



SEC Obtains Default Judgement against Billionaire Founder and Group CEO Michael Gastauer

Toronto, March 25th, 2022: The Securities and Exchange Commission (SEC) obtained on March 23th, 2022 final Judgement in a Federal Court in Boston, Massachusetts ordering Billionaire Founder and CEO of Black Banx Group Michael Gastauer to pay USD 17 million. Despite its initial claim filed in October 2018, where the SEC sought to recover USD 165 million plus fines and penalties from Gastauer, the final Judgement ordered a disgorgement of USD 11.3 million held in Wintercap SA client account by Black Banx's Singapore branch plus USD 1.7 million interest and a civil penalty of USD 4.3 million, which is approximately one tenth of the sum originally demanded by the SEC.

The case commenced in October 2018, when the SEC filed a complaint for microcap securities fraud against Black Banx's client Roger Knox and his company Wintercap SA. The SEC alleged the US entities of Black Banx Group (formerly known as WB21) and Gastauer personally as the Group's CEO aided and abetted Knox by providing bank accounts to send and receive payments derived from the alleged illegal securities trading. Notably, the SEC proceedings are civil proceedings. No criminal charges have been filed against Black Banx nor any of its employees.

Black Banx denied the allegations and claimed neither Mr. Gastauer nor Black Banx as a licensed Financial Institution had any knowledge of Knox violating US securities laws. Contesting the lack of personal jurisdiction and lack of valid service, following the advice of his legal team Mr. Gastauer did not participate in the US court proceedings. In parallel proceedings Black Banx's US based entities are opposing the SEC's claim.

About Black Banx:

Black Banx Group provides digital banking solutions to private individuals, institutional and corporate clients worldwide. We are the only financial Institution offering the entire account opening process online, in real time for Private and Business clients from 180 countries. With more than 8 Million customers, we processes cross border payments of over 10 Billion USD on a monthly-basis. We protect customers' funds with industry leading security tools and our global diversification concept. Leading companies and institutions in more than 180 countries rely on our financial resources, expertise and infrastructure to help them grow their businesses, manage their payments and invest for the future.

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