

1 7. The Imposter Platforms advertised themselves using Coinmetro’s iconography and
2 included copyright notices claiming the copyrighted material belonged to “Coinmetro Corporation.”

3 8. The Imposter Platforms advertised themselves as “[t]he leading global Blockchain
4 digital asset trading platform,” and offered computer and phone applications (apps) that would-be
5 victims download to their personal devices for the purpose of engaging in cryptocurrency trading.
6 The Imposter Platforms included claims that their services put “[u]sers first,” by “develop[ing] (sic)
7 compensation first system,” and “establish[ing] the investor protection fund.”

8 9. Beginning in at least September 2023, at least one California consumer (the Victim)
9 was introduced to the Imposter Platforms because of a romance scam orchestrated by an individual
10 under the name Xiao (William) Su [苏晓] (Su). Su engaged in discussions with the Victim for
11 months, sharing allegedly personal information about his identity, location, age, and alleged children.
12 Su communicated with the Victim through email and WeChat using the email address
13 lf4820688@gmail.com and phone number (213) 603-6512.

14 10. Over the course of their relationship, the Victim and Su discussed their future together,
15 to include repeated statements by Su that the Victim was ill-prepared for retirement and should invest
16 their funds into various cryptocurrency products. Su directed the victim to the Imposter Platforms,
17 where Su encouraged the Victim to download the Imposter Platforms application, “iOS Light” which
18 itself purported to be the legitimate Coinmetro mobile application for Apple products.

19 11. In or about October 2023, the Victim conducted the first wire transfer from their bank
20 account to the Imposter Platforms in the amount of \$3,475.00. After completing the transfer, the
21 Victim was able to withdraw their funds, less the taxes and fees paid to the platform.

22 12. In or about November 2023, the Victim added an additional \$50,100.00 to their
23 account on the Imposter Platforms. Finally, in or about December 2023, the Victim again was
24 pressured by Su to add more funds to their account on the Imposter Platforms and the Victim
25 completed a third and final wire transfer in the amount of \$30,000.00.

26 13. Su furthered the fraud by encouraging the Victim to add fiat currency to their accounts
27 on the Imposter Platforms. The Victim would later try to withdraw their funds from the Imposter
28 Platforms, but unknown person(s) posing as “Customer Support” staff told the Victim that they

1 would be required to pre-pay “taxes and fees” on the Imposter Platforms before the Imposter
2 Platforms would release the Victim’s funds. Excerpts of such conversations included claims that:

- 3 a. “... due to the special nature of cryptocurrencies, tax evasion can be prevented. Taxes
4 are collected by CoinMetrodai. Pay this tax. After you pay your taxes, all your assets
5 can be withdrawn normally. No more taxes[.]”
- 6 b. “...account assets can not offset the tax[.]”
- 7 c. “...cryptocurrency trading regulations.... [require the consumer to pay a] profits tax.”

8 14. When asked how the “taxes” could be paid if the funds on-platform could not be used,
9 the Imposter provided the wallet address: 0x525F3A88eF32a0F65B59E20d1e6943435Ec75F49.

10 15. Under the CCFPL, it is unlawful for a “covered person” to “[e]ngage, have engaged,
11 or propose to engage in any unlawful, unfair, deceptive, or abusive act or practice with respect to
12 consumer financial products or services.” CAL. FIN. CODE § 90003(a)(1).

13 16. For any person who knowingly or recklessly provides substantial assistance to a
14 covered person or service provider in violation of subdivision (a), or any rule or order issued
15 thereunder, the provider of that substantial assistance shall be deemed to be in violation of that
16 section to the same extent as the person to whom that assistance is provided. CAL. FIN. CODE
17 § 90003(b).

18 17. A “covered person” includes “[a]ny person that engages in offering or providing a
19 consumer financial product or service to a resident of this state.” CAL. FIN. CODE § 90005(f)(1).

20 18. A “financial product or service” includes “[e]ngaging in deposit-taking activities,
21 transmitting or exchanging funds, or otherwise acting as a custodian of funds or any financial
22 instrument for use by or on behalf of a consumer.” CAL. FIN. CODE § 90005(k)(4).

23 19. A “consumer financial product or service” is generally a “financial product or service
24 that is delivered, offered, or provided for use by consumers primarily for personal, family, or
25 household purposes.” CAL. FIN. CODE § 90005(e)(1).

26 20. Under Financial Code section 90015(d), if, in the opinion of the Commissioner, any
27 person engages, has engaged, or proposes to engage in any activity prohibited by sections 90003 or
28 90004, the Commissioner “may issue an order directing the person to desist and refrain from

1 engaging in the activity, act, practice, or course of business.”

2 21. The Imposter Platforms are a “covered person” under the CCFPL which engaged in
3 offering or providing consumer financial products or services to California consumers, including, but
4 not limited to, engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise
5 acting as a custodian of funds or any financial instrument for use by or on behalf of a consumer. The
6 Imposter Platforms engaged in deposit taking activity when they allowed the Victim, a California
7 consumer, to deposit funds on the Imposter Platforms. This activity was confirmed to be within the
8 exclusive control of the Imposter Platforms when they communicated to the Victim that the Imposter
9 Platforms could only release the funds when additional “taxes” were paid to the Imposter Platforms.
10 Moreover, the Imposter Platforms evidenced their intention and practice of transmitting and receiving
11 funds when they solicited the Victim to pay the additional “taxes” before agreeing to release the
12 principal as held by the Imposter Platforms. CAL. FIN. CODE § 90005(k)(4).

13 22. Su engaged in “covered person” activity when he acted as an affiliate of the Imposter
14 Platforms in directing the Victim, a California consumer, to the Imposter Platforms for the purpose of
15 depositing their funds with the Imposter Platforms. Without Su’s intervention and manipulation of
16 the Victim, the Victim would not have invested their funds with the Imposter Platforms. CAL. FIN.
17 CODE § 90005(f)(2).

18 23. As “covered persons” the Imposter Platforms and Su created and offered deceptive
19 consumer financial products or services by creating duplicative websites, using the intellectual
20 property of an unrelated cryptocurrency exchange, to defraud the Victim, a California consumer. Su
21 actively deceived the Victim by posing as a potential romantic suitor, after which Su directly
22 connected the Victim to the Imposter Platforms. The Imposter Platforms furthered the deception by
23 claiming they were required to extract “taxes,” which exceeded 70% of the Victim’s principal
24 investment. CAL. FIN. CODE § 90003(a)(1).

25 24. Based on the foregoing, the Commissioner is of the opinion that the Imposter
26 Platforms and Su violated Financial Code section 90003(a)(1), by engaging, having engaged, or
27 proposing to engage in deceptive acts or practices with respect to consumer financial products or
28 services.

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25. Accordingly, pursuant to Financial Code section 90015(d), the Imposter Platforms and Su are hereby ordered to desist and refrain from engaging in deceptive acts or practices with respect to consumer financial products or services in violation of Financial Code section 90003(a)(1) (CCFPL Order).

26. This CCFPL Order is necessary, in the public interest, and consistent with the purposes, policies, and provisions of the CCFPL. This CCFPL Order shall remain in full force and effect until further order of the Commissioner.

DATED: November 1, 2024
San Francisco, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division