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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

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

DCPTG LLC,

Respondent.

Order No. S-24-3729-24-FO01

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

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THE STATE OF WASHINGTON TO:

DCPTG LLC

On July 2, 2024, the Securities Administrator of the state of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, To Impose Fines, and to Charge Costs, Order No. S-24-3729-24-SC01 (“Statement of Charges”). The Statement of Charges, together with a Notice of Opportunity for Hearing (“Notice”) and an Application for Adjudicative Hearing (“Application”), were served on Respondent DCPTG LLC, on July 2, 2024. The Notice advised Respondent DCPTG LLC that the Application must be received within twenty days from the date of service. Respondent DCPTG LLC failed to request an administrative hearing within twenty days of service.

The Securities Administrator therefore adopts as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enters a final order against Respondent DCPTG LLC to cease and desist from violations of the Securities Act, and to impose the fines and costs sought in the Statement of Charges.

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FINDINGS OF FACT

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Respondent

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1. DCPTG LLC aka Digital Currency Pioneer Technology Group (“DCPTG”) is a Washington entity formed on December 2, 2022 with its principal place of business purportedly in Spokane, Washington.

1 DCPTG claims to be a global cryptocurrency trading platform that utilizes artificial intelligence (“AI”)
2 quantification, which allows investors to buy and sell cryptocurrency on the DCPTG platform at a guaranteed
3 profit.

4 **Nature of the Conduct**

5 **Overview**

6 2. In or around early 2024, DCPTG defrauded at least two internationally located investors who
7 purchased securities in the form of cryptocurrency investment contracts via the DCPTG platform by making
8 false or misleading claims about its trading platform and offerings. Specifically, DCPTG offered and sold
9 cryptocurrency investment contracts with the promise of 1.5% to 4% returns. At least two known investors
10 purchased investment contracts in amounts ranging from hundreds to several thousands of dollars. No known
11 investors have been able to withdraw any of their initial investment nor purported profit.

12 *Background*

13 3. DCPTG offered investment contracts in AI driven crypto trades to the general public through
14 its website (www.dcptg.com; www.deptg.xyz). DCPTG’s website and promotional materials claimed it
15 utilized AI driven “quantitative trading” technology, which allows it to “intelligently buy cryptocurrencies
16 from various exchanges at low prices and then sell them at high prices, generating profits from the high
17 frequency of transactions.” Thus, DCPTG promised investment returns based on its ability to quickly identify
18 and complete profitable crypto transactions across multiple sales platforms. DCPTG also offered multilevel
19 marketing promotions which promised investors 1.5% to 10% commission returns on investments made by
20 “subordinate” investors invited to DCPTG’s platform.

21 *The Offering*

22 4. DCPTG’s website and promotional materials posted on its Facebook page provided investors
23 with step-by-step instructions on how to passively invest by merely transferring crypto to DCPTG and then

1 clicking on buttons within the platform. Its website states “at the quantitative trading platform, the weapons
2 are ready for you, you don’t need to build it yourself, you just need to learn to use it.” Once investors logged
3 on to the DCPTG platform, they selected a “recharge” icon in the platform. After clicking on “recharge” the
4 platform then revealed a DCPTG wallet address identified for their deposit. The webpage instructed investors
5 to copy the deposit address and paste it in their crypto wallet to transfer USDT¹ to DCPTG. Once the
6 transaction was complete, DCPTG instructed investors to return to the platform and click a “TRC20” icon.
7 The webpage promised that funds would be credited to their account within three minutes of hitting “TRC20.”

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

10 6. DCPTG offered investors guaranteed profits via a tiered investment structure in which larger
11 investments yielded larger returns. DCPTG posted promotional materials on Facebook on April 19, 2023 in
12 which it broke investment tiers down to 6 “VIP levels.” VIP1 was designated for investment account values
13 of 100 USDT and promised a daily yield of 1.5%-2.0%, VIP2 required 300 USDT promising a 2%-2.5% daily
14 return, VIP3 required 500 USDT promising a 2.5%-2.7% daily return, VIP4 required 3,000 USDT promising
15 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
16 10,000 USDT promising a 3.2%-3.5% daily return.

17 7. DCPTG also remunerated those who invited new investors with increased rates of return on
18 their investment. DCPTG rewarded those who invited three or more investors to the platform with the
19 designation of “SVIP.” SVIP investors were granted six investment tiers that promised greater returns than
20 those designated to the corresponding VIP levels. DCPTG’s April 19, 2023 promotional brochure identified
21 six “SVIP levels” including SVIP1 for investments of 100 USDT which promised a daily yield of 2.0%-2.5%,
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23 ¹ Tether (USDT) is a stablecoin, or a type of cryptocurrency, pegged to the United States Dollar.

1 SVIP2 required 300 USDT promising a 2.5%-2.7% daily return, SVIP3 required 500 USDT promising a
2 2.7%-2.9% daily return, SVIP4 required 3,000 USDT promising a 2.9%-3.2% daily return, SVIP 5 required
3 5,000 USDT promising a 3.2%-3.5% daily return and SVIP 6 required 10,000 USDT promising a 3.5%-4.0%
4 daily return.

5 8. Each VIP and SVIP level allowed investors a certain number of “daily orders” which increased
6 based on the tier correlated to an investor’s total account value. VIP1 and SVIP1 were allowed three daily
7 orders. Each VIP and SVIP level increased the number of daily orders allotted incrementally by one or two
8 numbers, ending with nine daily orders permitted for VIP6 and SVIP6. DCPTG did not define what
9 constituted a “daily order” anywhere on its webpage nor promotional materials. The chart in the promotional
10 materials seems to suggest that the daily orders correlate to the number of times an investor can expect to
11 yield the rate of return on the value of their account funds associated with their VIP or SVIP level, thus
12 allowing higher VIP and SVIP levels to compound their investments more frequently within a twenty-four-
13 hour time period.

14 9. DCPTG did not disclose how it purportedly was able to determine the exact range of rate of
15 return on future crypto trades such that investors’ earnings would yield the promised rate of return within their
16 VIP or SVIP tier. DCPTG further did not disclose how it was able to determine that the exact rate of return on
17 investors’ future trades would match the promised rate of return within their tier despite having no way of
18 knowing when investors would choose to buy and sell crypto.

19 *Multilevel Marketing*

20 10. DCPTG offered a recruitment compensation plan in which users were promised a percentage
21 of profit made off of their invitees’ investments. One offering posted on DCPTG’s Facebook page on March
22 7, 2023 promised both VIP and SVIP investors a 10% return on invitees’ investments. Another version of
23 DCPTG’s commission tiers posted on its Facebook page on April 19, 2023 offered various commission rates

1 for up to three generations of investors. DCPTG advertised 10% commission for first generation “invitation
2 level A” investors’ investments, 4% commission for “level B” second generation investments and 2% for
3 “level C” third generation investments.

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

11 *Misrepresentations and Omissions*

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

1 website states “DCPTG is headquartered in New York, USA,” while further down on that same webpage
2 under “contact us” it indicates they are located in Spokane, Washington and shows a google maps image
3 which identifies their physical location in Spokane. DCPTG filed its Articles of Incorporation with
4 Washington State’s Secretary of State on December 02, 2022 in which it indicates its physical location is in
5 Spokane, Washington. No known DCPTG location exists.

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

1 risk diversification make it extremely user-friendly. I sincerely hope that DCPTG will become a shining gem
2 globally.” The video then shows interviews of purported global investors with “reporters” posing questions in
3 English to investors who then respond in other languages. The video closes with images of investors drinking
4 wine and champagne and eating elaborate desserts. This purported conference concocted by DCPTG was a
5 lavish ruse created in an attempt to deceive investors as to the platform’s legitimacy and the ease with which
6 one could grow wealth.

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

21 15. DCPTG misrepresented material information related to the company’s status by indicating on
22 its website that “DCPTG has received multiple awards from global blockchain alliances for its innovation in
23 the blockchain space, a feat that few companies have been able to achieve.” DCPTG indicated it won

1 “Excellent Online Stock Trading Platform” at the Metro Radio and Hong Kong Computer Society Hong Kong
2 Outstanding Digital Brand Awards in 2019, “Excellent Online Securities Trading Platform” at the Metro Radio
3 and Hong Kong Computer Society Hong Kong Outstanding Digital Brand Awards in 2017, “Best E-
4 Commerce Company (Financial Services) Silver Award” at the Marketing Magazine eCommsAs Awards in
5 2017, and “Outstanding Online Securities Investment Management Platform” at the ET Net FinTech Awards
6 in 2017. None of the awards DCPTG listed on its webpage are legitimate. DCPTG filed its Articles of
7 Incorporation with Washington State’s Secretary of State on December 02, 2022. All of the awards DCPTG
8 claims to have won were purportedly earned prior to the date on which it was created.

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

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

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

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

22 **Registration Status**

1 IT IS FURTHER ORDERED that Respondent DCPTG LLC shall be liable for and pay a fine in the
2 amount of \$75,000.

3 IT IS FURTHER ORDERED that Respondent DCPTG LLC shall be liable for and pay costs in the
4 amount of \$2,552.50.

5 **AUTHORITY AND PROCEDURE**

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

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13 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

14 SIGNED and ENTERED this 31st day of July, 2024.

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/s/

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William M. Beatty
Securities Administrator

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Approved by:

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