

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of

COINBASE, INC., and
COINBASE GLOBAL, INC.,

SUMMARY ORDER TO CEASE AND
DESIST, REVOKING EXEMPTIONS,
AND IMPOSING CIVIL PENALTIES

Respondents.

DFI Case No. S-246912 (EX)

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities (“Division”), having legal authority and jurisdiction to administer and enforce the Wisconsin Uniform Securities Law, Wis. Stats. Ch. 551 (“Ch. 551”) and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondents

1. Coinbase Global, Inc. is a Delaware corporation formed on January 27, 2014. Coinbase Global, Inc. is a remote-first company with no physical headquarters. Prior to May 2020, Coinbase Global, Inc. was headquartered at 548 Market Street, Suite 23008, San Francisco CA 94104.
2. Coinbase, Inc. is a Delaware corporation formed on May 14, 2012. Coinbase, Inc. has been registered as a foreign business in Wisconsin since August 19, 2014. It has a principal office address of 430 California Street, San Francisco, CA 94104. In April 2014, Coinbase, Inc. became a wholly-owned subsidiary of Coinbase Global, Inc. as part of a corporate reorganization (together, referred to as “Coinbase”).

Conduct

3. Coinbase is a financial services company that generates revenue through its digital asset platform, which among other things enables customers to buy, sell, borrow, trade, deposit and stake digital assets commonly known as “cryptocurrencies” or “crypto.” Since November 6, 2019, Coinbase has offered and sold unregistered securities, in the form of crypto asset staking rewards offerings (collectively as the “Coinbase Staking Offerings,” each a “Coinbase Staking Offering”), to the United States public at large and to Wisconsin residents. Coinbase’s Staking Offerings website is available at <https://www.coinbase.com/earn>.
4. As of March 29, 2023, at least 44,514 Wisconsin residents were active investors in the Coinbase Staking Offerings with investments totaling approximately \$45,605,030.

Cryptocurrency and Proof of Stake Protocols

5. Coinbase describes cryptocurrency as “decentralized digital money designed to be used over the internet.” Further, they state “[c]ryptocurrency allows users to transfer value online without the need for a middleman such as a bank or payment processor.”
6. Cryptocurrency transactions are vetted through a technology called “blockchain,” which acts as an ongoing, constantly reverified record of every transaction ever made using a particular cryptocurrency protocol. According to Coinbase, cryptocurrency blockchains are transaction ledgers distributed across participants of the digital currency’s entire network.
7. As described by Coinbase, “Proof of work” and “proof of stake” are the two major consensus mechanisms cryptocurrencies use to verify new transactions, add them to the blockchain, and create new tokens. In a proof of stake system, staking is the process by which a network participant gets selected to add the latest batch of transactions to the blockchain and earn some crypto in exchange.
8. In general, proof of stake blockchains employ a network of validators who contribute—or stake—their own cryptocurrency in exchange for a chance of getting to validate new transactions, update the blockchain and earn a reward.
9. Coinbase defines a validator as “a node on a proof of stake network that is responsible for securing the network, storing the history of transactions and confirming the validity of new transactions added to the next block in the chain.”
10. Coinbase has explained staking as follows in its March 20, 2023 comment letter to the Securities and Exchange Commission:

The protocol rules of a blockchain are often referred to as its ‘consensus mechanism’ and they dictate how the computers in the network reach agreement on what transactions and blocks to add to the blockchain... The

most commonly-known consensus mechanisms are based on what are called “proof-of-work” and “proof-of-stake” protocols...

Proof-of-stake is generally considered to be faster and less resource-intensive [than proof-of-work]. In proof-of-stake, participants must lock up, or “stake,” their cryptocurrency in order to validate transactions and add new blocks to the blockchain. These “validators” receive rewards from the protocol for their contribution to securing the blockchain...

11. According to Coinbase, the size of a stake is directly proportional to the chances of a node being chosen to forge the next block. If a chosen validator successfully creates a block, it is awarded the staking reward.
12. Coinbase states that participating individually as a validator in a proof-of-stake blockchain requires “a minimum number of tokens, technical knowledge, and a dedicated computer that can perform validations day or night without downtime,” and that it comes with security considerations and risk of loss, because downtime or failure to comply with blockchain rules can cause a validator’s stake to be “slashed,” meaning their staked cryptocurrency is not returned. According to Coinbase, “[s]lashing is a penalty enforced at the protocol level associated with a network or validator failure.”
13. Coinbase advertises that a simpler way to participate in staking is through pooling assets at a crypto exchange like Coinbase and encourages customers to participate in staking through its Coinbase Staking Offerings.

Coinbase’s Staking Offerings

14. Coinbase operates a cryptocurrency platform that offers, among other products, cryptocurrency borrowing, exchange services, and the Staking Offerings to retail and institutional customers.
15. Coinbase conducts business in the United States through Coinbase’s mobile application and public website at <https://www.coinbase.com>. The Coinbase website is accessible to the general public, including residents of Wisconsin.
16. The Coinbase Staking Offerings are offered exclusively by Coinbase through Coinbase’s smartphone application and public website; prospective investors can open accounts on either. The Coinbase Staking Offerings public website is <https://www.coinbase.com/earn>.
17. The Coinbase Staking Offerings website represents the following:
 - a. “Earn up to 6.00% APY on your crypto. Put your crypto to work and earn rewards.”
 - b. “We’ll help you put your assets to work in the cryptoeconomy so you can grow your crypto holdings with little effort.”
 - c. “We take measures to mitigate risks and allow you to opt-out anytime.”

18. To participate in the Coinbase Staking Offerings, investors deposit designated crypto assets into their accounts or purchase the designated crypto assets from Coinbase's platform and maintain a minimum amount of those designated cryptocurrency assets in Coinbase's custody. The minimum amounts Coinbase requires to participate in the Coinbase Staking Offerings are generally lower than the amounts that would be required for an individual to operate a validator node on their own.
19. Prior to March 21, 2023, for non-Ethereum assets, Coinbase automatically enrolled Coinbase account holders in a Coinbase Staking Offering once the account holder had a required minimum balance of an eligible designated cryptocurrency asset. Beginning on March 21, 2023, Coinbase discontinued its prior practice of automatically enrolling customers holding eligible designated crypto assets in a Coinbase Staking Offering. As of March 21, 2023, Coinbase account holders must affirmatively opt-in to purchase a Coinbase Staking Offering.
20. After an investor acquires the minimum required amount of an eligible designated cryptocurrency asset and opts-in to purchase a Coinbase Staking Offering, Coinbase then, in its sole and absolute discretion, facilitates staking of the investor's cryptocurrency assets by:
 - a. Aggregating investors' deposits of crypto assets in an omnibus cryptocurrency wallet.
 - b. Performing on-chain operations to configure validator nodes on the relevant blockchain network.
 - c. Bonding investors' cryptocurrency assets to validator nodes for any period of time. These operations may be conducted for multiple investors in a single batch and typically incur on-chain fees borne by Coinbase and not passed on to investors.
 - d. Operating or engaging third parties to operate validator nodes that use the staked assets to validate transactions on the underlying protocol.
 - e. Maintaining rewards received from investors' staked cryptocurrency assets in a Coinbase omnibus wallet and re-staking any rewards earned in an un-staked form.
 - f. Periodically crediting investors' Coinbase accounts with rewards, after taking a percentage of the rewards as a commission (typically 25 or 35 percent of all rewards by protocol).
 - g. In certain cases, voting on investors' behalf on matters related to the governance of the underlying cryptocurrency protocol.
 - h. Drawing down or exiting validator nodes when an investor requests to un-stake an asset, which may be done in conjunction with multiple investors in a single batch.
21. As of mid-January 2023, Coinbase employed 64 engineers to support the Coinbase Staking Offerings.

22. Coinbase has promoted its services and products, including the Coinbase Staking Offerings, in the United States through its smartphone application, website, blog, and Twitter account, among other media networks.
23. In its marketing of its staking rewards program, Coinbase has touted the program as secure and accessible to the retail investor, as compared to those investors staking on their own. For example, Coinbase has stated:
 - a. “It’s easy. Start earning with a couple of clicks. You can earn on as little as \$1.”
 - b. “It’s secure. We take measures to mitigate risks and allow you to opt-out anytime.”
 - c. “You shouldn’t have to be an expert crypto trader to grow your crypto wealth. Offering an easy way for our customers to earn rewards from staking is an important step in building an open financial system.”
 - d. “With today’s launch, Coinbase is offering an easy, secure way for anyone to actively participate in the Tezos network. While it’s possible to stake Tezos on your own or via a delegated staking service, it can be confusing, complicated, and even risky with regard to the security of your staked Tezos. We’re changing that with staking rewards on Coinbase.”
24. On its public website, Coinbase notes that there are risks associated with the Coinbase Staking Offerings, including: “the possible slashing of staked assets or rewards. Although it’s unlikely, there is a possibility you could lose your staked assets or rewards in case of a network or validator failure. We’ve taken measures to reduce these risks, but some events are outside our control.” In the event that cryptocurrencies invested by Coinbase Staking Offerings investors are lost or reduced as the result of “slashing,” Coinbase may, in some circumstances, replace investors’ slashed assets staked in the Coinbase Staking Offering at no additional cost.
25. Coinbase has no contractual obligation to retain a like amount of investors’ crypto assets or comparable ones in its possession or control to fully cover investors’ staked assets in the event of loss.
26. Investors assume other risks related to the Coinbase Staking Offerings. For instance, investors take the risk of market events affecting the value of their staked assets for the designated lock-up period. On its public website, Coinbase states: “Staking requires assets to be locked on the protocol in order to earn rewards. During this time you won’t be able to trade or transfer your assets.”
27. On its public website, Coinbase publishes a list of crypto assets that it transacts in for the Coinbase Staking Offerings. That list states each of these assets’ annual percentage yield, which has been up to 6% depending on which crypto asset is staked.
28. Coinbase finances its payments to Coinbase Staking Offering investors through revenue from its business of operating validator nodes, which verify transactions on proof-of-

stake blockchains. Whether investors in the Coinbase Staking Offerings receive interest payments depends entirely on the success of Coinbase as a business and its managerial and entrepreneurial efforts. These investors do not engage in any substantive program activities beyond depositing cryptocurrency assets into a Coinbase Staking Offering.

29. Coinbase has sole discretion in determining the net APY that its staking investors ultimately receive. Per its User Agreement, Coinbase may change the commission rate at any time, even after the investor has staked their cryptocurrency. Coinbase also offers lower commission for investors who become members of its Coinbase One program,¹ and may offer lower, promotional commission rates to certain users. Coinbase pays staking investors interest based upon a pro rata share of any protocol rewards, regardless of whether their crypto is bonded to the validator node earning a reward.
30. Coinbase's interest payments to investors in the Coinbase Staking Offerings function like those for pooled investment vehicles. But Coinbase is not protected by investor- and consumer-protection organizations, such as the Securities Investor Protection Corporation and the Federal Deposit Insurance Corporation.
31. Coinbase and the Coinbase Staking Offerings have never been registered with the Division, nor do the Coinbase Staking Offerings constitute federal covered securities or satisfy the criteria for any exemption from registration.
32. Despite the Coinbase Staking Offerings lacking the safeguards that the SIPC and FDIC would offer, and lacking the regulatory oversight of securities registration, by March 29, 2023, the Coinbase Staking Offerings had approximately 3,515,092 U.S. investors. Those investors represented approximately \$4.8 billion in deposited assets related to the sale of these unregistered securities.

B. Conclusions of Law

Legal Authority and Jurisdiction

The Administrator has the legal authority and jurisdiction over the conduct described above, pursuant to Wis. Stats. Ch. 551 and the rules and orders promulgated thereunder.

1. Pursuant to Wis. Stat. § 551.102(28)(d)(1), the Coinbase Staking Offerings offered and sold by Coinbase are investment contract securities under Wisconsin law. Specifically, Wisconsin investors who deposited designated crypto assets into their accounts for staking purposes invested their assets with Coinbase with the expectation of profits in the form of interest through the essential managerial efforts of someone other than the investor.
2. In addition, pursuant to Wis. Stat. § 551.102(28)(d)(2), the Coinbase Staking Offerings offered and sold by Coinbase are investment contract securities under Wisconsin law.

¹ Coinbase One is an opt-in, paid subscription program that grants the subscriber certain perks, such as lower trading fees on the Coinbase exchange, and enhanced account protection.

Specifically, Wisconsin investors who deposited designated crypto assets into their accounts for staking furnished initial value to Coinbase based on representations from Respondents by which the Wisconsin investors reasonably understood that a valuable benefit of some kind over and above the initial funds would accrue to them as a result of the operation of the enterprise, and with the Wisconsin investors not having the right to exercise practical and actual control over the managerial decisions of the enterprise.

3. Pursuant to Wis. Stat. § 551.301 it is unlawful for a person to offer or sell a security in this state unless it is a federal covered security, exempt from registration or registered with the Division.

Violations

4. As described above, the Respondents violated Wis. Stat. § 551.301 by selling securities in this state that were not registered and were not exempt from registration.

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 551, to issue the following orders and notices:

A. Summary Orders

- (a) IT IS ORDERED summarily that RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of RESPONDENTS, shall cease and desist from making or causing to be made in or from Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute.
- (b) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of RESPONDENTS, are hereby revoked.
- (c) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth in Wis. Stat. §§ 551.201 and 551.202 that may otherwise apply to a specific security, transaction or offer of or by RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of RESPONDENTS, are hereby revoked.
- (d) IS FURTHER ORDERED summarily that RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of

RESPONDENTS, are prohibited from violating Wis. Stat. § 551.501 or successor statute.

- (e) IT IS FURTHER ORDERED that these Summary Orders of the Administrator are effective as of the issuance of this order. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

B. Proposed Orders

- (f) IT IS FURTHER PROPOSED that an Order be issued imposing a civil penalty against RESPONDENTS in the amount of \$500,000 for the violations committed against Wisconsin investors. Such payment shall be made payable to the Wisconsin Department of Financial Institutions and shall be remitted to the Division no later than 30 calendar days from the date of the issuance of this Order.

C. Service of Order

- (g) IT IS FURTHER ORDERED that this Order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Admin. Code § DFI-Sec 8.06. This order shall also be served upon the office of the Administrator pursuant to Wis. Stat. § 551.611.
- (h) PLEASE TAKE NOTICE that the date of the service of this order is the date it is placed in the mail if service is by certified mail. If a party or the party's attorney is personally served, the date of service is the date service is completed. You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

D. Notice of Hearing Rights

- (i) PLEASE TAKE NOTICE that you have the right to request a hearing. Every request for a hearing shall be in the form of a written petition filed with the Division, pursuant to Wis. Admin. Code § DFI-Sec. 8.01 and Wis. Stat. § 227.42. A petition for a hearing to review the order shall:
 - (1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and
 - (2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.

- (j) PLEASE TAKE FURTHER NOTICE that you may file your written petition:
- (1) By mailing the written petition to:
Division of Securities
Wisconsin Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701-1768;
 - (2) By delivering the written petition in person to:
Division of Securities
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower, 4th Floor
Madison, Wisconsin 53705; or
 - (3) By faxing the written petition to 608-264-7979.
- (k) PLEASE TAKE FURTHER NOTICE that the petition for hearing must be filed with the Division. Pursuant to Wis. Stat. § 551.102(8), “filing” means “receipt.” Therefore, a petition is not “filed” with the Division until it is actually “received” by the Division. If the Division does not receive your written petition before midnight on the 30th day after the date of service of this order, your right to a hearing will be waived and the Summary Order shall become final by operation of law.
- (l) PLEASE TAKE FURTHER NOTICE that, within 15 days after receipt of a request in a record from you, the matter will be scheduled for a hearing or other public administrative proceedings.
- (m) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the date of service of this order, the findings of fact, conclusions of law, and summary and proposed orders become final as by operation of law, and the order may be filed as a certified final order with the clerk of a court of competent jurisdiction.
- (n) PLEASE TAKE FURTHER NOTICE violations of this order may be enforced by any investor, or by the Division whether acting in its own right or on behalf of the investor, by petitioning any court of competent jurisdiction to enforce the terms of the order.
- (o) You are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

E. Notifications

- (p) PLEASE TAKE FURTHER NOTICE failure to provide a copy of this Order to prospective investors may be a material misrepresentation in violation of Ch. 551 and this Order.

(q) PLEASE TAKE FURTHER NOTICE that this Order is effective on the date it is issued. RESPONDENTS are advised that any willful violation of an Order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

EXECUTED at Madison, Wisconsin this 6th day of June, 2023.



A handwritten signature in black ink, appearing to read "Matthew R. Lynch".

Matthew R. Lynch
Chief Legal Counsel
Department of Financial Institutions

On behalf of the Administrator of the Division of Securities

State of Wisconsin
Department of Financial Institutions
4822 Madison Yards Way, 4th Floor, North Tower
Madison, Wisconsin 53705



State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Respondent Coinbase, Inc.'s Registered Agent Corporation Service Company at their last known address of 33 East Main Street, Suite 610, Madison, WI 53703:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

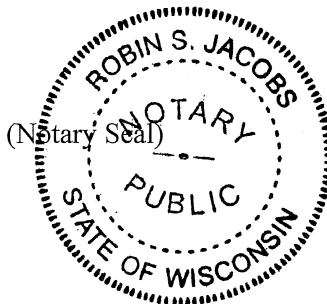
Subscribed and sworn to before me

This 6th day of June, 2023.

Robin S. Jacobs (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

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STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Respondent Coinbase, Inc.'s Registered Agent CSC - Lawyers Incorporating Service at their last known address of 2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

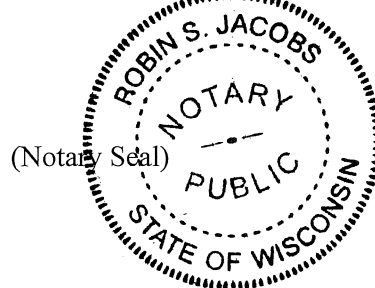
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Robin Jacobs (handwritten signature)

Notary Public, State of Wisconsin

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2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Respondent Coinbase, Inc.'s Registered Agent Corporation Service Company at their last known address of 251 Little Falls Drive, Wilmington, DE 19808:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
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Katherine Clementi

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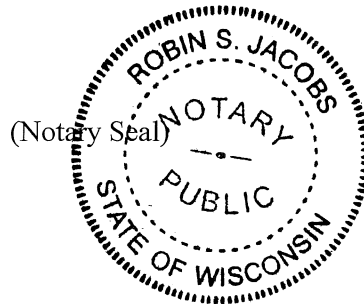
Subscribed and sworn to before me

This 6th day of June, 2023.

Robin Jacobs

Notary Public, State of Wisconsin

My commission is permanent.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

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STATE OF WISCONSIN)
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- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Coinbase, Inc. at their last known address of 430 California Street, San Francisco, CA 94104:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

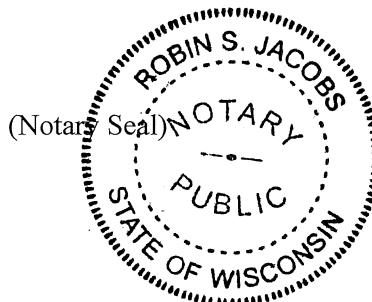
Subscribed and sworn to before me

This 6th day of June, 2023.

Pali Gaus (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

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- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Coinbase, Inc. at their last known address of 248 3rd Street, #434, Oakland, CA 94607:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

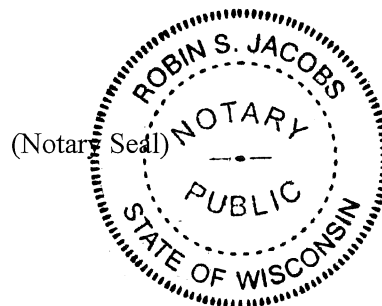
Subscribed and sworn to before me

This 6th day of June, 2023.

Ravi Jais (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

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- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Attorney Steven R. Peikin on behalf of Coinbase, Inc. at his last known address of Sullivan & Cromwell LLP, 125 Broad Street, New York, NY 10004:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
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I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

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Division of Securities

Subscribed and sworn to before me

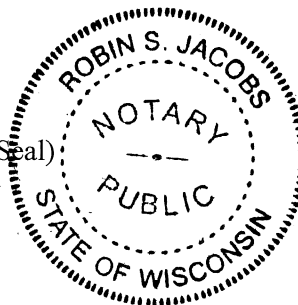
This 6th day of June, 2023.

Robin Jacobs (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.

(Notary Seal)





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Respondent Coinbase Global, Inc.'s Registered Agent CT Corporation System at their last known address of 330 N Brand Blvd, Suite 700, Glendale, CA 91203:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

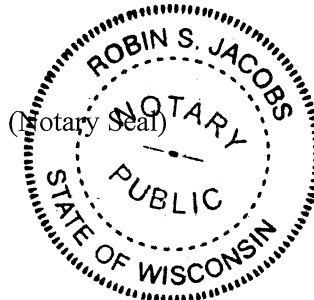
Subscribed and sworn to before me

This 6th day of June, 2023.

Ruri Jacobs (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
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STATE OF WISCONSIN)
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COUNTY OF DANE)

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- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Respondent Coinbase Global, Inc.'s Registered Agent Corporation Service Company at their last known address of 251 Little Falls Drive, Wilmington, DE 19808:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

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Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

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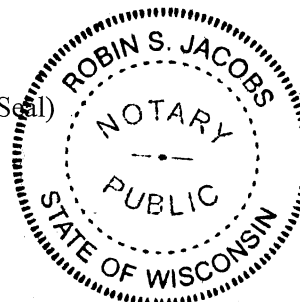
This 6th day of June, 2023.

Rali Jaur (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.

(Notary Seal)





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Coinbase Global, Inc. at their last known address of 430 California Street, San Francisco, CA 94104:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clement (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

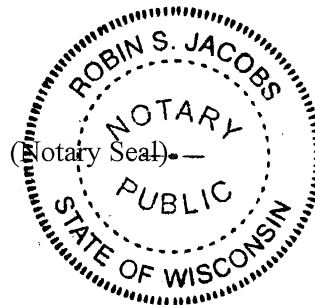
Subscribed and sworn to before me

This 6th day of June, 2023.

Robin Jacobs (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.





State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Coinbase Global, Inc. at their last known address of 248 3rd Street, #434, Oakland, CA 94607:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi (handwritten signature)

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

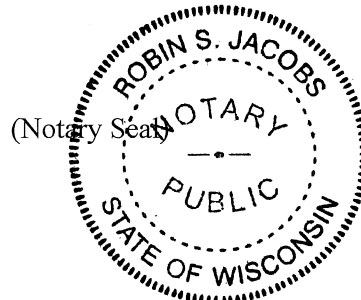
Subscribed and sworn to before me

This 6th day of June, 2023.

Raini Jacobs (handwritten signature)

Notary Public, State of Wisconsin

My commission is permanent.





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Department of Financial Institutions

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Cheryll Olson-Collins, Secretary-designee

AFFIDAVIT OF SERVICE
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STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

- 1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Attorney Steven R. Peikin on behalf of Coinbase Global, Inc. at his last known address of Sullivan & Cromwell LLP, 125 Broad Street, New York, NY 10004:
i. A copy of the Summary Order to Cease and Desist, Revoking Exemptions, and Imposing Civil Penalties; DFI Case No. S-246912 (EX); and
ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

[Handwritten signature of Katherine Clementi]

KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

This 6th day of June, 2023.

[Handwritten signature of Robin S. Jacobs]

Notary Public, State of Wisconsin

My commission is permanent.

