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PRESS RELEASE

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SEC Charges Founder of American Bitcoin Academy Online Crypto Course with Fraud Targeting Students

Defendant claimed his hedge fund would use sophisticated tools like artificial intelligence to generate returns

FOR IMMEDIATE RELEASE | 2024-13

Washington D.C., Feb. 2, 2024 — The Securities and Exchange Commission today announced that Brian Sewell and his company, Rockwell Capital Management, agreed to settle fraud charges in connection with a scheme that targeted students taking Sewell’s online crypto trading course known as the American Bitcoin Academy. The SEC alleges that the fraudulent scheme cost 15 students \$1.2 million.

According to the SEC’s complaint, from at least early 2018 to mid-2019, Sewell encouraged hundreds of his online students to invest in the Rockwell Fund, a hedge fund that he claimed he would launch, and which would use cutting-edge technologies like artificial intelligence and trading strategies involving crypto assets to generate returns for investors. The complaint alleges that Sewell, who resided in Hurricane, Utah, before relocating to Puerto Rico, received approximately \$1.2 million from 15 students but never launched the fund nor executed the trading strategies he advertised to investors, instead holding on to the invested money in bitcoin. The complaint further alleges that the bitcoin was eventually stolen when Sewell’s digital wallet was hacked and looted.

“We allege that Sewell defrauded students in his online American Bitcoin Academy of over a million dollars through a series of lies about investment opportunities in his purported crypto hedge fund. Among other things, he falsely claimed that his investment strategies would be guided by his own ‘artificial intelligence’ and ‘machine learning’ technology which, like the fund itself, never existed,” said Gurbir S. Grewal, Director of the SEC’s Division of Enforcement. “Whether it’s AI, crypto, DeFi or some other buzzword, the SEC will continue to hold accountable those who claim to use attention-grabbing technologies to attract and defraud investors.”

The SEC’s complaint, filed in U.S. District Court for the District of Delaware, charges the defendants with violating antifraud provisions of the federal securities laws. The defendants have agreed to settle the charges. Without admitting or denying the allegations in the complaint, the defendants have consented to injunctive relief. Defendant Rockwell Capital Management also agreed to pay disgorgement and prejudgment interest totaling \$1,602,089 and Defendant Sewell agreed to a civil penalty of \$223,229. The settlement is subject to court approval.

The SEC’s investigation was conducted by Matthew S. Raalf and Jacquelyn D. King with assistance from Gregory Bockin and Karen M. Klotz, all of the Philadelphia Regional Office. It was supervised by Assunta Vivolo, Scott A. Thompson, and Nicholas P. Grippo.

The SEC’s Office of Investor Education and Advocacy [cautions investors to check the background](#) of anyone selling them an investment and to always independently research investment opportunities and [has issued Investor Alerts on investment frauds touting new technologies](#).

Additional information is available on [Investor.gov](#) and [SEC.gov](#).

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