

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-24-0055**

**IN THE MATTER OF:
OURBIT HOLDINGS, LTD**

RESPONDENT

REQUEST FOR CEASE AND DESIST ORDER

The Staff of the Arkansas Securities Department (“Staff”) has received certain information and has in its possession certain evidence indicating that Ourbit Holdings, LTD (“Ourbit”) has violated provisions of the Arkansas Uniform Money Services Act (“AUMSA”), Ark. Code Ann. § 23-55-101 through Ark. Code Ann. § 23-55-1007.

ADMINISTRATIVE AUTHORITY

1. This matter is brought in connection with violations of the AUMSA and is therefore properly before the Arkansas Securities Commissioner (“Commissioner”) in accordance with Ark. Code Ann. § 23-55-807.

RESPONDENT

2. Ourbit claims to operate an industry-leading cryptocurrency trading platform via its publicly accessible website, <https://www.ourbit.com/>. Ourbit’s trading platform is also accessible through its app, which can be downloaded from the Apple App Store and Google Play Store.
3. Ourbit does not provide any information on its website regarding its principal place of business or the jurisdiction of its entity formation. However, after further investigation, the Staff found records showing Ourbit was incorporated in the British Virgin Islands. Records show its principal place of business is located on the third floor of Johnson’s Ghut in Tortola, British Virgin Islands (“BVI”).
4. On November 14, 2024, the Staff sent a Notice of Intent letter to Ourbit via certified mail to its business address to provide notice of the Staff’s intent to file an action with the Commissioner and to allow Ourbit time to reconcile its violations of the AUMSA. See

Attached Exhibit A. However, the Staff did not receive a signed green card indicating the letter had been delivered and was not contacted by a representative of Ourbit.

5. The Staff was unable to locate any record of Ourbit conducting business at the BVI address. Several other entities also use the same address for their principal places of business. The Staff concluded that Ourbit was likely not conducting business from its listed business address.
6. A review of Arkansas Securities Department (“Department”) records revealed that Ourbit is not licensed in Arkansas as a money transmitter under the AUMSA.

FACTS SUPPORTING REQUEST FOR CEASE AND DESIST ORDER

7. On its website, Ourbit claims it is designed to cater to a wide array of trading needs. It claims to offer the following trading services: 1) spot trading; 2) futures trading; and 3) copy trading.
8. Ourbit claims its platform supports over 400 cryptocurrencies, including, but not limited to, BTC, ETH, DOGE, XRP, SOL, and PEPE. In addition to the 400 cryptocurrencies, Ourbit promotes having access to 60+ meme coins for futures trading and 120+ meme coins for spot trading.
9. Ourbit entices traders by offering trading fees as low as 0.01% for futures trading, as well as offering zero fees for spot trading. It also offers a futures bonus/voucher as a special bonus to traders to try futures trading as a zero-cost opportunity.
10. To take advantage of the Ourbit platform, a trader must create an account and purchase cryptocurrency to trade. Ourbit provides traders with step-by-step instructions on how to deposit different cryptocurrencies it promotes into a wallet maintained on the Ourbit platform.
11. Once a trader purchases their cryptocurrency, Ourbit states there are three main ways to handle their cryptocurrency. First, a trader can stake their cryptocurrency in their Ourbit account. Staking takes places either through the Ourbit Locked Savings plan or Ourbit Flexible Savings plan. Assets staked with Locked Savings will be locked for a certain period specified in the

product summary details, and the assets cannot be traded, transferred or withdrawn during that period. Assets staked with Flexible Savings will automatically generate yield once activated, and the assets can be traded, transferred or withdrawn at any time.

12. Second, a trader can deposit their cryptocurrency into their Ourbit wallet and commence trading in the spot or future markets. Finally, a trader can use the deposited cryptocurrency to participate in copy trading by following “expert” traders and earn more easily.
13. A review of Department records found that Ourbit is not licensed with the Department in any capacity to engage in the business of money transmission in Arkansas. Additionally, there is no record of Ourbit seeking an exclusion from licensure under Ark. Code Ann. § 23-55-103 of the AUMSA.

APPLICABLE LAW

14. Ark. Code Ann. § 23-55-102(13)(A) defines “money transmission” as selling or issuing payment instruments or stored value to a person located in this state; facilitating, selling, trading, transferring, or converting virtual currency or monetary value in this state; or receiving money for transmission from a person located in this state.
15. Ark. Code Ann. § 23-55-201(a) states that a person may not engage in the business of money transmission or advertise, solicit, or hold itself out as providing money transmission unless the person is licensed under the AUMSA, is an authorized delegate of a person under the AUMSA, or is excluded from licensing under Ark. Code Ann. § 23-55-103 of the AUMSA.
16. Ark. Code Ann. § 23-55-803 states, in pertinent part, that if the Commissioner determines that a violation of the AUMSA or a rule or order under the AUMSA by a licensee, authorized delegate, or any other person is likely to cause immediate and irreparable harm to the licensee, its customers, or the public as a result of the violation, the Commissioner

may issue a summary order requiring the licensee, authorized delegate, or any other person to cease and desist from the violation.

17. Ark. Code Ann. § 23-55-807(a)(2) states that if as a result of an investigation the Commissioner finds that a person has engaged or is about to engage in an act or practice constituting a violation of the AUMSA or a rule of order under the AUMSA, the Commissioner may summarily issue a cease and desist under § 23-55-803.

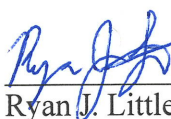
CONCLUSIONS OF LAW

18. Ourbit violated Ark. Code Ann. § 23-55-201(a) by holding itself out as providing money transmission services, as defined by Ark. Code Ann. § 23-55-102(13)(A), by offering a platform that facilitates the trading of virtual currency; by claiming it can hold virtual currency on its platform as stored value on behalf of traders; by facilitating the converting of monetary value into virtual currency in order to purchase cryptocurrencies; by claiming that traders can stake their digital assets on the Ourbit platform; and claiming it was capable of selling, transferring, and converting virtual or fiat currency needed to use the Ourbit platform.
19. Ourbit's conduct, acts, and practices violate the AUMSA and threaten immediate and irreparable public harm on an ongoing basis. Therefore, a cease and desist order is in the public's interest and is appropriate under Ark. Code Ann. § 23-55-803 and 807.

PRAYER FOR RELIEF

WHEREFORE, the Staff respectfully requests that the Commissioner summarily order Ourbit Holdings, LTD to immediately cease and desist from engaging in money transmission activities in Arkansas until Ourbit is properly licensed under the AUMSA; and, for all other relief to which the Staff may be entitled.

Respectfully submitted,



Ryan J. Little
Staff Attorney
Arkansas Securities Department



Arkansas Securities
Department



HUGH McDONALD
SECRETARY OF COMMERCE

SUSANNAH MARSHALL
COMMISSIONER
ARKANSAS SECURITIES DEPARTMENT

November 14, 2024



Ourbit Holdings Ltd.
Johnson's Ghut, 3rd Floor
Tortola, British Virgin Islands

Re: *Notice of Intent to File Complaint C-24-055*
In the Matter of Ourbit Holdings, LTD

To Whom It May Concern,

The Staff of the Arkansas Securities Department ("Staff") recently became aware of money transmitter activity Ourbit Holdings LTD ("Ourbit") is partaking in via its publicly accessible website, <https://www.ourbit.com/>. Upon review, the Staff noted violations of the Arkansas Uniform Money Services Act. This letter is sent in compliance with Ark. Code Ann. § 23-55-902 and Rule 805(b) of the Arkansas Uniform Money Services Act, and shall serve as notice to Ourbit of the following:

1. The Staff has determined that Ourbit has violated provisions of the Arkansas Uniform Money Services Act ("Act") and Rules of the Arkansas Uniform Money Services Act ("Rules"), as is briefly and generally set forth below.
2. The Staff intends to file a Complaint against Ourbit with the Arkansas Securities Commissioner ("Commissioner"), seeking appropriate remedies for Ourbit's violations of the Act and Rules.
3. Ourbit may submit evidence of compliance with the Act and Rules before the Staff files a Complaint with the Commissioner. Such evidence should be submitted to the Staff before the close of business on **December 13, 2024**.

VIOLATION

The Staff noted during its review of Ourbit's website that Ourbit is holding itself out as being able to provide money transmitter services. Such services include, but are not limited to facilitating, selling, trading, transferring, and converting virtual currency or monetary value in Arkansas. Additionally, the Staff noted that Ourbit receives money for transmission from residents in Arkansas. Such activity is defined as "money transmission" pursuant to Ark. Code Ann. §23-55-102(13)(A). A review of Arkansas Securities Department ("Department") records revealed that Ourbit is not licensed pursuant to the Act to provide money transmission services in

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Arkansas. Without being properly licensed, Ourbit is in violation of the Act pursuant to Ark. Code Ann. §23-55-201(a).

CLOSING COMMENTS

As noted above, Ourbit has the opportunity to submit to the Staff proof that it has been compliant with the Act and Rules. The last day for submission of evidence on the entity's behalf will be **December 13, 2024**. Thereafter, if the Staff is not convinced of Ourbit's compliance with the Act and Rules, an administrative action will be filed against Ourbit. To arrange a meeting or discuss these matters in further detail, please have the appropriate representative for the firm or the firm's appointed legal counsel contact me directly at (501)-324-9266 or ryan.little@arkansas.gov.

Sincerely Yours,



RYAN J. LITTLE
Staff Attorney