

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 93551 / November 10, 2021

ADMINISTRATIVE PROCEEDING

File No. 3-20650

In the Matter of
American CryptoFed DAO LLC,
Respondent.

**RESPONDENT AMERICAN CRYPTO FED
DAO LLC'S MOTION TO DISMISS THE
ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS AND NOTICE OF HEARING
PURSUANT TO SECTION 12(j) OF THE
SECURITIES EXCHANGE ACT OF 1934**

On November 10, 2021, the Securities and Exchange Commission (“Commission” or “SEC”) issued an order instituting administrative proceedings (“OIP”) against American CryptoFed DAO LLC (“American CryptoFed” or “Respondent”) pursuant to Section 12(j) of the Securities Exchange Act of 1934 (“Exchange Act”). Pursuant to *Rule 250 (a) Motion for a ruling on the pleadings*, Respondent hereby moves the Commission to dismiss the OIP in its entirety, as a matter of law.

The relevant text of Section 12 (j) in the statute reads as follows:

The Commission is authorized, by order, as it deems necessary or appropriate **for the protection of investors** to deny, to suspend the effective date of, to suspend for a period not exceeding twelve months, or to revoke the registration of a security, if the Commission finds, on the record after notice and opportunity for hearing, that the issuer, of such security has failed to comply with any provision of this chapter or the rules and regulations thereunder. (15 U.S.C. § 78l(j)) (Emphases added).

However, there are no existing and potential investors to be protected, whatsoever, in light of the explanation of the OIP's allegations in the DIVISION OF ENFORCEMENT'S OMNIBUS MEMORANDUM IN OPPOSITION TO RESPONDENT'S MOTIONS FOR A MORE DEFINITE STATEMENT ("Omnibus Memorandum"). Respondent appreciates that the Division of Enforcement ("Division") makes the time span of all of its allegations clear, as follows in the Omnibus Memorandum (p.10-11):

2) Response to Motion #2: the Allegations of the OIP Relate to American CryptoFed As It Presently Exists.

... American CryptoFed admits it is not presently decentralized, stating that (1) "CryptoFed will be decentralized to the extent that a CEO is no longer needed within three years," and (2) MShift's powers and rights over CryptoFed "will completely and irreversibly become delegated" only after CryptoFed's S-1 registration statement is declared effective. These are admissions that American CryptoFed is not presently operating as a decentralized autonomous organization.

Given that "the Allegations of the OIP Relate to American CryptoFed As It Presently Exists" before "CryptoFed's S-1 registration statement is declared effective", Respondent can conclude that there is absolutely no damage to anyone whatsoever for the time period, after Respondent's Form 10 goes effective and before "CryptoFed's S-1 registration statement is declared effective".

Before "CryptoFed's S-1 registration statement is declared effective", by design, Respondent only distributes Locke tokens, free of charge. Please see American CryptoFed DAO's Constitution attached as Exhibit 1 to the Form 10 or Exhibit B to the Answer, Section 14.6, p. 12-13, and Ducat Economic Zone attached as Exhibit 2 to the Form 10 or Exhibit L to the Answer, Section 6.

By definition, under the Form 10, all Locke tokens will be restricted. No Locke tokens will be allowed to be traded in a secondary market. Because all Locke tokens will be distributed free of charge, no proceeds will exist, and no proceeds will be received by

American CryptoFed. Logically, no one can possibly be damaged after Respondent's Form 10 goes effective and before "CryptoFed's S-1 registration statement is declared effective". There are no real existing and potential investors to be protected. There is no adversary in this case.

For the reasons set forth above, Respondent respectfully requests that that the Commission act promptly to dismiss the OIP in its entirety, as a matter of law.

Dated: December 19, 2021

Respectfully submitted,

DocuSigned by:
Marian Orr
AE52AD38E6AC4EC...

By /s/ Marian Orr

Marian Orr

CEO, American CryptoFed DAO LLC

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Cheyenne, WY. 82001

CERTIFICATE OF SERVICE

I hereby certify that a true copy of this Motion was filed by eFAP and was served on the following on this 19th day of December 2021, in the manner indicated below:

By Email:

Christopher Bruckmann, Trial Counsel

Division of Enforcement – Trial Unit

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By /s/ Marian Orr

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