

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 10578 / November 29, 2018**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18906**

<p><b>In the Matter of</b></p> <p style="text-align:center"><b>FLOYD MAYWEATHER JR.,</b></p> <p><b>Respondent.</b></p>
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**ORDER INSTITUTING CEASE-AND-DESIST  
PROCEEDINGS PURSUANT TO SECTION  
8A OF THE SECURITIES ACT OF 1933,  
MAKING FINDINGS, AND IMPOSING A  
CEASE-AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), against Floyd Mayweather Jr. (“Mayweather” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent’s Offer, the Commission finds<sup>1</sup> that:

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<sup>1</sup> The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

## Summary

1. From approximately July 2017 through September 2017 (the “Relevant Period”), Mayweather – a well-known professional boxer – touted on social media three securities that were being offered and sold in Initial Coin Offerings (“ICOs”) without disclosing that he was being compensated for giving such securities publicity by the entities offering the securities. Mayweather’s failure to disclose this compensation violated Section 17(b) of the Securities Act, which makes it unlawful for any person to promote a security without fully disclosing the receipt and amount of such consideration.

## Respondent

2. **Mayweather**, age 41, is a resident of Las Vegas, Nevada.

## Facts

3. During the Relevant Period, Mayweather had approximately 21 million Instagram followers, 7.8 million Twitter followers, and 13.4 million Facebook followers.

4. During that same period, Mayweather promoted three ICOs on his Instagram, Twitter, and Facebook accounts, in exchange for financial payments from each of the ICO issuers. In total, Mayweather received approximately \$300,000 for these promotions.

5. Centra Tech, Inc. (“Centra”), a Miami-based company, conducted an ICO from approximately July through October 2017 in which it offered and sold digital Centra tokens (“CTR”) to be issued on the Ethereum blockchain. CTR tokens are investment contracts and therefore securities pursuant to Section 2(a)(1) of the Securities Act. According to Centra’s White Papers, the purpose of the Centra ICO was to raise capital to enable Centra to complete and operate what it termed the “world’s first Multi-Blockchain Debit Card and Smart and Insured Wallet,” a financial system that would, purportedly, allow holders of various hard-to-spend “cryptocurrencies” to easily convert their assets into legal tender, and spend these “cryptocurrencies” in “real time” using a Visa- or MasterCard-backed “Centra Card.”<sup>2</sup>

6. Mayweather promoted Centra’s ICO on social media by posting or allowing his agents to post the following:

- a. On September 14, 2017, Mayweather’s Instagram and Facebook accounts posted a picture of Mayweather holding a Centra Card at a shoe store with the caption: “Spending bitcoins ethereum and other types of cryptocurrency in Beverly Hills with my Titanium Centra Card. Join Centra’s ICO on Sept. 19th.”

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<sup>2</sup> In April 2018, the Commission filed a civil action against the founders of Centra, alleging that the ICO was fraudulent. See <https://www.sec.gov/litigation/litreleases/2018/lr24117.htm>. The U.S. Attorney’s Office for the Southern District of New York filed parallel criminal charges.

- b. On September 18, 2017, Mayweather's Twitter account posted a picture of Mayweather with his boxing title belts with the caption: "Centra's (CTR) ICO starts in a few hours. Get yours before they sell out, I got mine . . ."

7. Centra paid Mayweather \$100,000 for these promotions. Mayweather did not, however, disclose any information about the fact or amount of compensation he received from Centra for making these posts.

8. On or about January 11, 2018, Mayweather recorded a video at a department store in Los Angeles, which purported to show him using the so-called "Centra Wallet" application on an iPhone and a "Centra Card" to buy several items at the checkout counter. Centra subsequently posted the video to YouTube under the headline "Centra Floyd Mayweather Jr Spending Bitcoin with Centra Card & Centra Wallet."

9. Previously, Mayweather promoted two other ICOs without disclosing that he was being compensated for the posts by the ICO issuers, or the amount of the compensation. On July 27, 2017, Mayweather promoted one ICO by posting, or allowing his agents to post on his Instagram account: "floydmayweather Champion Predictions: I'm gonna make a \$hit t\$on of money on August 26th. I'm gonna make a \$hit t\$on of money on August 2nd on the [ . . . ] ICO." On August 23, 2017, Mayweather promoted a different ICO, by posting or allowing his agents to post on his Twitter account: "You can call me Floyd Crypto Mayweather from now on [ . . . ] #ICO starts tomorrow! Smart Contracts for sports?!" Mayweather received from the ICO issuers \$100,000 for the July 27 post and \$100,000 for the August 23 post. Both ICOs involved the offer and sale of investment contracts, which are securities.

10. Each of Mayweather's ICO promotions occurred after the Commission warned in its July 25, 2017, DAO Report of Investigation that virtual tokens or coins sold in ICOs may be securities, and those who offer and sell securities in the United States must comply with the federal securities laws.<sup>3</sup>

#### Mayweather Violated Section 17(b) of the Securities Act

11. Section 17(b) of the Securities Act makes it unlawful for any person to:  
  
publish, give publicity to, or circulate any notice, circular, advertisement, newspaper, article, letter, investment service, or communication which, though not purporting to offer a security for sale, describes such security for a consideration received or to be received, directly or indirectly, from an issuer, underwriter, or dealer, without fully disclosing the receipt, whether past or prospective, of such consideration and the amount thereof.

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<sup>3</sup> Report of Investigation Pursuant to Section 21(a) of the Securities Exchange Act of 1934: The DAO, Exchange Act Rel. No. 81207 (July 25, 2017).

Mayweather violated Section 17(b) of the Securities Act by touting three ICOs that involved the offer and sale of securities on his social media accounts without disclosing that he received compensation from an issuer for doing so, or the amount of the consideration.

#### Undertakings

12. Respondent has undertaken to:
  - a. for a period of three (3) years from the date of this Order, forgo receiving or agreeing to receive any form of compensation or consideration, directly or indirectly, from any issuer, underwriter, or dealer, for directly or indirectly publishing, giving publicity to, or circulating any notice, circular, advertisement, newspaper, article, letter, investment service, or communication which, though not purporting to offer a security, digital or otherwise, for sale, describes such security; and
  - b. to continue to cooperate with the Commission's investigation in this matter.

13. In determining whether to accept the Offer, the Commission has considered these undertakings.

#### **IV.**

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 8A of the Securities Act, Respondent cease and desist from committing or causing any violations and any future violations of Section 17(b) of the Securities Act.

B. Respondent shall, within 20 days of the entry of this Order, pay disgorgement of \$300,000, prejudgment interest of \$14,775.67, and a civil money penalty in the amount of \$300,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment of disgorgement is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600 and if timely payment of a civil money penalty is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

C. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Floyd Mayweather Jr. as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Robert A. Cohen, U.S. Securities and Exchange Commission, Division of Enforcement, 100 F Street., NE, Washington DC, 20549.

D. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

E. Respondent shall comply with the undertakings enumerated in Section III, paragraph 12.a.

**V.**

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S. C. § 523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Brent J. Fields  
Secretary