
IN THE MATTER OF:
IRWT, LLC d/b/a
IN RUSS WE TRUST
RUSSELL D. DAVIS

ORDER TO CEASE AND DESIST
NOTICE OF INTENT TO FINE
AND
NOTICE OF RIGHT TO HEARING
MATTER NO. CF-24-202412-S

I. PRELIMINARY STATEMENT

1. The Banking Commissioner (“Commissioner”) is charged with the administration of Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act (“Act”), and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”) promulgated under the Act.

2. Pursuant to Section 36b-26(a) of the Act, the Commissioner, through the Securities and Business Investments Division of the Department of Banking (“Department”), conducted an investigation into the activities of IRWT, LLC d/b/a In Russ We Trust (“IRWT”) and Russell D. Davis (“Davis”) (collectively, “Respondents”) to determine if Respondents have violated, are violating or are about to violate provisions of the Act or Regulations (“Investigation”).

3. In connection with such Investigation, the Commissioner has reason to believe that Respondents have violated certain provisions of the Act. Accordingly, the Commissioner has reason to believe that a basis exists to: (a) issue a cease and desist order against Respondents pursuant to

Section 36b-27(a) of the Act; and (b) impose a fine upon Respondents pursuant to Section 36b-27(d) of the Act.

II. RESPONDENTS

4. IRWT was formed as a Connecticut corporation on January 24, 2022. IRWT's principal place of business and address last known to the Commissioner is 24 Anderson Avenue, Milford, Connecticut 06460. IRWT's website describes IRWT as a "crypto-consultancy focused on projections of smaller market ERC-20 tokens with the most potential."

5. Davis is an individual who resides at 24 Anderson Avenue, Milford, Connecticut. Davis formed IRWT and is its sole control person, member, and manager. Davis is the alter-ego and essentially one and the same as IRWT.

III. STATEMENT OF FACTS

6. Davis began personally investing in cryptocurrencies in 2014 and created IRWT in 2022 to advise others on what cryptocurrencies to buy and sell. From approximately 2015 to the present, Davis, on behalf of himself and IRWT, sold subscriptions to a monthly online newsletter advising subscribers when to buy and sell certain cryptocurrencies. Respondents charge \$19.99 per month for the newsletter, which contains recommendations and insight from Davis.

7. On June 28, 2022, as part of the Division's investigation, the Division issued a subpoena duces tecum to Davis ("Subpoena #1"), requesting on-the-record testimony and the production of documents, including, but not limited to, "[a]ll financial institution account documentation, including all bank account . . . records relating to IRWT, LLC." Although Davis produced a limited number of documents in response to Subpoena #1, he did not produce the majority of documents requested.

8. On September 29, 2022, Davis, on behalf of himself and IRWT, appeared remotely before the Division for on-the-record testimony ("OTR") and was represented by counsel. In answering one of the Division Staff's questions, Davis represented that other than one PayPal account, IRWT did not have any additional bank or financial accounts.

9. Subsequent to the OTR, the Division subpoenaed IRWT's bank records. During the Division's review of the bank records the Division discovered that, contrary to Davis' statement, Davis maintained another bank account for IRWT in addition to IRWT's PayPal account.

10. On December 12, 2023, Division staff sent a letter to Respondents ("Compliance Letter"), putting Respondents on notice that the Division was conducting an investigation of Respondents' activities and that Davis' representation, on behalf of himself and IRWT, to the Division that IRWT did not have any bank accounts other than its PayPal account might be seen as a wilful violation of Section 36b-23 of the Act.

11. On February 14, 2024, the Division and Davis had a telephone conference call, wherein the Compliance Letter was discussed. During this call, Davis communicated to the Division that he wanted to clarify his statement made during the OTR and agreed to appear again for a second on-the-record appearance ("Second OTR").

12. The Second OTR was scheduled for April 18, 2024. On April 17, 2024, at 4:06 p.m., the Division received an email from a paralegal at a Connecticut law firm ("Law Firm"), stating that the Law Firm was retained to represent Davis, but that no attorney was available to appear on April 18, 2024.

13. In order to give Davis another opportunity to clarify his statement from the OTR, on May 1, 2024, the Division notified Davis and the Law Firm that the Second OTR was scheduled for May 9, 2024.

14. Davis did not attend the Second OTR on May 9, 2024. In addition, on May 9, 2024, a representative from the Law Firm sent the Division an email stating that the Law Firm did not represent Davis because a retainer was never signed.

IV. STATUTORY BASIS FOR ORDER TO CEASE AND DESIST AND ORDER IMPOSING FINE

Violation of Section 36b-23 of the Act – Materially False or Misleading Statements to the Commissioner by Davis individually and on behalf of IRWT

15. Paragraphs 1 through 14, inclusive, are incorporated and made a part hereof as if more fully set forth herein.

16. Davis's statement to the Commissioner as more fully described in paragraph 8 constitutes a materially false and misleading statement made during an investigation.

**V. ORDER TO CEASE AND DESIST, NOTICE OF INTENT TO FINE
AND NOTICE OF RIGHT TO HEARING**

WHEREAS, as a result of the Investigation, the Commissioner finds that, with respect to the activity described herein, Respondents have committed at least one violation of Section 36b-23 of the Act;

WHEREAS, the Commissioner further finds that the issuance of an Order to Cease and Desist, and the imposition of a fine upon Respondents is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policies and provisions of the Act;

WHEREAS, notice is hereby given to Respondents that the Commissioner may impose a maximum fine not to exceed one hundred thousand dollars (\$100,000) per violation upon Respondents;

WHEREAS, the Commissioner **ORDERS** that **IRWT, LLC**, its affiliates and successors in interest **CEASE AND DESIST** from directly or indirectly violating the provisions of the Act, including without limitation, making any statement, through its control person, member and/or manager or employee, to the Commissioner that is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect or, in connection with the statement, omit to state a material fact necessary to make the statement made, in the light of the circumstances under which it was made, not false or misleading;

WHEREAS, the Commissioner **ORDERS** that **RUSSELL D. DAVIS**, **CEASE AND DESIST** from directly or indirectly violating the provisions of the Act, including without limitation making any statement to the Commissioner that is, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect or, in connection with the statement, omit to state a material fact necessary to make the statement made, in the light of the circumstances under which it was made, not false or misleading;

THE COMMISSIONER FURTHER ORDERS THAT, pursuant to Section 36b-27 of the Act, each Respondent will be afforded an opportunity for a hearing on the allegations set forth above if a written request for a hearing is received by the Department of Banking, Securities and Business Investments Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 or submitted by e-mail to DOB.hearingsupport@ct.gov within fourteen (14) days following each Respondent's receipt of this Notice. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to one of the above-referenced addresses. If a Respondent will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form as "pro se".

If a hearing is requested, it will be held in person at the Department's offices. Once a written request for a hearing is received, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the Connecticut General Statutes and Section 36a-1-21 of the Regulations of Connecticut State Agencies. At the discretion of the Hearing Officer, for good cause shown, the Hearing Officer may approve requests for remote participation in the hearing by a Respondent, witness, or attorney. If such requests are approved by the Hearing Officer, such remote participation will be conducted via videoconference. If a hearing is requested, the hearing will be held on September 18, 2024, at 10 a.m.

If a hearing is requested, it will be held in accordance with the provisions of Chapter 54 of the General Statutes of Connecticut, unless a Respondent fails to appear at the requested hearing. At such hearing, each Respondent will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner. Remote participation in a hearing will be held in accordance with Section 1-225a of the Connecticut General Statutes, and the Remote Hearing Guidelines available on the Department's website at <https://portal.ct.gov/dob>.

If any Respondent does not request a hearing within the time period prescribed or fails to appear at any such hearing, the allegations herein against any such Respondent will be deemed admitted. Accordingly, the Order to Cease and Desist shall remain in effect and become permanent against any such

Respondent and the Commissioner may order that the maximum fine be imposed upon any such Respondent.

Dated at Hartford, Connecticut,
this 22nd day of July 2024.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 23rd day of July 2024, I caused to be mailed by certified mail, return receipt requested, the foregoing Order to Cease and Desist, Notice of Intent to Fine and Notice of Right to Hearing in the Matter of IRWT, LLC and Russell D. Davis to: IRWT, LLC at 12209 W. 2nd Place, Apt. 4203, Lakewood, Colorado 80228, certified mail no. 9589 0710 5270 1542 9234 65; IRWT, LLC at 24 Anderson Avenue, Milford, Connecticut 06460-7101, certified mail no. 9589 0710 5270 1542 9234 72; Russell D. Davis at 12209 W. 2nd Place, Apt. 4203, Lakewood Colorado 80228, certified mail no. 9589 0710 5270 1542 9234 58; Russell D. Davis at 24 Anderson Avenue, Milford, Connecticut 06460-7101, certified mail no. 9589 0710 5270 1542 9234 89; IRWT, LLC via email to russ@thechallengecoin.io; Russell D. Davis via email to russ@thechallengecoin.io; IRWT, LLC c/o Russell D. Davis via email to rustic2345@gmail.com and Russell D. Davis via email to rustic2345@gmail.com.

_____/s/
Tiffany Thibodeau
Paralegal Specialist