5% daily
10 return, VIP3 required 500 USDT promising a 2.5%-2.7% daily return, VIP4 required 3,000 USDT promising
11 a 2.7%-2.9% daily return, VIP 5 required 5,000 USDT promising a 2.9%-3.2% daily return and VIP 6 required
12 10,000 USDT promising a 3.2%-3.5% daily return.

13 7. DCPTG also remunerated those who invited new investors with increased rates of return on
14 their investment. DCPTG rewarded those who invited three or more investors to the platform with the
15 designation of “SVIP.” SVIP investors were granted six investment tiers that promised greater returns than
16 those designated to the corresponding VIP levels. DCPTG’s April 19, 2023 promotional brochure identified
17 six “SVIP levels” including SVIP1 for investments of 100 USDT which promised a daily yield of 2.0%-2.5%,
18 SVIP2 required 300 USDT promising a 2.5%-2.7% daily return, SVIP3 required 500 USDT promising a
19 2.7%-2.9% daily return, SVIP4 required 3,000 USDT promising a 2.9%-3.2% daily return, SVIP 5 required
20 5,000 USDT promising a 3.2%-3.5% daily return and SVIP 6 required 10,000 USDT promising a 3.5%-4.0%
21 daily return.

22
23

¹ Tether (USDT) is a stablecoin, or a type of cryptocurrency, pegged to the United States Dollar.

1 11. On January 6, 2024, DCPTG advertised a “bonus gift package” on its webpage which ran from
2 March 31, 2024 through April 3, 2024 in which it advertised a one-time payment for inviting new users. The
3 webpage indicated “invite a new user to deposit 200 USDT or more for the first time and get a reward of 38
4 USDT.” The webpage then promised an additional commission structure based on the value of the new
5 invitee’s “deposit” indicating “200 USDT or more...and get a reward of 20 USDT, 500 USDT or more...and
6 get a reward of 50 USDT, 1000 USDT or more...and get a reward of 100 USDT, 2000 USDT or more...and
7 get a reward of 200 USDT and 10,000 USDT or more...and get a reward of 800 USDT.”

8 *Misrepresentations and Omissions*

9 12. DCPTG misrepresented material information related to its location in an apparent attempt to
10 give the company legitimacy and prestige. DCPTG posted an advertisement on Facebook stating that the
11 company is headquartered in New York, New York. DCPTG also posted a promotional video on its website
12 of what appears to be professionals dressed in suits presenting to a crowd of well-dressed attendees who are
13 all wearing conference lanyards around their necks at what purports to be DCPTG’s “2023 Summary
14 Conference.” The conference is led by three individuals at a podium who appear to be presenting to the
15 attendees. Each speaker’s microphone is adorned with a different logo, all of which appear to be similar, but
16 not identical, to the names and logos of well-known news organizations including “MSN Money, ABC, and
17 Business Insider.” The “Business Insider” speaker states that DCPTG is headquartered in New York, USA
18 and is currently comprises (sic) of sixteen special departments with a total of 1,400 high-tech talents.” Behind
19 the speaker is a large screen which shows a map location icon next to “Newyork (sic), USA,” thus suggesting
20 that New York is the location of either DCPTG and/or the conference. The “about DCPTG” portion of
21 DCPTG’s website states “DCPTG is headquartered in New York, USA,” while further down on that same
22 webpage under “contact us” it indicates they are located in Spokane, Washington and shows a google maps
23 image which identifies their physical location in Spokane. DCPTG filed its Articles of Incorporation with

1 Washington State’s Secretary of State on December 02, 2022 in which it indicates its physical location is in
2 Spokane, Washington. No known DCPTG location exists.

3 13. DCPTG misrepresented material information regarding the legitimacy of a “DCPTG 2023
4 Annual Summary Conference,” as well as media and investor presence at the purported conference, in a video
5 on its webpage in an attempt to give the company legitimacy and status. The first eleven minutes and eighteen
6 seconds of the conference video consists of three individuals seated at the podium reading a promotional
7 speech, the vast majority of which is a verbatim transcript of the verbiage located throughout DCPTG’s
8 website. For instance, the first speaker indicates “DCPTG’s main business involved combining the capabilities
9 of big data, artificial intelligence and cloud computing to provide industry leading new data and intelligent
10 technological services for quantitative investors and investment institutions,” which is a repetition of exact
11 language posted on DCPTG’s website. The remaining portion of the roughly 15-minute video shows
12 individuals who appear to be investors answering questions posed by off-camera reporters. After posing the
13 questions, the reporters then hold one of the microphones labeled “MSN Money, ABC, and Business Insider”
14 up to the speaker while they answer. A purported reporter from “ABC” asks an investor “when did you join
15 the DCPTG platform?” The investor responds, “I joined DCPTG in 2021,” which was well before DCPTG
16 filed its Articles of Incorporation with Washington State’s Secretary of State on December 02, 2022. Although
17 the investor was not prompted with further questioning, he continued speaking unprompted, indicating in a
18 slow, methodical manner consistent with reading aloud that “DCPTG is a quantitative trading platform that
19 provides tools and services for investors to engage in quantitative trading and perform better. Its low costs,
20 diversified investment options, effective intelligent portfolio management, flexible investment strategies, and
21 risk diversification make it extremely user-friendly. I sincerely hope that DCPTG will become a shining gem
22 globally.” The video then shows interviews of purported global investors with “reporters” posing questions
23 in English to investors who then respond in other languages. The video closes with images of investors

1 drinking wine and champagne and eating elaborate desserts. This purported conference concocted by DCPTG
2 was a lavish ruse created in an attempt to deceive investors as to the platform’s legitimacy and the ease with
3 which one could grow wealth.

4 14. DCPTG misrepresented material information when it registered with the Financial Crimes
5 Enforcement Network (“FINCEN”) as a money service business (“MSB”) located in Spokane, Washington
6 in an attempt to give the fraudulent platform legitimacy. FINCEN is a bureau of the United States Department
7 of Treasury whose mission includes safeguarding the financial system from illicit use. DCPTG registered
8 itself as a MSB through FINCEN and posted a video on its Facebook page that shows investors how to go to
9 FINCEN’s webpage and search for DCPTG in the MSB directory. Underneath the video, DCPTG posted that
10 “DCPTG holds the same MSB digital currency license as Binance and Huobi.” DCPTG portrayed this
11 licensing as proof of the platform’s legitimacy, however FINCEN notes at the bottom of their search tool that
12 “the inclusion of a business on the MSB Registrant Search Web page is not a recommendation,
13 certification of legitimacy, or endorsement of the business by any government agency” as FINCEN is not able
14 to review each filing for accuracy. Furthermore, a Washington company that engages in the business of
15 money transmission is required to file with the Department of Financial Institutions Consumer Services
16 Division as a money transmitter pursuant to RCW 19.230.030. DCPTG has never been licensed as a money
17 transmitter with Consumer Services.

18 15. DCPTG misrepresented material information related to the company’s status by indicating on
19 its website that “DCPTG has received multiple awards from global blockchain alliances for its innovation in
20 the blockchain space, a feat that few companies have been able to achieve.” DCPTG indicated it won
21 “Excellent Online Stock Trading Platform” at the Metro Radio and Hong Kong Computer Society Hong Kong
22 Outstanding Digital Brand Awards in 2019, “Excellent Online Securities Trading Platform” at the Metro
23 Radio and Hong Kong Computer Society Hong Kong Outstanding Digital Brand Awards in 2017, “Best E-

1 Commerce Company (Financial Services) Silver Award” at the Marketing Magazine eCommsAs Awards in
2 2017, and “Outstanding Online Securities Investment Management Platform” at the ET Net FinTech Awards
3 in 2017. None of the awards DCPTG listed on its webpage are legitimate. DCPTG filed its Articles of
4 Incorporation with Washington State’s Secretary of State on December 02, 2022. All of the awards DCPTG
5 claims to have won were purportedly earned prior to the date on which it was created.

6 16. DCPTG failed to disclose material information related to the function of the DCPTG
7 quantification system including but not limited to what cryptocurrencies it trades in, the assumptions and
8 parameters used to program the quantification system, whether these assumptions and parameters could
9 change, the mistakes or malfunctions that could impact the function of the quantification system, how it could
10 earn up to 4% immediate, daily investment returns, and whether an investor had a remedy if the quantification
11 system does not function as expected.

12 17. DCPTG misrepresented material information when it posted a promotional tutorial showing
13 the ease of withdrawing funds from the platform by merely clicking the withdrawal icon. No known investors
14 have been able to withdraw any of their investment nor any profit from the DCPTG platform.

15 18. DCPTG failed to disclose material information when it did not warn users of any associated
16 risks with investment nor the possibility that investors may not earn a profit at the promised rates of return.

17 19. DCPTG failed to disclose to investors that the offered investment contracts are securities, and
18 that anyone who offers or sells securities must be registered or exempt from registration.

19 **Registration Status**

20 20. DCPTG is not currently registered to sell its securities in the state of Washington and has not
21 previously been so registered, nor has it filed a claim of exemption from registration.

22 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

23 **CONCLUSIONS OF LAW**

1 1. The offer and/or sale of the investment contracts described above constitutes the offer and sale
2 of a security as defined in RCW 21.20.005(14) and (17).

3 2. DCPTG violated RCW 21.20.140, the securities registration section of the Securities Act of
4 Washington, by offering and/or selling securities for which no registration is on file with the Securities
5 Administrator.

6 3. DCPTG violated RCW 21.20.010, the anti-fraud section of the Securities Act of Washington,
7 by making untrue statements of material fact or omitting to state material facts necessary to make the
8 statements made, in light of the circumstances in which they were made, not misleading.

9 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

10 Pursuant to RCW 21.20.390(1), and based upon the Tentative Findings of Fact and Conclusions of
11 Law, the Securities Administrator intends to order DCPTG, and their agents and employees, to each
12 permanently cease and desist from violating RCW 21.20.010 and RCW 21.20.140.

13 **NOTICE OF INTENT TO IMPOSE FINES**

14 Pursuant to RCW 21.20.395, and based upon the Tentative Findings of Fact and Conclusions of Law,
15 the Securities Administrator intends to order that DCPTG shall be liable for and shall pay a fine of \$75,000.

16 **NOTICE OF INTENT TO CHARGE COSTS**

17 Pursuant to RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of Law,
18 the Securities Administrator intends to order that DCPTG shall be liable for and shall pay the costs, fees, and
19 other expenses incurred in the administrative investigation and hearing of this matter, in an amount not less
20 than \$2,552.50.

21 **AUTHORITY AND PROCEDURE**

22 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject
23 to the provisions of Chapter 34.05 RCW. DCPTG may make a written request for a hearing as set forth in the

1 Notice of Opportunity for Hearing accompanying this Order. If a respondent does not make a hearing request
2 in the time allowed, the Securities Administrator intends to adopt the above Tentative Findings of Fact and
3 Conclusions of Law as final and to enter a permanent order to cease and desist as to that respondent, to impose
4 any fines sought against that respondent, and to charge any costs sought against that respondent.

5
6

SIGNED and ENTERED this 1st day of July, 2024.

7
8



9
10
11
12
13

/s/

William M. Beatty
Securities Administrator

14
15
16

Approved by:

Presented by:

17
18

/s/

/s/

Brian J. Guerard
Chief of Enforcement

Denise Griffith
Financial Legal Examiner

19
20

Reviewed by:

21

/s/

Holly Mack-Kretzler
Financial Legal Examiner Supervisor

22
23

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

STATEMENT OF CHARGES

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 41200
Olympia, WA 98504-1200
360-902-8760