

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

ADMINISTRATIVE PROCEEDINGS RULINGS

Release No. 6908/June 6, 2023

ADMINISTRATIVE PROCEEDING

File No. 3-21243

In the Matter of	:	
	:	
THE REGISTRATION STATEMENT OF	:	ORDER
AMERICAN CRYPTOFED DAO LLC	:	

Under consideration is Respondent American CryptoFed DAO LLC's Motion to Correct Manifest Errors of Fact (Motion to Correct), filed on May 30, 2023, pursuant to 17 C.F.R. § 201.111(h) (Rule 111(h)). The filing relates to the May 17, 2023, Initial Decision (ID) in this proceeding and is thus timely.¹ However, it does not identify a patent misstatement of fact in the ID. Thus, it must be denied.

BACKGROUND

The Securities and Exchange Commission instituted this proceeding with an Order Instituting Proceedings (OIP) on November 18, 2022, pursuant to Section 8(d) of the Securities Act of 1933. The proceeding is a stop order proceeding, relating to Respondent American CryptoFed DAO LLC's Form S-1 Registration Statement, seeking to register its Ducat and Locke tokens under the Securities Act. The OIP alleged that the Form S-1 omitted material information, such as financial statements and an opinion of counsel as to the legality of the securities being registered. The ID found the facts that the Form S-1 lacked financial statements and an opinion letter; concluded that these omissions 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); and suspended the effectiveness of the Form S-1 Registration Statement.

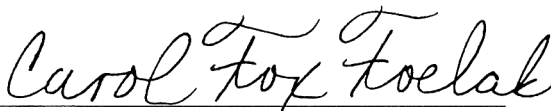
¹ Rule 111(h) provides, "[a] motion to correct must be filed within ten days of the initial decision." May 27, 2023, was a Saturday, and May 30 the first day the Securities and Exchange Commission was open following Sunday and the Memorial Day holiday. *See* Rules 104, 160(a); 17 C.F.R. §§ 201.104, 160(a). Rule 111(h) also provides, "[an] opposition may be filed within five days of a motion to correct." The Division of Enforcement filed an Opposition to the Motion to Correct on May 30, 2023.

MOTION TO CORRECT

The Motion to Correct has been considered in light of the limited purpose of Rule 111(h) – to correct “a patent misstatement of fact.” The Commission has stated, “[M]otions to correct manifest error are properly filed under this Rule only if they contest a patent misstatement of fact in the initial decision. Motions purporting to contest the substantive merits of the initial decision will be treated under Rule 410.” Adoption of Amendments to the Rules of Practice and Related Provisions and Delegations of Authority of the Commission, 70 Fed. Reg. 72566, 72567 (Dec. 5, 2005).

The Motion to Correct proposes a number of editorial suggestions reflecting Respondent’s view of the proceeding that “could result in a different Conclusion of Law for the Commission’s final order.” Motion to Correct at 1. As such, rather than pointing to instances of “a patent misstatement of fact,” it urges different findings to be drawn from the evidence – that is, arguments that are more properly made before the Commission in a petition for review. Accordingly, the Motion to Correct must be denied.

IT IS SO ORDERED.

A handwritten signature in cursive script, reading "Carol Fox Foelak". The signature is written in black ink and is positioned above a horizontal line.

Carol Fox Foelak
Administrative Law Judge