# ADMINISTRATIVE PROCEEDING
## BEFORE THE
## SECURITIES COMMISSIONER OF SOUTH CAROLINA

IN THE MATTER OF: )
 ) **ADMINISTRATIVE ORDER**

 )
 **Respondent.** ) **File No. 20182574**
 )

WHEREAS, the Securities Division of the Office of the Attorney General of the State of South Carolina (the "Division") has been authorized and directed by the Securities Commissioner of South Carolina (the "Securities Commissioner") to administer the provisions of S.C. Code Ann. § 35-1-101, *et seq.*, the South Carolina Uniform Securities Act of 2005 (the "Act"); and

WHEREAS, the Division received information regarding alleged activities of ShipChain, Inc. (d/b/a ShipChain.io) ("ShipChain" or the "Respondent") that, if true, would constitute violations of the Act; and

WHEREAS, based on the information received, the Division determined it was necessary and appropriate to open an investigation pursuant to S.C. Code Ann. § 35-1-602 to ascertain whether the Respondent had violated, was violating, or was about to violate the Act;

## III. FINDINGS OF FACT

3. Respondent ShipChain offers investments related to cryptocurrency.

4. Specifically, Respondent ShipChain issues and offers units of its cryptocurrency, ShipCoin, as a means of accessing Respondent ShipChain's platform and as the only medium of exchange on the platform.

to South Carolina residents.

6. At all times relevant to this Order, Respondent ShipChain continuously offered investment opportunities in the ShipChain platform and the corresponding tokens to

State as an unregistered broker-dealer in violation of S.C. Code Ann. § 35-1-401(a).

15. In connection with the events above, Respondent ShinChain employed or associated with

an unregistered agent in violation of S.C. Code Ann. § 35-1-402(d).

16. It is in the public interest, for the protection of investors, and consistent with the purposes
of the Act that Respondent be ordered to cease and desist from engaging in the above-

relies, and shall set forth concisely the matters of law and affirmative de...

...the Respondent of the right to ... thirty (30) day (30) period stated above shall be deemed a waiver by ... such a hearing. Failure by the Respondent to file ... shall result in this Order becoming ... as to the Respondent ...
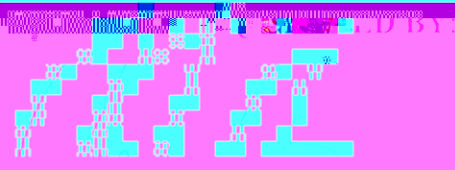
ENTERED, this the ___ day of May, 2018.

ALAN WILSON
SECURITIES ...

COMMISSIONER

By: ___

Assistant Attorney General
Securities D...

STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION