STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

TO: Beonbit Pty Ltd
100 Edward St
Brisbane City QLD 4000, Australia
www.beonbit.com

DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the Corporations Code)

The Commissioner of Financial Protection and Innovation (Commissioner) finds that:

1. The Department of Financial Protection and Innovation (Department) regulates the offer and sale of securities in California under the Corporate Securities Law of 1968 (Cal. Corp. Code §§ 25000-25707) (CSL).

2. At all relevant times, Beonbit Pty Ltd (Beonbit) was an Australian entity with a principal address listed at 100 Edward St, Brisbane City QLD 4000, Australia. Beonbit operated the website www.beonbit.com, as well as social media accounts, including on YouTube (https://www.youtube.com/@Beonbit).

3. Beginning at least as early as 2025, Beonbit offered and sold securities in the form of investment contracts in California through general solicitations on its website.

4. Beonbit held itself out as a cryptocurrency trading platform. The purported purpose of the securities offerings was for Beonbit to use investor funds to engage in cryptocurrency trading, which Beonbit claimed would generate returns for investors who purchased its investments. Beonbit claimed that the cryptocurrency trading was conducted by its team of traders using “AI algorithms.”

5. Beonbit represented that its investments produced daily returns ranging from 1% to 5.6% (depending on the amount of funds the investor deposited). Beonbit claimed that its AI capabilities “guarantee[d] constant income and growth of [Beonbit’s] assets.” The investments were publicly available to investors in California via Beonbit’s website: www.beonbit.com.

6. After investors created their accounts on the Beonbit website, investors could log into their account to monitor their purported balance and returns, deposit funds, and request withdrawals.

7. Beonbit facilitated deposits and withdrawals using crypto assets, primarily Tether (USDT) on the TRON blockchain.

8. Beonbit claimed that its CEO was an individual named Richard Bates. Beonbit published multiple promotional videos on YouTube in which "Richard Bates" explained Beonbit's business and touted the purported success and profitability of Beonbit.

9. As part of its solicitation efforts, Beonbit used a multilevel marketing scheme that would reward investors for inducing others to send money to Beonbit. According to this MLM structure, investors would be paid a referral bonus based on the amount of funds deposited by the investors that they recruited. Investors would also be paid additional referral bonuses when the investors that they recruited, in turn, recruited new investors.

10. Investors seeking to take advantage of Beonbit's referral program created and posted videos to YouTube and posted content on other social media websites to recruit others to invest in Beonbit.

11. Beonbit depended on networks of promoters to advertise and offer its securities to prospective investors across the world, including to California residents.

12. In or around May 2025, Beonbit stopped operating its website and social media profiles, leaving investors without a way to access their accounts or receive updates from Beonbit.

13. The investments offered by Beonbit were securities that were neither qualified nor exempt from the qualification requirement under the CSL. The Department has not issued a permit or other form of qualification authorizing Beonbit to sell these securities in California.

14. In connection with the offer or sale of these securities, Beonbit made, or caused to be made, untrue statements of material fact and material omissions to investors and potential investors, including but not limited to the following:

a. falsely claiming that investors would always be able to withdraw their funds;

b. misrepresenting the expected profits and risk of loss; and

c. failing to disclose that the offer or sale of Beonbit's securities was not qualified in California.

Based on the foregoing findings, the Commissioner is of the opinion that the securities offered or sold by Beonbit Pty Ltd were subject to qualification under the CSL and have been or are being offered or sold without first being qualified in violation of Corporations Code section 25110.

Pursuant to Corporations Code section 25532, Beonbit Pty Ltd is hereby ordered to desist and refrain from the further offer or sale of securities in California, including but not limited to investment contracts, unless and until the qualification requirements of the CSL have been met.

In addition, the Commissioner is of the opinion that Beonbit Pty Ltd offered or sold securities in California by means of oral or written communications which included untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of Corporations Code section 25401.

Pursuant to Corporations Code section 25532, Beonbit Pty Ltd is hereby ordered to desist and refrain from offering or selling or buying or offering to buy any security in California, including but not limited to investment contracts, by means of any written or oral communication which includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

Pursuant to Corporations Code section 25403, any person who controls or induces another person to violate a provision of the Corporate Securities Law of 1968, or any person who provides substantial assistance to another person in violation of the Corporate Securities Law of 1968, shall be liable for the violations.

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This Order is necessary, in the public interest, for the protection of investors, and is consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: August 13, 2025
San Diego, California

KHALIL MOHSENI
Commissioner of Financial Protection and Innovation

By______________________________
MARY ANN SMITH
Deputy Commissioner
Enforcement Division