

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 93607 / November 18, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20185

In the Matter of	:	
	:	
ShipChain, Inc.,	:	EXTENSION ORDER
	:	
Respondent.	:	
	:	

The Division of Enforcement (“Division”) has requested an extension of time until June 30, 2022 to submit a Proposed Plan of Distribution under Rule 1101(a) of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1101(a).

On December 21, 2020, the Commission issued an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing Penalties and a Cease-and-Desist Order (the “Order”)¹ against ShipChain, Inc. (“ShipChain” or the “Respondent”). In the Order, the Commission found that in late-2017 to early-2018, ShipChain, a company involved in the shipping and logistics industry, raised approximately \$27.6 million by selling more than 145 million digital assets (“SHIP tokens”) in an initial coin offering (“ICO”). ShipChain told investors that ShipChain would use the funds raised in the ICO to develop a blockchain platform and “jumpstart the ShipChain economy and supplement funding to help [ShipChain] deliver the best product possible.” ShipChain violated

¹ Securities Act Rel. No. 10909 (Dec. 21, 2020).

Sections 5(a) and 5(c) of the Securities Act by offering and selling these securities without having a registration statement filed or in effect with the Commission or qualifying for exemption from registration with the Commission. The Commission ordered the Respondent to pay a \$2,050,000.00 civil money penalty 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 paid can be distributed to harmed investors (the “Fair Fund”).

The Fair Fund consists of the \$2,050,000.00 paid by the Respondent. The Fair Fund has been deposited in an interest-bearing account at the U.S. Department of the Treasury’s Bureau of the Fiscal Service, and any accrued interest will be for the benefit of the Fair Fund.

In its request for an extension of time, the Division states that additional time is needed to complete the fund administrator solicitation and appointment process, develop the distribution methodology, and prepare a proposed plan of distribution.

Accordingly, for good cause shown, IT IS HEREBY ORDERED that the Division’s request for an extension of time until June 30, 2022 to submit a Proposed Plan of Distribution is granted.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.²

Vanessa A. Countryman
Secretary

² 17 C.F.R. § 200.30-4(a)(21)(i).