
In the Matter of Quantstamp, Inc.

Admin. Proc. File No. 3-21535

On July 21, 2023, the Commission instituted and simultaneously settled cease-and-desist proceedings (the “Order”) against Quantstamp, Inc. (“Quantstamp” or the “Respondent”). In the Order, the Commission found that from October to November 2017, Quantstamp offered and sold crypto asset securities to fund the development of an automated smart contract security auditing protocol. Quantstamp broadly marketed the sale of its crypto asset security, named QSP, including in the United States. Quantstamp raised approximately \$28.35 million in ether and USD through the sale of QSP to more than 5,000 investors. The Commission found that Quantstamp violated Sections 5(a) and 5(c) of the Securities Act of 1933 by offering and selling the QSP tokens as investment contracts without a registration statement filed or an exemption from registration. The Commission ordered the Respondent to pay \$1,979,201.00 in disgorgement, \$494,314.00 in prejudgment interest, and a \$1,000,000.00 civil money penalty, for a total of \$3,473,515.00, to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty collected, along with the disgorgement and interest collected, can be distributed to harmed investors (the “Fair Fund”). See the Commission’s Order: Release No. [33-11215](#).

The Fair Fund consists of the \$3,473,515.00 paid by the Respondent. The Fair Fund has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any accrued interest will be added to the Fair Fund.

On May 20, 2024, the Commission issued an order appointing Miller Kaplan Arase, LLP, as the Tax Administrator of the Fair Fund. See the Commission’s Order: Release No. [34-100180](#)

For more information, please contact the Commission:

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Modified: June 10, 2024