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MEMBER

MIGUEL ROMANO, JR.
MEMBER

KENNY KONCABA
MEMBER

IN THE MATTER OF
TINTXMININGPOOL AND MAXI SAMANTHA FORTUNE

§
§

Order No. ENF-19-CDO-1781

TO: TINTXMININGPOOL

c/o Veeble, Inc., 8345 NW 66 Street #C3851, Miami, Florida 33195

c/o Veeble Softtech Private Limited, #16A, Infopark TBC, Sector-E, JNI Stadium
Kaloor, Ernakulam, Kerala, India

MAXI SAMANTHA FORTUNE

c/o Veeble, Inc., 8345 NW 66 Street #C3851, Miami, Florida 33195

c/o Veeble Softtech Private Limited, #16A, Infopark TBC, Sector-E, JNI Stadium
Kaloor, Ernakulam, Kerala, India

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas (the "Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. arts. 581-1 to 581-45 (West 2010 & Supp. 2018) (the "Securities Act").

The Enforcement Division of the Texas State Securities Board has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. The price of bitcoin and the market capitalization of all cryptocurrencies have sharply increased since the start of the calendar year. From January 1, 2019, through June 24, 2019, the price of bitcoin has already increased by around 207 percent and a bitcoin is now priced at around \$11,000.00 per token. During the same period of time, the market capitalization of all cryptocurrencies has increased by around 167 percent and is now valued at more than \$337 billion.
2. Bad actors and other parties may attempt to capitalize on the increase in the price of bitcoin and the market capitalization of all cryptocurrencies by offering fraudulent securities schemes to the public.
3. The Enforcement Division has been dedicating significant resources to protecting Texans from illegal and fraudulent cryptocurrency investment schemes. Given the

changes in the market, the Enforcement Division is now dedicating additional resources to protect the public.

4. The Enforcement Division identified promoters of recent illegal and fraudulent cryptocurrency securities schemes, including promoters using social media to broadly target Texas residents who work from home.
5. The Securities Commissioner is now entering this Emergency Cease and Desist Order to protect these Texas residents from immediate and irreparable harm.

THE RESPONDENTS

6. Respondent TintXMiningPool ("Respondent Tint X Mining") can be served c/o Veeble, Inc., 8345 NW 66 Street #C3851, Miami, Florida 33195, and c/o Veeble Softech Private Limited, #16A, Infopark TBC, Sector-E, JINI Stadium Kaloor, Ernakulam, Kerala, India.
7. Respondent Maxi Samantha Fortune ("Respondent Fortune") can be served c/o Veeble, Inc., 8345 NW 66 Street #C3851, Miami, Florida 33195, and c/o Veeble Softech Private Limited, #16A, Infopark TBC, Sector-E, JINI Stadium Kaloor, Ernakulam, Kerala, India.

PUBLIC SOLICITATION OF TEXAS RESIDENTS WORKING FROM HOME

8. A user is posting an advertisement in a public Facebook Group titled "Texas Work From Home (DNT)."
9. The advertisement is claiming Texans can earn lucrative profits by investing in bitcoin. They are directing potential investors to contact a promoter using WhatsApp, an end-to-end encrypted instant messaging platform.
10. Potential investors using WhatsApp to contact the promoter are being connected with Respondent Fortune.

THE BITCOIN MINING INVESTMENTS

11. Respondent Fortune is directing potential investors to Respondent Tint X Mining, an online platform accessible at www.tintxminingpool.net. The online platform purports to permit investors to passively invest in industrial bitcoin mining.
12. Respondent Tint X Mining is offering investments in bitcoin mining referred to as "Xpower Pools" and "Xpower Groups," and it is describing these investments as follows:
 - A. Investors can join the BenRedz Miners Xpower Pool/Group for a principal investment of \$50.00 and earn \$900.00 per month over a term of three months;

- B. Investors can join the Dragonx Miners Xpower Pool/Group for a principal investment of \$600.00 and earn \$7,914.78 per month over a term of three months;
 - C. Investors can join the Tintx Miners Xpower Pool/Group for a principal investment of \$1,500.00 and earn \$19,840.00 per month over a term of three months;
 - D. Investors can join the Prem Pro Miners Xpower Pool/Group for a principal investment of \$3,000.00 and earn \$25,660.50 per month over a term of three months; and
 - E. Investors can join the Prem Plus Miners Xpower Pool/Group for a principal investment of \$5,100.00 and earn \$71,100.00 per month over a term of three months.
13. Respondents Tint X Mining and Fortune (collectively the "Respondents") are touting the reliability of Respondent Tint X Mining, and Respondent Fortune is claiming Respondent Tint X Mining is licensed to act as described herein.

REGISTRATION VIOLATIONS

- 14. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.
- 15. The investments in the bitcoin mining programs have not been registered by qualification, notification, or coordination, and no permit has been granted for their sale in Texas.

FRAUDULENT AND DECEPTIVE PRACTICES AND THE OFFER OF INVESTMENTS IN BITCOIN MINING PROGRAMS

- 16. In connection with the offer of investments in the bitcoin mining programs, Respondent Tint X Mining is intentionally failing to disclose the identity, business repute, and qualifications of its principals, and this information constitutes a material fact.
- 17. In connection with the offer of investments in the bitcoin mining programs, Respondents are intentionally failing to disclose their business repute and qualifications, and this information constitutes a material fact.
- 18. In connection with the offer of investments in the bitcoin mining programs, Respondents are intentionally failing to disclose the addresses of their principal places of business, and this information constitutes a material fact.
- 19. In connection with the offer of investments in the bitcoin mining programs, Respondent Tint X Mining is intentionally failing to disclose Respondent Tint X

Mining's strategies for mining bitcoin, including any information about the hardware or software used to mine bitcoin, and this information constitutes a material fact.

**DECEPTIVE PRACTICES
AND THE RISKS RELATING TO INVESTMENTS IN BITCOIN MINING PROGRAMS**

20. Respondents Tint X Mining and Fortune are representing investments in the mining programs generate lucrative profits over a short term, and these statements are materially misleading or otherwise likely to deceive the public because they are not disclosing any risks associated with bitcoin, including the following:
- A. Governments may adopt legislation or regulations that may negatively impact the use, transfer, exchange, or price of cryptocurrencies;
 - B. Cryptocurrencies are volatile, and the price of a cryptocurrency as it relates to fiat currency may decrease over a short period of time, resulting in significant loss to owners of cryptocurrencies;
 - C. A system or technical failure, or deficient source code, may negatively impact the ability to exchange cryptocurrencies for fiat currencies, as well as the price of cryptocurrencies;
 - D. A hacking incident or malicious attack may negatively impact the price of cryptocurrencies; and
 - E. Cryptocurrencies compete with all other cryptocurrencies, and this competition may negatively impact the price of a specific cryptocurrency.
21. Respondents Tint X Mining and Fortune are representing investments in the mining programs generate lucrative profits over a short term, and these statements are materially misleading or otherwise likely to deceive the public because they are not disclosing any risks associated with investing in cryptocurrency mining, including the following:
- A. The cost of electricity used to power and cool cryptocurrency mining hardware, as well as any changes to the cost of electricity, may decrease the profits obtained through mining cryptocurrencies or result in costs exceeding such profits;
 - B. A system or technical failure may impact the efficiency of a cryptocurrency mining platform, and the costs associated with repairs or replacement may decrease the profits obtained through mining cryptocurrencies or result in costs exceeding such profits; and
 - C. Cryptocurrency miners compete with other cryptocurrency miners, and this competition, as well as changes in the competitive environment, may decrease the number of coins secured through mining.

**DECEPTIVE PRACTICES
AND THE REPRESENTATIONS REGARDING THE LICENSURE OF THE PROMOTER**

22. Respondent Fortune is claiming Respondent Tint X Mining is “licensed,” and this statement is materially misleading or otherwise likely to deceive the public because she is not disclosing the following:
- A. Respondent Fortune is not disclosing whether Respondent Tint X Mining is licensed with the United States Securities and Exchange Commission, the Financial Industry Regulatory Authority, or any other agency; and
 - B. Respondent Fortune is not disclosing that Respondent Tint X Mining is not licensed with the State Securities Board to sell investments in bitcoin mining in Texas.

CONCLUSIONS OF LAW

1. The investments in the bitcoin mining pools are “securities” as the term is defined in Section 4.A of the Securities Act.
2. Respondents are violating Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with or permitted by the Securities Commissioner.
3. Respondents are violating Section 12 of the Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale of securities.
5. Respondents are making an offer containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents’ conduct, acts and practices threaten immediate and irreparable harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Securities Act.

ORDER

1. It is therefore ORDERED Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.

2. It is further ORDERED Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until they are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for two to ten years or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 28th day of

June, 2019.



TRAVIS GILES
Securities Commissioner