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Commissioner

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Department of Commerce,
Community, and
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STATE OF ALASKA

PRESS RELEASE

For Immediate Release

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Alaska Joins \$1.5 Million Multistate Securities Settlement Against Crypto Platform, TradeStation

Wednesday, February 7th, 2024 (ANCHORAGE, AK) – The State of Alaska Department of Commerce, Community, and Economic Development (DCCED), Division of Banking and Securities (DBS), announced today that Alaska has entered into a \$1.5 million multistate [settlement agreement](#) with TradeStation Crypto, Inc. This settlement is part of a larger, \$3 million joint settlement with the U.S. Securities and Exchange Commission (SEC) and the North American Securities Administrators Association (NASAA) over TradeStation’s unregistered cryptocurrency interest-earning program. The settlement resolves allegations that TradeStation violated state and federal securities laws by offering and selling securities without proper registration or disclosure to investors.

Out of the joint \$3 million settlement, the \$1.5 million multistate settlement is the result of a NASAA task force, which was comprised of eight state securities regulators from across the U.S. and coordinated under the NASAA Enforcement Section Committee. The task force determined that during the offering period, TradeStation engaged in the unregistered offer and sale of securities via its crypto interest-earning program. There are 26 NASAA jurisdictions listed as signatories to the term sheet for the settlement: Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Florida, Georgia, Indiana, Kansas, Kentucky, Maine, Minnesota, Mississippi, Montana, New Hampshire, New Jersey, North Carolina, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Washington, and Wisconsin.

“This settlement sends a clear message that crypto-related businesses must comply with state securities laws or face serious consequences,” said DBS Director, **Robert Schmidt**. “Our work protecting Alaska investors and the integrity of the financial markets is a crucial piece of encouraging a healthy economy in Alaska.”

From August 1, 2020, to June 30, 2022, TradeStation offered a crypto interest-earning program to 29 Alaska investors with 39 accounts for a total of \$31,037.82. The company was not registered to sell securities in Alaska and therefore in violation of Alaska Statute 45.56.100. TradeStation has since repaid investors, including interest and earnings.

The Division urges investors to exercise caution when dealing with crypto-related businesses and to call (907) 269-8140 or email DBS at securities@alaska.gov if they would like to see if the person or persons with whom they are dealing are registered or licensed to do business in Alaska.

The Division of Banking and Securities is a division of the Department of Commerce, Community, and Economic Development tasked with protecting consumers in Alaska. For additional information about the division, visit www.commerce.alaska.gov/web/dbs. For additional information about the Department of Commerce, Community, and Economic Development and its other agencies, please visit www.commerce.alaska.gov/web/

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