

TRAVIS J. ILES
SECURITIES COMMISSIONER



CLINTON EDGAR
DEPUTY SECURITIES COMMISSIONER

Mail: P.O. BOX 13167
AUSTIN, TEXAS 78711-3167

Phone: (512) 305-8300
Facsimile: (512) 305-8310

Texas State Securities Board

208 E. 10th Street, 5th Floor
Austin, Texas 78701-2407
www.ssb.texas.gov

E. WALLY KINNEY
CHAIR

KENNY KONCABA
MEMBER

ROBERT BELT
MEMBER

MELISSA TYROCH
MEMBER

EJIKE E OKPA II
MEMBER

IN THE MATTER OF §
WHISKEY & WEALTH CLUB LIMITED AKA §
WHISKEY & WEALTH CLUB AKA WHISKY & §
WEALTH CLUB; SCOTT SCIBERRAS; §
WILLIAM FIELDING; ALEX MOOK; RICHARD §
FALCONER; AND BENJAMIN DUNLOP §

Order No. ENF-21-CDO-1853

Whiskey & Wealth Club Limited aka Whiskey & Wealth Club aka Whisky & Wealth Club, service by certified mail, return receipt requested, addressed to 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

Scott Sciberras, service by certified mail, return receipt requested, addressed to 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

William Fielding, service by certified mail, return receipt requested, addressed to 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

Alex Mook, service by certified mail, return receipt requested, addressed to 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

Richard Falconer, service by certified mail, return receipt requested, addressed to 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

Benjamin Dunlop, service by certified mail, return receipt requested, addressed to 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas (the "Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, Tex. Rev. Civ. Stats. Ann. arts. 581-1-581-45 (the "Securities Act").

The Enforcement Division of the Texas State Securities Board has presented evidence sufficient for the Securities Commissioner to find:

FINDINGS OF FACT

1. Whiskey & Wealth Club Limited aka Whiskey & Wealth Club aka Whisky & Wealth Club ("Respondent Whiskey & Wealth Club") is being served at 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.
2. Scott Sciberras ("Respondent Sciberras") is a co-founder, a Director and the Chief Executive Officer of Respondent Whiskey & Wealth Club, and he owns at least 25 percent of the company's outstanding shares. He is being served at 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.
3. William Fielding ("Respondent Fielding") is the co-founder, a Director and the Chief Operations Officer of Respondent Whiskey and Wealth Club, and he owns at least 25 percent of the company's outstanding shares. He is being served at 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.
4. Alex Mook ("Respondent Mook") is a Wealth Manager for Respondent Whiskey & Wealth Club, and he is being served at 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.
5. Richard Falconer ("Respondent Falconer") is a Wealth Advisor for Respondent Whiskey & Wealth Club, and he is being served at 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.
6. Benjamin Dunlop ("Respondent Dunlop") is a Senior Wealth Manager for Respondent Whiskey & Wealth Club, and he is being served at 51a George Street, Richmond, London, England TW9 1HJ, and 20 Harcourt Street, Dublin, Ireland D02 H364.

THE CORPORATE RECORDS

7. Respondent Whiskey & Wealth Club is a private limited company incorporated with Companies House on or around November 2, 2018.
8. Respondent Whiskey & Wealth Club's accounts at Companies House are overdue, as its accounts were last made up to December 31, 2019.
9. Companies House also maintains records for Whiskey & Wealth Club International Limited, a private limited company incorporated on June 29, 2021.
10. These records reflect Whiskey & Wealth Club International Limited maintains the same registered office as Respondent Whiskey & Wealth Club and that

Respondent Sciberras serves as a Director of Whiskey & Wealth Club International Limited.

THE PUBLIC SOLICITATIONS

11. Respondent Whiskey & Wealth Club maintains an internet website accessible at <https://www.whiskeywealthclub.com> (the "Website").
12. Respondent Whiskey & Wealth Club maintains a social media presence through Facebook, Instagram, LinkedIn and YouTube (collectively the "Social Media Platforms").
13. Respondent Whiskey & Wealth Club is also advertising through paid, promoted advertisements published in Reddit (the "Reddit Advertisements") and press releases carried by Yahoo and the Associated Press (the "Press Releases").
14. Respondent Whiskey & Wealth Club is using the Website, Social Media Platforms and Reddit Advertisements, as well as various press releases, to promote investments tied to purchasing, holding and selling whiskey.
15. Respondent Whiskey & Wealth Club is using articles published in Forbes, Bloomberg, Yahoo Finance, UK Investor Magazine and Fox Business to promote these investments.

THE INVESTMENT OPPORTUNITY

16. Respondent Whiskey & Wealth Club is raising capital from investors to purchase whiskey from the Bladnoch Distillery at discounted, wholesale auction rates.
17. Investors pay £126,000 for 10 pallets or £63,000 for 5 pallets, with each pallet consisting of six casks with each cask containing 200L of whiskey.
18. Respondent Whiskey & Wealth Club thereafter registers title and ownership in the name of the investor.
19. Investors are unable to take possession of their casks after they purchase the whiskey and after Respondent Whiskey & Wealth Club registers title and ownership in their names. Instead, all whiskey purchased from Respondent Whiskey & Wealth Club must be stored in government-controlled, bonded and insured warehouses.
20. Respondent Whiskey & Wealth Club arranges for the whiskey to be stored in these warehouses for up to ten years, and it secures insurance from Bruce Stevenson Insurance Brokers and Aviva PLC for a term of ten years.
21. Respondent Whiskey & Wealth Club is recommending investors hold the whiskey for at least three years, and ideally five to ten or more years, and then profit from selling the whiskey to whiskey brands in need of mature or maturing stock.

THE CONTRACT AND THE ADVANCE DEPOSIT

22. Respondents Whiskey & Wealth Club, Sciberras, Fielding and Dunlop are telling potential investors they must provide identifying and contact information and a deposit of £2,000 that serves as down payment for the investment.
23. Respondents Whiskey & Wealth Club, Sciberras, Fielding and Dunlop are telling potential investors they must provide this information and the deposit before Respondent Whiskey & Wealth Club will provide a contract for the sale of the investment.

THE EXIT STRATEGIES

24. Respondent Whiskey & Wealth Club is telling investors they may use an independent broker to negotiate the sale of mature whiskey, but that independent brokers charge a considerably greater fee.
25. Alternatively, Respondent Whiskey & Wealth Club is claiming Respondent Whiskey & Wealth Club will negotiate the sale of mature whiskey and investors will only need to pay a discounted fee of two percent of the aggregate sale price for casks above 10 years of age or five percent for casks between three and 10 years of age.
26. Assuming investors hold the whiskey for at least three years, Respondents claim they have been securing average returns of around 10 percent per year to around 20 percent per year.

PERFORMANCE DURING THE PANDEMIC

27. Respondent Whiskey & Wealth Club is warning that the pandemic caused global stock markets to post their widest losses since the 2008 financial crisis and that investors recognized significant losses.
28. At the same time, Respondent Whiskey & Wealth Club is touting its performance for more than 300 clients and is claiming it is selling an increasing number of investments during the pandemic.
29. For example, Respondents are claiming they sold 258 pallets of whiskey from the beginning of the pandemic through June 24, 2020.
30. Respondents are also claiming they sold 111.2 pallets of whiskey for £1,803,627 in September 2020, an increase of almost 54 percent compared to the August 2020.

REGISTRATION VIOLATIONS

31. The investments tied to pallets of whiskey have not been registered by qualification, notification or coordination, and no permit has been granted for their sale in Texas.

32. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.

FRAUD AND THE MANAGEMENT AND
OPERATIONS OF RESPONDENT WHISKEY & WEALTH CLUB

33. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose the following material facts relating to its principals:
- A. Respondents Whiskey & Wealth Club and Sciberras are intentionally failing to disclose the business repute, experience and qualifications of Respondent Sciberras, and this information constitutes a material fact;
 - B. Respondents Whiskey & Wealth Club and Fielding are intentionally failing to disclose the business repute, experience and qualifications of Respondent Fielding, and this information constitutes a material fact;
 - C. Respondents Whiskey & Wealth Club and Mook are intentionally failing to disclose the business repute, experience and qualifications of Respondent Mook, and this information constitutes a material fact;
 - D. Respondents Whiskey & Wealth Club and Falconer are intentionally failing to disclose the business repute, experience and qualifications of Respondent Falconer, and this information constitutes a material fact; and
 - E. Respondents Whiskey & Wealth Club and Dunlop are intentionally failing to disclose the business repute, experience and qualifications of Respondent Dunlop, and this information constitutes a material fact.
34. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose the compensation paid to Respondent Whiskey & Wealth Club, and this information constitutes a material fact.
35. In connection with the offer of investments tied to pallets of whiskey, Respondents Whiskey & Wealth Club, Sciberras and Fielding are intentionally failing to disclose that Respondent Whiskey & Wealth Club's accounts at Companies House are overdue – its accounts were last made up to December 31, 2019, and its accounts were due on September 30, 2021 – and this information constitutes a material fact.

DECEPTION, THE CONTRACT AND THE ADVANCE DEPOSIT

36. As described herein, Respondents Whiskey & Wealth Club, Sciberras, Fielding and Dunlop are telling potential investors they must provide identifying and contact information and a deposit before Respondent Whiskey & Wealth Club will provide a contract for the sale of the investment.

37. The non-contractual statements relating to the terms and profitability of the investments tied to pallets of whiskey are materially misleading or otherwise likely to deceive the public in light of the fact that Respondents are telling investors they will not provide a contract codifying the terms of the investment until or unless investors first pay for a deposit on the investment.

FRAUD AND INFORMATION RELATING TO BLADNOCH DISTILLERY

38. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose material facts about the Bladnoch Distillery, including but not limited to the following material facts:
- A. The business repute, qualifications and experience of the Bladnoch Distillery and the principals of the Bladnoch Distillery; and
 - B. The quality, marketability and profitability of whiskey produced by the Bladnoch Distillery.
39. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose the strategies for identifying, negotiating and selling whiskey to brands and generating annualized profits of 12 to 20 percent for investors, and this information constitutes a material fact.
40. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose the names of brands, as well as their contractual or other relationships with brands, that ensures Respondent Whiskey & Wealth Club will be able to broker transactions generating annualized returns of 12 to 20 percent for investors, and this information constitutes a material fact.

DECEPTION AND THE RETURNS

41. As described herein, Respondent Whiskey & Wealth Club was only incorporated with Companies House on or around November 2, 2018 – less than three years preceding the date of this order.
42. Nevertheless, Respondent Whiskey & Wealth Club is claiming it is generating returns of 12 to 20 percent for investors who hold their investment for at least three years, and ideally between five and 10 years.
43. The statements relating to the returns of 12 to 20 percent for investors who hold their investments for at least three years, and ideally between five and 10 years, are therefore materially misleading or otherwise likely to deceive the public in light of the fact that Respondent Whiskey & Wealth Club was incorporated less than three years ago and has operated as a private company for less than three years.

FRAUD AND THE UNDISCLOSED RISKS

44. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose material facts relating to the risks associated with the investment, including but not limited to the following risks:
- A. Changes to national and international laws and regulations may negatively impact the profitability of the sale of whiskey;
 - B. Whiskey produced at the Bladnoch Distillery competes with whiskey produced by other distilleries, and this competition may negatively impact the profitability of the sale of whiskey;
 - C. The whiskey investment market is niche and the size and scope of the market may negatively impact the profitability of the sale of whiskey;
 - D. The age and quality of whiskey may drive its marketability and negatively impact the profitability of the sale of whiskey;
 - E. Investors are relying on Respondent Whiskey & Wealth Club's ability to sell whiskey for a profit in exchange for a discounted rate, and changes in management, reputability or ability may negatively impact the profitability of the sale of whiskey;
 - F. Investors are relying on the continued solvency, operation and existence of Respondent Whiskey & Wealth Club to sell their casks for a discounted rate; and
 - G. Although the whiskey is purportedly insured, the insurance carrier may pay a loss-adjusted true and fair value of whiskey that may not reflect the profitability promoted by Respondents.

FRAUD AND THE UNDISCLOSED BUSINESS

45. In connection with the offer of investments tied to pallets of whiskey, Respondents are intentionally failing to disclose the relationship between Respondent Whiskey & Wealth Club and Whiskey & Wealth Club International Limited, and this information constitutes a material fact.

DECEPTION AND THE LICENSING OF RESPONDENT WHISKEY & WEALTH CLUB

46. Respondents are claiming Respondent Whiskey & Wealth Club and its investments are regulated by HM Revenue & Customs, the United Kingdom's tax, payments and customs authority, and Respondent Whiskey & Wealth Club has a license for Warehousekeepers and Owners of Warehouse Goods Regulations.
47. These statements are materially misleading or otherwise likely to deceive the public because Respondents are not registered to offer or sell securities in Texas

and no registration or permit has been granted for the sale of investments tied to pallets of whiskey in Texas.

CONCLUSIONS OF LAW

1. The investments tied to pallets of whiskey are securities as the term is defined in Section 4.A of the Securities Act.
2. Respondents are violating Section 7 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with the Securities Commissioner.
3. Respondents are violating Section 12 of the Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Securities Act.
4. Respondents are engaging in fraud in connection with the offer for sale of securities.
5. Respondents are making offers containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents' conduct, acts, and practices threaten immediate and irreparable public harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Securities Act.

ORDER


1. It is therefore ORDERED Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED Respondents immediately CEASE AND DESIST from acting as a securities dealer, agent, investment adviser, or investment adviser representative in Texas until they are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Securities Act any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Securities Act is a criminal offense punishable by a fine of not more than \$10,000, or imprisonment in the penitentiary for two to ten years, or both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 2nd day of November 2021.



TRAVIS J. ILES
Securities Commissioner