



COMMISSIONER OF SECURITIES AND INSURANCE

Troy Downing
Commissioner

Office of the
Montana State Auditor

COMMISSIONER DOWNING JOINS 26 OTHER STATES AND THE SEC IN \$3 MILLION SETTLEMENT WITH UNREGISTERED CRYPTO PROGRAM

*TradeStation settles allegations of selling unregistered
securities in crypto-interest earning program*

FOR IMMEDIATE RELEASE
February 7, 2024

Helena, Montana – The Montana Commissioner of Securities and Insurance joined a task force of 26 state securities regulators and the U.S. Securities and Exchange Commission (SEC) to announce a \$3 million settlement in principle with TradeStation Crypto, Inc. over its unregistered crypto interest earning program. The settlement resolves allegations that TradeStation violated state and federal securities laws by offering and selling securities without proper registration. TradeStation has repaid investors, including interest and earnings.

The settlement stems from a comprehensive investigation led by state securities regulators and coordinated through the North American Securities Administrators Association (NASAA) Enforcement Section Committee.

“This settlement sends a clear message that securities-related businesses, including companies selling crypto-related securities, must comply with state law,” said Commissioner Troy Downing. “The CSI is open and encouraging to innovators, but is committed to protecting investors and the integrity of the financial markets from offerings that run outside of the law.”

TradeStation, a Florida corporation formed in 2018, provides crypto-asset-related financial services in the United States. From around August 2020 to June 2022, TradeStation offered a crypto interest earning program to United States investors. Under this program, investors could passively earn interest on crypto assets by loaning them to TradeStation.

The company offered and promoted their crypto interest earning program in the United States via its website and various platforms without registering the securities in violation of state law.


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RE: TradeStation Press Release

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The CSI urges investors to exercise caution when investing in any security, including crypto, and to report any suspicious activities to the CSI Securities Division at 406.444.3815 or csi.securities@mt.gov.

Media inquiries:  Laura Shirliff 406.444.0903 or laura.shirliff@mt.gov.

The Montana State Auditor, Commissioner of Securities and Insurance is the state regulator of the insurance and securities industries for the state of Montana. The State Auditor is also an ex officio member of the Montana Board of Land Commissioners. Troy Downing was elected State Auditor in 2020. CSI can be found online at: csimt.gov.

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