# US regulators tighten up on crypto scams



**Bitcoin and Crypro**

North Dakota Securities Commissioner Karen Tyler has issued cease and desist orders against three companies for allegedly offering unregistered and fraudulent securities in the form of ICO’s (Initial Coin Offerings).

The companies  are Crystal Token, Advertiza Holdings Ltd., and Life Cross Coin aka LifecrosscoinGmbH.

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As with all  investments, once word of people making serious money spreads, it attracts the masses for their share of the “easy money”.  With that comes the other side of the coin, the people that prey on those looking for the easy and instant wealth, and those people have now arrived in the crypto industry, and are facilitating ICO’s, in much the same way as others do IPO’s on the stock markets, such as the American OTCBB, where there have been a number of promotions run over the years.

North Dakota Securities Commissioner Karen Tyler has issued cease and desist orders against three firms for allegedly offering unregistered and fraudulent securities in the form of Initial Coin Offerings, according to an announcement published Oct. 11.

**The companies concerned are:**

- Crystal Token
- Advertiza Holdings Ltd
- Life Cross Coin a/k/a LifecrosscoinGmbH.

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According to the statement, Crystal Token (CYL) is an "evolutionary multi-utility" ECR20 token, **that promises earnings up to two percent per day!** The token's website allegedly contains fraudulent claims of "excessive unsubstantiated" rates of return on investment. CYL is not authorised to sell securities in North Dakota.

Advertiza Holdings offers "Tizacoin," or "TIZA," tokens, and claims that holders *"can expect to make a profit from the appreciation of the value of TIZA tokens."* That indicates that the token's description as a utility token is incorrect, and is instead a security, according to the regulator.

According to the North Dakota Securities Department, Advertiza falsely claims to be registered with the U.S. SEC, and is not registered to sell securities in North Dakota.

The third firm, Life Cross Coin, operates a website from a Berlin IP address associated with ransomware, and identity fraud, and offers a cryptocurrency called "Life Cross Coin," or "LICO." The firm claims that the token will be spent on charity, while investors can allegedly get a "huge return on investment." LICO is not registered in North Dakota, and its site reportedly contains unsubstantiated claims and blatant misrepresentations.

**Tyler commented on the orders:**

> *"The continued exploitation of the cryptocurrency ecosystem by financial criminals is a significant threat to Main Street investors. In formulaic fashion, financial criminals are cashing in on the hype and excitement around blockchain, crypto assets, and ICOs – investors should be exceedingly cautious when considering a related investment."*

The order is part of  a coordinated multi-jurisdiction investigation into potentially fraudulent crypto investment programs, that involves 40  Canadian and US state and provincial securities regulators.

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