

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 96869 / February 9, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-19816

In the Matter of

BitClave PTE, Ltd. ,

Respondent.

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**ORDER APPROVING CORRECTED
PLAN OF DISTRIBUTION**

On May 28, 2020, the Commission issued an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (the “Order”)¹ against BitClave PTE, Ltd. (the “Respondent”). In the Order, the Commission found that from June 2017 through November 2017, BitClave offered and sold securities in the form of digital tokens, known as CAT, to fund the development of a blockchain-based search platform for targeted consumer advertising. As a part of this process, BitClave conducted an initial coin offering (the “Offering”) in which it raised approximately \$25.5 million through the issuance of CAT. By their conduct, the Commission found that Respondent violated Sections 5(a) and 5(c) of the Securities Act by failing to file a registration statement as to the Offering of CAT, and sold CAT to thousands of investors. The Commission ordered the Respondent to pay a total of \$29,344,197.00 in disgorgement, prejudgment interest, and civil money penalties to the Commission, pursuant to a payment plan detailed therein. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty paid, along with the disgorgement and interest paid, can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund includes \$12,000,000 paid to date by Respondent and any additional funds paid pursuant to the Order will be added to the Fair Fund. The Fair Fund has been deposited in a Commission-designated account at the United States Department of the Treasury, and any accrued interest will be added to the Fair Fund. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission.

On December 1, 2022, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),² pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);³ and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the

¹ Securities Act Rel. No. 10788 (May 28, 2020).

² Exchange Act Rel. No. 96423 (Dec. 1, 2022).

³ 17 C.F.R. § 201.1103.

Proposed Plan from the Commission’s public website or by submitting a written request to Sondra Panahi, United States Securities and Exchange Commission, 801 Brickell Avenue, Miami, Florida 33131. The Notice also advised that all persons desiring to comment on the Proposed Plan could submit their comments, in writing, within 30 days of the Notice. The Commission received no negative comments on the Proposed Plan during the comment period.

The Proposed Plan provides for the distribution of the Net Available Fair Fund⁴ to compensate investors for their losses relating to the offer and sale of a digital asset security, Consumer Activity Tokens, issued by BitClave, and purchased from July 25, 2017 and through May 27, 2020,⁵ inclusive, as calculated by the methodology used in the plan of allocation in the Proposed Plan.

The Division of Enforcement now requests that the Commission approve the Proposed Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104 of the Commission’s Rules,⁶ that the Proposed Plan is approved, and the approved Corrected Plan of Distribution shall be posted simultaneously with this order on the Commission’s website at www.sec.gov.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁷

Vanessa A. Countryman
Secretary

⁴ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

⁵ The Proposed Plan has been corrected to fix a scrivener’s error (previously May 27, 2018). The change extends the relevant period and therefore, the material effect of the change is to the benefit of investors.

⁶ 17 C.F.R. § 201.1104.

⁷ 17 C.F.R. § 200.30-4(a)(21)(iv).