

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 89336 / July 17, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19883

In the Matter of

JACK ALAN ABRAMOFF,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Jack Alan Abramoff (“Abramoff” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Proceedings against Jack Alan Abramoff (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Respondent Jack Alan Abramoff, age 61, is a resident of Silver Spring, Maryland. Respondent is a political lobbyist who was a consultant to NAC Foundation, LLC (“NAC”) and provided services to NAC during its offering of digital asset securities referred to as AML Bitcoin. Abramoff also solicited investors to purchase digital asset securities in the offering, for which he received \$50,000 in transaction-based compensation from NAC. He has never held securities licenses or been registered with the Commission.

2. On July 15, 2020, a judgment was entered by consent against Respondent permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933, Sections 10(b) and 15(a) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, in a civil action entitled Securities and Exchange Commission v. Jack Alan Abramoff (Civil Action No. 20-cv-04190-RS), in the United States District Court for the Northern District of California.

3. The Commission’s complaint alleged that Abramoff participated in a fraudulent and unregistered offering of AML Bitcoin by NAC and its CEO and President Marcus Andrade (“Andrade”), which raised at least \$5.6 million from August 2017 to December 2018, including \$5.3 million from approximately 2,400 primarily domestic investors in a public initial coin offering (“ICO”) phase from October 2017 through February 2018. The Commission’s complaint alleged that Abramoff became aware during the ICO that Andrade and NAC provided false and misleading information in offering and promotional materials about the development status of AML Bitcoin and the financial condition of NAC, that Andrade inappropriately took at least \$1 million from the project, and that certain agencies were not as close to adopting AML Bitcoin as Andrade and NAC had publicly stated. Despite this knowledge, the complaint alleged that Abramoff continued to help draft and disseminate press releases and other promotional materials, some of which included false and misleading statements, and that he solicited individuals to purchase tokens knowing the AML Bitcoin project was short of funds for operations. The complaint also alleged that Abramoff acted as an unregistered broker during a period of the offering and received transaction-based compensation from NAC in that capacity.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Abramoff’s Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Abramoff be, and hereby is

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman
Secretary