

Title: They Halted GameStop and their only fine was \$125k. This really happen guys and the SEC has done next to nothing. Unbelievable

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By Josh Beckerman

The Securities and Exchange Commission alleges that TradeZero America Inc. and co-founder Daniel Pipitone deceived customers about restricting meme stock purchases in January 2021.

Trading platform TradeZero and Mr. Pipitone agreed to a cease-and-desist order, without admitting or denying the charges, the SEC said. The order includes penalties of \$100,000 for TradeZero and \$25,000 for Mr. Pipitone.

In October, TradeZero said it would combine with blank-check company Dune Acquisition Corp., but Dune said May 3 that it determined the deal "is not advisable or fair to, or in the best interest of, Dune and its stockholders" and called for Dune stockholders to vote against the transaction.

The SEC order said that on Jan. 28, 2021, "TradeZero's clearing broker instructed all of its introducing brokers, including TradeZero, to halt all purchases in GME, AMC, and KOSS."

"TradeZero refused to implement this instruction for over two hours, allowing its customers to freely trade. Under increasing pressure from the clearing broker," TradeZero's board decided to implement the restriction, the order said. "TradeZero ultimately halted purchases for about 10 minutes," according to an SEC press release.

According to the order, Mr Pipitone said on Reddit "that some trading firms are blocking these symbols is disgusting, unprecedented" and didn't disclose that TradeZero also blocked three symbols. The order also mentioned a Jan. 29, 2021, TradeZero press release "promoting its resistance to the clearing broker's restrictions."

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