



May 12, 2025
Via Electronic Email and eFAP

Chairman Paul Atkins, 202-551-2100, Chairman@sec.gov
Commissioner Hester M. Peirce, (202) 551-5080, CommissionerPeirce@sec.gov
Commissioner Caroline A. Crenshaw, 202-551-5070, CommissionerCrenshaw@sec.gov
Commissioner Mark T. Uyeda, 202-551-2700, CommissionerUyeda@sec.gov
U.S. Securities and Exchange Commission,
100 F Street, N.E. Washington, D.C. 20549

CC:

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Re: AP File No. 3-20650: Request for a decision on American CryptoFed DAO's motion filed on December 15, 2021, pursuant to Rule of Practice 250(a)

Dear Chairman and Commissioners

The SEC Division of Enforcement (“Division”) and American CryptoFed DAO (“American CryptoFed”) have almost reached a settlement agreement pursuant to the Rules of Practice 240. In order for the Commission to discuss this matter internally with interested Divisions, including the SEC Crypto Task Force, this letter incorporates the Rule of Practice 240 (c) (4) and (5).

On April 2, 2025, American CryptoFed sent a partial settlement proposal to the Division (Exhibit 1). On April 30, 2025, the Division sent a settlement paper, including proposed Orders, to settle all issues for both AP File No. 3-20650 and AP File No. 3-21243 (Exhibit 2). On May 1, 2025, American CryptoFed suggested a few changes to the AP File No. 3-20650 settlement (Exhibit 3) and the AP File No. 3-21243 settlement (Exhibit 4). On May 9, 2025, during a Webex call, the Division informed American CryptoFed that the only issue remaining was that the Division could not agree to American CryptoFed’s condition below:



On January 21, 2025, “SEC Acting Chairman Mark T. Uyeda launched a crypto task force dedicated to developing a comprehensive and clear regulatory framework for crypto assets.”¹ Therefore, the SEC Division of Enforcement agrees that until this “comprehensive and clear regulatory framework” is available for American CryptoFed to file a renewed registration as required, the Division will not bring enforcement actions whatsoever against American CryptoFed, as long as American CryptoFed issues its Locke and Ducat tokens in accordance with what has been publicly disclosed in its Form 10 registration statement dated September 16, 2021 and further clarified by the documents of these proceedings on the record.

The background for AP File No. 3-20650 is that, to date, about three (3) years and five (5) months after American CryptoFed filed a “Motion for a ruling on the pleadings” pursuant to the SEC’s Rule of Practice 250(a), requesting the Commission to lift the Stay Order (“Motion to Lift Stay Order” or “Rule 250 (a) Motion”), the Commission has still not been able to make a decision, although the mandatory deadline for this prehearing Rule 250 (a) Motion was within four (4) months from the date of service of the order instituting the proceeding (Rule of Practice 360(a)(2)(ii)). **A violation of this mandatory deadline is a violation of the Fifth Amendment’s Due Process Clause of the US Constitution.** From December 2023 through November 2024, American CryptoFed sent twelve (12) monthly letters to the SEC Chair and Commissioners urging the Commission to make a decision.² There was no response from the Commission to any of these requests for a decision.

The Commission’s ongoing indecision and non-decision have indicated that a creative settlement solution is needed. Without a settlement solution, the only path available to American CryptoFed is to request that a Federal District Court order the Commission to make a decision on the Rule 250(a) Motion, because the mandatory deadline for the Commission’s decision has already passed in April 2022.

¹ Available at <https://www.sec.gov/newsroom/press-releases/2025-30>

² The twelfth letter is available at <https://www.sec.gov/files/litigation/apdocuments/3-20650-2024-11-25-letter.pdf>.



For all reasons set forth above, American CryptoFed petitions the Commission to issue an order which incorporates both the Division's settlement paper (Exhibit 2, the first 8 pages) and American CryptoFed's changes to it (Exhibit 3).

We look forward to a written response from the Commission.

Sincerely,

/s/ Scott Moeller



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