

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 Quantum Donovan LLC; and  
Shane Donovan Moore;

6 Respondents.  
7

Order No. S-22-3425-23-FO01

ENTRY OF FINDINGS OF FACT AND  
CONCLUSIONS OF LAW AND FINAL ORDER TO  
CEASE AND DESIST, TO IMPOSE FINES, AND TO  
CHARGE COSTS

8 THE STATE OF WASHINGTON TO:

Quantum Donovan LLC  
Shane Donovan Moore

9  
10 On December 9, 2022, the Securities Administrator of the state of Washington issued Statement of  
11 Charges and Notice of Intent to Enter Order to Cease and Desist, To Impose Fines, and to Charge Costs,  
12 Order No. S-22-3425-22-SC01 (hereinafter referred to as “Statement of Charges”). The Statement of  
13 Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred  
14 to as “Notice of Opportunity for Hearing” and an Application for Adjudicative Hearing, hereinafter referred  
15 to as “Application for Hearing,” were served on Respondents Quantum Donovan LLC and Shane Donovan  
16 Moore on December 27, 2022. The Notice of Opportunity for Hearing advised Quantum Donovan LLC  
17 and Shane Donovan Moore that a written application for an administrative hearing on the Statement of  
18 Charges must be received within twenty days from the date of receipt of the notice. Respondents Quantum  
19 Donovan LLC and Shane Donovan Moore failed to request an administrative hearing within twenty days  
20 of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for  
Hearing provided, or otherwise.

21 The Securities Administrator therefore adopts as final the following Findings of Fact and  
22 Conclusions of Law as set forth in the Statement of Charges and enters a final order against Respondents  
23

1 Quantum Donovan LLC and Shane Donovan Moore to cease and desist from violations of the Securities  
2 Act, and to impose the fines and costs sought in the Statement of Charges.

### 3 **FINDINGS OF FACT**

#### 4 **Respondents**

5 1. Quantum Donovan LLC is a Washington limited liability company formed on February 19,  
6 2021. Quantum Donovan LLC used a business address in Mercer Island, Washington and the website  
7 [www.quantumdonovan.com](http://www.quantumdonovan.com). The website is no longer active.

8 2. Shane Donovan Moore is the CEO of Quantum Donovan LLC. During the relevant time  
9 period, Moore resided in Seattle and Mercer Island, Washington.

#### 10 **Oregon Enforcement Action**

11 3. On October 20, 2022, the Department of Consumer and Business Services (Division of  
12 Financial Regulation) for the State of Oregon issued an Order to Cease and Desist, Proposed Orders  
13 Denying Use of Exemptions and Assessing Civil Penalties, and Notice of Right to an Administrative  
14 Hearing (“Notice Order”) against Moore and Quantum Donovan, LLC. On November 29, 2022, the State  
15 of Oregon issued Final Orders against Moore and Quantum Donovan, LLC.

#### 16 **Nature of the Conduct**

17 4. Between 2021 and 2022, Respondents Moore and Quantum Donovan LLC sold investments  
18 constituting securities to investors in Washington and other states. The Respondents misleadingly  
19 represented that investors could earn returns of 1% per day through the Respondents’ cryptocurrency  
20 mining business. The Respondents communicated with investors through emails, phone calls, text  
21 messages, and other platforms, such as Telegram.

22 5. The Respondents emailed a written agreement to investors that was captioned as a “Services  
23 Agreement.” Under the Services Agreement, investors could purchase one or more cryptocurrency mining

1 machines that would be used by Quantum Donovan LLC to “target the most profitable crypto on that day”  
2 and “convert” it into Bitcoin. Quantum Donovan LLC represented that it would pay all of the costs to  
3 operate and maintain the cryptocurrency mining machines. Investors were passive and had no role in the  
4 cryptocurrency mining and had no control over how their funds were used. Investors were dependent on  
5 the efforts of Moore and Quantum Donovan LLC to generate a return on their investments. Investors could  
6 purchase one or more mining machines or purchase a fraction of a machine. Investors were initially charged  
7 \$13,000 per mining machine, while later investors were charged \$14,000 per machine. After Moore  
8 executed the Services Agreement, he arranged for a copy to be emailed to the investor.

9           6. The Respondents misleadingly represented to investors that they would receive large daily  
10 returns on their investment as part of a “Reward Schedule” (also referred to in some agreements as a  
11 “Payment Schedule”). According to the Services Agreement, investors were supposed to receive a daily  
12 payment of \$130 per machine - a return of 1% per day. The term of the agreement was eight months and  
13 the Respondents represented to investors that they would receive 240 payments as part of the investment.  
14 Investors who purchased a fraction of a machine would receive a proportionate share of the daily return.  
15 For example, in July 2021, a representative of Quantum Donovan stated that a \$20,000 investment would  
16 generate a return of \$200 per day for a total of \$48,000 in eight months. The Services Agreement  
17 represented that investor payments “shall be paid daily” to investor’s cryptocurrency wallet. The payments  
18 were to be made in Bitcoin.

19           7. Investors were directed to wire their investment funds to a bank account in the state of  
20 Washington that was in the name of Quantum Donovan LLC.

21           8. The Respondents failed to disclose material information regarding Quantum Donovan LLC  
22 and Moore. The Respondents did not provide investors with a written disclosure document with material  
23 information regarding Moore or Quantum Donovan LLC, and did not disclose any detailed information

1 regarding the company's operational history and financial condition. The Respondents failed to provide  
2 any disclosure regarding the specific risks of the investment or the prior use of investor funds.

3 9. The Respondents made payments in Bitcoin to investors through their cryptocurrency wallets  
4 until approximately February 2022. These payments were sporadic and were not typically made on a daily  
5 basis. Several investors have only received a fraction of the returns that they expected as part of the Reward  
6 Schedule, and several investors have experienced significant investment losses.

### 7 **Failure to Comply with Subpoena**

8 10. In August 2022, the Securities Division served Moore and Quantum Donovan LLC with a  
9 subpoena that required the production of records. Moore and Quantum Donovan LLC failed to comply  
10 with the subpoena and did not produce any documents to the Securities Division.

### 11 **Registration Status**

12 11. Quantum Donovan LLC is not currently registered to sell its securities in the state of  
13 Washington and has not previously been so registered, nor has it filed a claim of exemption from  
14 registration.

15 12. Shane Donovan Moore is not currently registered as a securities salesperson or broker-dealer  
16 in the state of Washington and has not previously been so registered.

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

### 18 **CONCLUSIONS OF LAW**

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

21 2. Quantum Donovan LLC violated RCW 21.20.140 by offering and/or selling securities for  
22 which no registration is on file with the Securities Administrator.



1 **AUTHORITY AND PROCEDURE**

2 This FINAL ORDER is entered pursuant to RCW 21.20.390 and is subject to Chapter 34.05 RCW.  
3 Respondents have the right to petition the superior court for judicial review of this agency action under Part  
4 V of Chapter 34.05 RCW. Pursuant to RCW 21.20.395(4), a certified copy of this Final Order may be filed  
5 in superior court. If so filed, the clerk shall treat the Final Order in the same manner as a superior court  
6 judgment as to the fine, and the fine may be recorded, enforced, or satisfied in like manner.

7  
8 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

9 SIGNED and ENTERED this 19th day of January, 2023.



15  
16  
17  
18

19  
20  
21  
22  
23

William M. Beatty  
Securities Administrator

Approved by:

Brian J. Guerard  
Chief of Enforcement

Presented by:

Robert Kondrat  
Financial Legal Examiner