

INITIAL DECISION RELEASE NO. 1415
ADMINISTRATIVE PROCEEDING
FILE NO. 3-21243

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

In the Matter of	:	
	:	
THE REGISTRATION STATEMENT OF	:	INITIAL DECISION
AMERICAN CRYPTOFED DAO LLC	:	May 17, 2023

APPEARANCE: Christopher M. Bruckmann, Christopher J. Carney, Martin Zerwitz, and
Michael Baker, Esqs., for the
Division of Enforcement, Securities and Exchange Commission

Scott Moeller and Xiaomeng Zhou, Officers, for
American CryptoFed DAO LLC

BEFORE: Carol Fox Foelak, Administrative Law Judge

SUMMARY

This Initial Decision suspends the effectiveness of the registration statement of American CryptoFed DAO LLC. The basis for this “stop order” is that the registration statement omits required information, such as audited financial statements.

I. INTRODUCTION

A. Procedural Background

The Commission initiated this proceeding by an Order Instituting Proceedings (OIP) on November 18, 2022. The proceeding is a stop order proceeding, authorized pursuant to Section 8(d) of the Securities Act of 1933. As the Commission ordered, the hearing before the undersigned Administrative Law Judge in this proceeding commenced at 10:00 a.m. EST on December 1, 2022. Hearing sessions were held on December 1, 2, and 6, 2022, and January 18 and 19, 2023, and the hearing was closed. The Division of Enforcement and Respondent American CryptoFed DAO LLC called a number of witnesses from whom testimony was taken

in their cases.¹ The Division's Proposed Findings of Fact and Conclusions of Law, Respondent's Opposition, and the Division's Reply were filed February 17, April 3, and April 18, 2023, respectively.

The findings and conclusions in this ID are based on the record. Official notice pursuant to 17 C.F.R. § 201.323 is taken of the Commission's public official records concerning American CryptoFed and of the Wyoming Secretary of State records as well. *See Helpeo, Inc.*, Exchange Act Release No. 82551, 2018 SEC LEXIS 144, at *17 n.38 (Jan. 19, 2018) (taking official notice of the Nevada Secretary of State's records pursuant to Rule of Practice 323). Preponderance of the evidence was applied as the standard of proof. *See Steadman v. SEC*, 450 U.S. 91, 97-104 (1981). All arguments and proposed findings and conclusions that are inconsistent with this ID were considered and rejected.

B. Allegations and Arguments of the Parties

This proceeding concerns a Form S-1 registration statement filed by American CryptoFed on September 17, 2021, seeking to register the offer and sale of two classes of crypto assets, the Ducat and Locke tokens, as securities under the Securities Act. The Division seeks a stop order pursuant to Securities Act Section 8(d), alleging that the registration statement omits material information required by the Form S-1, Regulation S-X, and Regulation S-K, for example, audited annual and unaudited interim financial statements and an opinion of counsel as to the legality of the securities being registered. The Division also alleges that the Registration Statement contains materially misleading statements, in that it states that the Ducat and Locke tokens are not securities, which is inconsistent with the statement identifying the tokens as "Securities to be Registered" and the use of the Registration Statement to register the offer and sale of the tokens under the Securities Act. The Division also alleges that Respondent failed to cooperate with the examination that the Commission ordered pursuant to Securities Act Section 8(e) on November 9, 2021. Respondent urges that it has no assets or liabilities and therefore need not supply financial statements. It also argues that this proceeding and the examination ordered pursuant to Section 8(e) were unauthorized.

II. FINDINGS OF FACT

The testimony taken during five days of hearings reveal very little dispute as to the facts that are relevant to the OIP, that is, the factual issues that *the Commission* – not its subsidiary Divisions of Corporation Finance and Enforcement, which report to the Commission – ordered to be determined.²

¹ Citations to the transcript will be noted as "Tr. ____." Citations to exhibits offered by the Division and by Respondent will be noted as "Div. Ex. ____" and "Resp. Ex. ____," respectively. A number of exhibits in evidence were offered by both parties, *e.g.*, Respondent's Registration Statement – Div. Ex. 1 and Resp. Ex. 1.

² Respondent is represented by its organizers, Messrs. Zhou and Moeller, acting as its officers, who also testified as witnesses. Their questions as Respondent's representatives, as well as

The Commission's public official records, of which official notice is taken pursuant to 17 C.F.R. § 201.323, disclose that American CryptoFed filed the registration statement at issue in this proceeding under the Securities Act on Form S-1 on September 17, 2021,³ the day after it filed a registration statement under the Securities Exchange Act of 1934 on Form 10 on September 16, 2021.⁴ Both seek to register the same assets.

The Form S-1 registration statement represents that American CryptoFed (CIK No. 1881928),⁵ is organized under the laws of Wyoming;⁶ is a "Smaller reporting company" and

their testimony as witnesses, in their own and the Division's cases, to a large extent addressed topics that were outside the issues ordered to be determined in the OIP, for example, the philosophical underpinnings of the Ducat and Locke tokens; the benefits of the tokens as compared to the U.S. dollar; failure of various SEC staff members to respond to demands to justify CorpFin's description of the alleged deficiencies; how and when the Division of Enforcement became involved, leading to the OIP; and various legal theories appropriate for post-hearing briefing, *e.g.*, that the examination authorized pursuant to Securities Act Section 8(e) was illegal or whether CorpFin has been responsive to SEC Chair Gary Gensler's policies. Tr., *passim*; Resp. Exs. 21, 23, 42, 44, 57, 61, 178, *et al.* Mr. Moeller articulated Respondent's misunderstanding of the purpose of the instant proceeding: "We are looking at how do we cure our registration. What is the path by which American CryptoFed can register Locke and Ducat." Tr. 508.

³ The filing may be viewed on the Commission's EDGAR database: https://www.sec.gov/Archives/edgar/data/1881928/000188192821000003/FormS-1_RegistrationACF.pdf. It is also in evidence as Division Exhibit 1.

⁴ The Commission's public official records on its EDGAR database, of which official notice is taken pursuant to Rule 323, show that, on September 16, 2021, American CryptoFed filed a Form 10 registration statement seeking to register the same assets under Section 12(g) of the Securities Exchange Act of 1934, and, on July 6, 2022, filed a Form RW seeking to withdraw the Form 10. The Form 10 is in evidence as Division Exhibit 2. However, that matter remains pending. *See American CryptoFed*, Exchange Act Release No. 93551, 2021 SEC LEXIS 3393 (Nov. 10, 2021) (OIP, Admin. Proc. File No. 3-20650, pursuant to Exchange Act Section 12(j)); the Division's August 9, 2022, Motion to Dismiss that proceeding on the basis that the withdrawal of the Form 10 had become final, pursuant to 17 C.F.R. § 230.477 (official notice); American CryptoFed's September 18, 2022, Motion withdrawing its previous opposition to the Division's Motion to Dismiss (official notice).

⁵ The CIK number is a unique identifier for each company in the Commission's EDGAR database. The user can retrieve filings of a company by using its CIK number.

⁶ American CryptoFed DAO LLC filed its articles of incorporation as a "Decentralized Autonomous Organization" sub type of "Limited Liability Company" in Wyoming on July 1, 2021, the effective date of the "Wyoming Decentralized Organization Supplement" law that

“Emerging growth company”; and that its “Organizers” are Marian Orr, Scott Moeller, and Xiaomeng Zhou. Div. Ex. 1.⁷ The Wyoming enabling statute defines “Decentralized autonomous organization” (DAO) as “a limited liability company organized under this chapter,” Wyo. Stat. § 17-31-102(a)(ii), “whose articles of organization contain a statement that the company is a [DAO]” and include a warning statement titled NOTICE OF RESTRICTIONS ON DUTIES AND TRANSFERS that “appear[s] conspicuously.” Wyo. Stat. § 17-31-104(a), (c).

Respondent filed a request to withdraw its Form S-1 on June 6, 2022. Resp. Ex. 18. The Commission denied the request, stating that on May 30, 2022, Respondent had informed staff that it would proceed with implementing its business plan in July 2022 without regard for whether the Form S-1 was effective. *American CryptoFed DAO LLC*, Securities Act Release No. 11074, 2022 SEC LEXIS 1552 (June 17, 2022). The Form S-1 contains a so-called “delaying amendment.”⁸ Div. Ex. 1. However, during the course of the Section 8(e) examination Respondent threatened to remove the delaying amendment, for example in an October 27, 2022, letter to Division counsel.⁹ Div. Ex. 15, at 13.

The Form S-1 refers to Respondent’s Form 10 for a description of its business, which is an explanation of how the Ducat and Locke tokens will work and why they are advantageous as compared with the United States dollar. Evidence received at the hearing also establishes how Respondent intends that Ducat and Locke tokens will work. Tr. 580-97, 727-98; Div. Exs. 1, 1A, 1B, 1C; Div. Ex. 6¹⁰ at 80-189, *passim*. Respondent is still “brainstorming” what

provides for the formation and management of DAOs. See <https://wyobiz.wyo.gov/Business/FilingDetails.aspx?eFNum=090233110131244018220159027193226030056048132159>; see also Wyoming Decentralized Autonomous Organization Supplement, Wyo. Stat. §§ 17-31-101 to -116.

⁷ Div. Ex. 1 is also in evidence as Resp. Ex. 1. A number of exhibits in evidence are both Division and Respondent exhibits.

⁸ The delaying amendment states:

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration shall become effective as the [SEC], acting pursuant to said Section 8(a), may determine.

Div. Ex. 1, at 3.

⁹ Absent a delaying amendment, a registration statement becomes effective by operation of law twenty days after it is filed. Securities Act Section 8(a), 15 U.S.C. § 77h(a).

¹⁰ Div. Ex. 6 is Mr. Moeller’s July 7, 2022, testimony pursuant to the Division’s June 28, 2022, subpoena for testimony.

blockchain to use. Tr. 828-30. The Form S-1 lacks financial statements and an opinion of counsel as to the legality of the securities being registered. Respondent does not deny this. It does not believe that the tokens are securities but filed the Form S-1 to comply with securities laws. Tr. 814-19 & *passim*; Div. Ex. 6 at 13, 21-26, 54, 75 & *passim*. It considers that it has no assets, liabilities, or income and, thus, that financial statements are unnecessary. Tr. *passim*. During the hearing Respondent represented that it would engage a CPA to provide financial statements if Commission staff would assure it that financial statements showing no assets, liabilities, or income would be accepted. Tr. 663-64. Previously, it had tried to engage an auditor, who declined because of a lack of guidance from the SEC. Div. Ex. 6 at 137.

Additional material information required pursuant to Regulation S-K to be provided is missing from the Form S-1. This includes information as to the ownership of directors and executive officers and greater than 5% holders, compensation paid to the executive officers, and material contracts. Respondent's evidence concerning these items is not convincing. *See* Tr. 218, 282, 285, 291-92, 314. Respondent's explanation stresses that, as a DAO, it has no hierarchy, directors, or management. Organizers Zhou and Moeller have identified themselves as officers only for the purpose of the representing Respondent concerning its filings with the Commission. Tr. 172-78, 187-88; Div. Ex. 6 at 16, 18, 26. The Division's evidence shows that organizers and others have or will have compensation, and that material contracts exist. Tr. 857, 860-62, 865-66; Resp. Ex. 289.

Justin Dobbie of the Commission's Division of Corporation Finance (CorpFin) is in charge of an office, staffed by attorneys and accountants, that reviews disclosure documents, including registration statements in the finance industry. Tr. 27-32. He participated in the review of the Form S-1. Tr. 32-33. He and his team identified a number of serious deficiencies, including a lack of financial statements, audited or unaudited; vague responses concerning the identity of management and beneficial owners and their compensation or valuation of their ownership stake; a vague, aspirational description of the business; and lack of a legality opinion. Tr. 38-56. They discussed the deficiencies in both the Form 10 and the Form S-1 in a telephone call with Respondent and followed up with October 8, 2021, letters to Respondent. Tr. 59-64; Div. Exs. 17, 18.¹¹ The letters listed specific deficiencies, some of which were the alleged material omissions in the registration statement,¹² and identified CorpFin's Erin Purnell as a contact. Exs. 17, 18. Respondent's October 12, 2021, letter,

¹¹ Div. Ex. 17 concerns the Form 10 and lists deficiencies, which are equally applicable to the Form S-1, pursuant to Regulations S-X and S-K. Div. Ex. 17. Div. Ex. 18, referred to as a "serious deficiencies letter," concerns the Form S-1 and suggests that Respondent file an amendment to correct the deficiencies. Tr. 63-64; Div. Ex. 18.

¹² In addition to the financial statements required by Regulation S-X, the missing information specified in Ex. 17 includes the material omissions alleged in OIP ¶¶ B. 6-11 (information required by Regulation S-K Items 303, 403, 402, 101, and 601). Div. Ex. 17.

addressed to the five SEC Commissioners and Ms. Purnell, responded to CorpFin's October 8 letters. Div. Ex. 19. Respondent's letter stated that the Forms 10 and S-1 showed how American CryptoFed "can solve the institutional and functional flaws plaguing all existing monetary systems of major central banks"; stated that it had no revenues or costs and, thus, no financial statements to be provided; articulated the theory behind American CryptoFed in response to the alleged failure to describe its business; and provided various explanations for other alleged deficiencies. *Id.* In conclusion, the letter stated, "[i]f we are asked to disclose information which does not exist and will never exist, it is highly possible that the Securities Laws were not designed for the CryptoFed monetary system and should not apply to [it]"; and asked that the SEC either allow the Form 10 to become effective, continue reviewing the Form S-1, or declare that CryptoFed is not subject to the SEC's jurisdiction. *Id.* Thereafter, Mr. Dobbie attempted to arrange telephone calls with Respondent to discuss further the Forms 10 and S-1, but received an email from Respondent stating they would only correspond with the staff in writing. Tr. 68-69.¹³ Respondent's examination of Ms. Purnell at the hearing referred to a CorpFin information bulletin, which states "if a company does not understand" staff comments on its filing "it should seek clarification from the examiner," and sought the identity of "the [singular] examiner." Tr. 488, 490 & 476-539, *passim*; Resp. Ex. 3.

On June 15, 2022, the Division of Enforcement sent Respondent a subpoena for documents to which Respondent responded on June 21, 2022. Div. Exs. 3, 4. The subpoena required Respondent to produce documents relating to a number of topics, including Contributors (defined as those to whom Respondent intended to distribute Locke governance tokens as described in Div. Ex. 13, Respondent's May 30, 2022, letter to the Division); bank accounts and crypto asset exchange accounts which Respondent or any of its affiliates held or is a beneficial owner; and identity of crypto asset exchanges on which Ducat or Locke tokens will be listed for sale. Div. Ex. 3. Respondent's response to each category ordered to be produced was to object "on the grounds that the request is not reasonably calculated to lead to the discovery of relevant admissible evidence which can rebut American CryptoFed's assertion that [it] has **No Fund Raising, No Revenue, No Costs, No Profits, and No Assets . . .** to generate securities subject to the SEC's jurisdiction." Div. Ex. 4. However, to some extent, Respondent provided information sought in the document subpoena via Mr. Moeller's July 7, 2022, testimony in response to the Division's June 28, 2022, subpoena to testify. Div. Ex. 6, *passim*.

¹³ Mr. Zhou explained that he is not a native English speaker and Respondent wanted a written record to review. Tr. 98. Mr. Moeller said that his role was "to be able to communicate," while wryly conceding he was "not doing it very well" in responding to a line of questioning by the Division. Tr. 217. Indeed, during his testimony on December 1 and 2, Mr. Moeller had tried to respond to many questions about Respondent, its business plan, and the tokens, but stated more than sixty times that the questioner should "talk to Zhou," in addition to numerous other times when he deferred to Mr. Zhou's understanding of the topic of the question. Tr. 182-245, 257-58, 265-66, 269-70 and *passim*. Mr. Zhou addressed the "talk to Zhou" questions in his testimony on January 19, 2023. Tr. 721-873.

III. CONCLUSIONS OF LAW

The lack of financial statements and opinion letter in themselves were omissions to state material facts that were required to be included in its registration statement within the meaning of Securities Act Section 8(d). Therefore, a stop order will be issued. Respondent's argument that this proceeding and the examination preceding this proceeding were not authorized by the Securities Act fails.

A. Securities Act Provisions

Securities Act Section 7(a) and Schedule A (25), (26) require a registration statement to contain an audited balance sheet and income statement. 15 U.S.C. §§ 77g(a), 77aa(25), (26). Securities Act Sections 7(a) and 19(a) authorize the Commission to adopt regulations to carry out these requirements. 15 U.S.C. §§ 77g(a), 77s(a). In the instant case, American CryptoFed was required to furnish this information on Form S-1 (17 C.F.R. § 239.11), authorized under the Securities Act. Non-financial information furnished must comply with Regulation S-K (17 C.F.R. Part 229). Financial information must comply with Regulation S-X (17 C.F.R. Part 210).

Securities Act Section 8(d) authorizes the Commission to issue a stop order suspending the effectiveness of a registration statement after notice and opportunity for hearing "[i]f it appears to the Commission . . . that the registration statement includes any untrue statement of a material fact or omits to state any material fact required to be stated." 15 U.S.C. § 77h(d). Section 8(e) "empower[s the Commission] to make an examination in any case . . . to determine whether a stop order should issue under subsection (d)" and "[i]f the issuer or underwriter shall fail to cooperate, or shall obstruct or refuse to permit the making of an examination, such conduct shall be proper ground for the issuance of a stop order." 15 U.S.C. § 77h(e).¹⁴

B. American CryptoFed's Material Omissions and Alleged Misrepresentations

American CryptoFed's filing lacks an audited balance sheet and income statement, as required by Item 11 of Form S-1. Respondent's representation that it has no revenues or costs does not substitute for financial statements audited by an independent accounting firm, as well as other information required by Item 11. These omissions are omissions of material fact.

¹⁴ Prior to the hearing, Respondent moved for ruling on the pleadings under 17 C.F.R. § 201.250(a) on the basis that the Section 8(e) investigation and 8(d) stop order proceeding are unlawful because they apply only to registration statements that have become effective. This argument is foreclosed by Commission precedent, and the undersigned denied the motion on the record. Tr. 6, 167-68; *see Red Bank Oil Co.*, Securities Act Release No. 3095, 1945 SEC LEXIS 204, at *7 (Oct. 11, 1945) ("We think it utterly repugnant to the objectives of the Act to interpret it to require us to sit by until a false and misleading registration statement becomes effective before commencing action under Section 8(d).").

The Commission has long recognized the materiality of an audited balance sheet in compliance with the registration requirements of the Securities Act. See *Queensboro Gold Mines, Ltd.*, Securities Act Release No. 1617, 1937 SEC LEXIS 893, at *2-4 (Nov. 17, 1937). The registration statement has additional shortfalls.

Citing *FCC v. Fox Television Stations*, 567 U.S. 239 (2012), Respondent argues that it did not have “fair notice” concerning the deficiencies in its registration statement. To the contrary, in addition to the notice provided by Regulations S-X and S-K, which set forth the required content of registration statements, Respondent was specifically advised that its registration statement lacked financial statements and lacked specific items required by Regulation S-K.

The record shows that Respondent omitted to state material facts that were required to be included in its registration statement. A material fact within the meaning of Securities Act Section 8(d) is one to which “there is a substantial likelihood that a reasonable investor would attach importance in determining whether to purchase the security.” 17 C.F.R. § 230.405. Even assuming that the organizers truly believed that Respondent should be exempt from including financial statements and other information required by Regulations S-X and S-K in the registration statement, that is not a defense to this requirement. If an untrue material fact is included in a registration statement or a material fact is omitted, the registrant’s good faith or lack of scienter does not influence whether a stop order should issue. *Kiwago Gold Mines Ltd.*, Securities Act Release No. 3278; 27 S.E.C. 934, 943; 1948 SEC LEXIS 7, at *21 (Mar. 29, 1948)¹⁵; *U.S. Molybdenum Corp.*, Securities Act Release No. 2743; 10 S.E.C. 796, 804; 1941 SEC LEXIS 237, at *18-19 (Dec. 19, 1941)¹⁶ (citing *Herman Hanson Oil Syndicate*, Securities Act Release No. 1555; 2 S.E.C. 743, 746; 1937 SEC LEXIS 879, at *6 (Sept. 15, 1937)).

Finally, the allegation that the registration statement contains materially misleading statements is unproven. The alleged misrepresentation is the contradiction between the representation that the tokens are not securities and the filing of the registration statement. However, the registration statement explains the apparent contradiction by describing Locke and Ducat as “utility tokens” rather than securities.

Respondent argues generally that the Commission’s policies concerning crypto amount to a “Catch 22” situation – the Commission seems to consider crypto as involving unregistered securities yet makes it impossible to register – and do not accord with the views expressed by Chair Gary Gensler in speeches and lectures. These arguments are irrelevant to the deficiencies in Respondent’s actual Form S-1, which requires information required by the

¹⁵ The date is reported as March 29 in S.E.C. Reports (Volume 27, published in 1953) and as March 31 in SEC LEXIS.

¹⁶ The date is reported as December 19 in S.E.C. Reports (Volume 10, published in 1944) and as December 20 (a Saturday) in SEC LEXIS.

Commission's rules and authorized by the Securities Act. They are more appropriate for a petition for rulemaking. *See* 17 C.F.R. § 201.192.

C. Failure to Cooperate

Respondent argues that this proceeding was not authorized by Section 8(d), and, consequently, that the examination was not authorized by Section 8(e). It argues that the Commission should have proceeded pursuant to Securities Act Section 8(b), which authorizes the Commission, after notice and opportunity for hearing, to issue an order "refusing to permit [a registration statement] to become effective until it has been amended in accordance with such order" "[i]f it appears to the Commission that a registration statement is on its face incomplete or inaccurate in any material respect." Respondent argues that Section 8(b) is a specific provision that must be given effect over Section 8(d) as a general provision. Respondent's argument is undercut by the text of the two sections, which is permissive and does not establish a priority: both provide "the Commission *may*" (emphasis added). It cannot be denied that the absence of financial statements was an omission of a "material fact required to be stated" in the Form S-1. Thus, this proceeding was authorized by Section 8(d), and the examination was authorized by Section 8(e).

To the extent that Respondent failed to cooperate in the examination, it is unnecessary to conclude that this was an independent basis for a stop order in view of the material omissions in the registration statement. Material omissions, such as the lack of financial statements, were apparent as was Respondent's refusal to remedy them, such as arguing that financial statements were unnecessary instead of actually providing them. Respondent did communicate with CorpFin at first. Respondent's subsequent refusal to engage in telephone communications and insistence on written communication is somewhat justified by the facts that Mr. Zhou requires time and attention to process English language communication and Mr. Moeller does not have an independent understanding of many questions concerning Respondent. Respondent's letter-writing to Commissioners instead of responding to CorpFin directly and demands for irrelevant information, such as the identity of the "examiner" are not in themselves failure to cooperate. However, Respondent's adamant refusal to provide documents in response to the Division's June 15, 2022, subpoena was a failure to cooperate, but was mitigated by Mr. Moeller's partial explanations in his July 7, 2022, testimony pursuant to the Division's June 28, 2022, subpoena on the documents sought in the June 15, 2022, document subpoena.

IV. SANCTION

The Division requests a stop order suspending the effectiveness of American CryptoFed's registration statement. This sanction will serve the public interest and the protection of investors, pursuant to Section 8(d) of the Securities Act, and accords with Commission precedent.

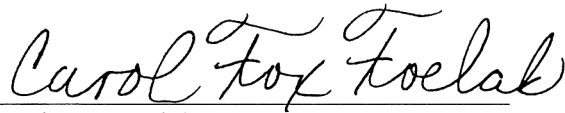
V. RECORD CERTIFICATION

Pursuant to Rule 351(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.351(b), it is certified that the record includes the items set forth in the record index issued by the Secretary of the Commission on May 11, 2023.

VI. STOP ORDER

IT IS ORDERED, pursuant to Section 8(d) of the Securities Act of 1933, 15 U.S.C. § 77h(d), that the EFFECTIVENESS of the REGISTRATION STATEMENT filed by AMERICAN CRYPTO FED DAO LLC IS SUSPENDED.

This Initial Decision shall become effective in accordance with and subject to the provisions of Rule 360 of the Commission's Rules of Practice, 17 C.F.R. § 201.360. Pursuant to that Rule, a party may file a petition for review of this Initial Decision within twenty-one days after service of the Initial Decision. A party may also file a motion to correct a manifest error of fact within ten days of the Initial Decision, pursuant to Rule 111 of the Commission's Rules of Practice, 17 C.F.R. § 201.111. If a motion to correct a manifest error of fact is filed by a party, then a party shall have twenty-one days to file a petition for review from the date of the undersigned's order resolving such motion to correct a manifest error of fact. The Initial Decision will not become final until the Commission enters an order of finality. The Commission will enter an order of finality unless a party files a petition for review or a motion to correct a manifest error of fact or the Commission determines on its own initiative to review the Initial Decision as to a party. If any of these events occur, the Initial Decision shall not become final as to that party.

A handwritten signature in black ink, reading "Carol Fox Foelak". The signature is written in a cursive, flowing style. The first name "Carol" is written in a larger, more prominent script, followed by "Fox" and "Foelak". The signature is positioned above a horizontal line.

Carol Fox Foelak
Administrative Law Judge