

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

TO: Fintoch LLC
c/o Registered Agent Inc.
1401 21st Street, Suite R
Sacramento, CA, 95811
www.fintoch.com

Morgan DF Fintoch LLC
c/o Registered Agent Inc.
1401 21st Street, Suite R
Sacramento, CA, 95811

**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, Fintoch LLC is and was a California limited liability company formed in January 2023, with a principal address listed at 1401 21st Street, Suite R, Sacramento, California, 95811, as well as at 18 South Second Street, San Jose, California 95113.

3. At all relevant times, Morgan DF Fintoch LLC was a California limited liability company formed in April 2022, with a principal address listed at 23638 Lyons Avenue, #223, Newhall, California 91321.

4. At all relevant times, Fintoch LLC and Morgan DF Fintoch LLC (collectively, Fintoch) operated the website www.fintoch.com, as well as social media accounts on Twitter (now known as X) (@DFintoch), YouTube (<https://www.youtube.com/@fintoch>), and Telegram (<https://t.me/FINTOCH>).

5. Fintoch claimed to have offices in Silicon Valley and Singapore.

6. Beginning at least as early as 2023, Fintoch offered and sold securities in the form of investment contracts in California through general solicitations on its website.

7. Fintoch held itself out as a cryptocurrency platform. The purported purpose of the securities offerings was for Fintoch to use investor funds to engage in “lending, investment, and borrowing,” which Fintoch claimed would generate returns for investors who purchased its investments.

8. Fintoch represented that its investments produced daily profits of at least 1%, which would be available for investors to withdraw at any time. Fintoch claimed that it had developed a blockchain and smart contracts which ensured that investors' funds were “not at any risk of loss.” The investments were publicly available to investors in California via Fintoch’s website: www.fintoch.com.

9. Fintoch offered an app that could be downloaded onto an investor’s smartphone. After investors created their accounts on the Fintoch app, investors could log into their account to monitor their purported balance and returns, deposit funds, and request withdrawals.

10. Fintoch facilitated deposits and withdrawals using crypto assets, including Tether (USDT).

11. Fintoch claimed that its CEO was an individual named Bob Lambert and that its COO and chairman of the board of directors was an individual named William Thompson. Fintoch’s website contained photos of these individuals and other purported executives, along with brief bios of each of the purported executives.

12. Fintoch published multiple promotional videos on YouTube in which “Bob Lambert” and “William Thompson” explained Fintoch’s business and touted the purported success and profitability of Fintoch.

13. Fintoch also created promotional videos showing “Lambert” and “Thompson” speaking to crowds of Fintoch investors at events in Malaysia, Singapore, Indonesia, Hong Kong, New York, and Los Angeles.

14. One of Fintoch’s promotional videos purported to show “Lambert” and “Thompson” giving a tour of Fintoch’s Silicon Valley research and development office. The video showed the office adorned with Fintoch logos and “Fintoch employees” working on computers. “Lambert” and “Thompson” claimed that the “employees” in the office were busy innovating and experimenting

1 with Fintoch's blockchain technology, proclaiming that Fintoch's Silicon Valley office is "where the
2 magic happens." In reality, this was a hoax: Fintoch rented the office for a day for the purpose of
3 shooting the video and hired actors to play the "employees."

4 15. In fact, "Bob Lambert" and "William Thompson" never existed. The two men that
5 Fintoch held out as its CEO and COO/Chairman were actually actors Fintoch hired to play the roles
6 in videos and at some promotional events. Fintoch drafted scripts for the men to recite and instructed
7 the actors to read from teleprompters. Fintoch also hired actors as extras in some of the other in-
8 person Fintoch events.

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

14 17. Investors seeking to take advantage of Fintoch's referral program created and posted
15 videos to YouTube and posted content on other social media websites to recruit others to invest in
16 Fintoch.

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

19 19. In or around August 2023, Fintoch announced that it had rebranded itself as Standard
20 Cross Finance a/k/a SCF Chain (SCF) and was now operating a new website: www.scfchain.io.

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

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

- 27 a. falsely representing the identities of the individuals operating and/or managing
28 Fintoch;

- b. falsely claiming that the business operated from an office in Silicon Valley, going so far as to film promotional videos in a rented office staffed with fake employees;
- c. falsely claiming to be associated with Morgan Stanley;
- d. misrepresenting the expected profits and risk of loss; and
- e. failing to disclose that the offer or sale of Fintoch'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 Fintoch LLC and Morgan DF Fintoch LLC 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, Fintoch LLC and Morgan DF Fintoch LLC are 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 Fintoch LLC and Morgan DF Fintoch LLC 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, Fintoch LLC and Morgan DF Fintoch LLC are 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

1 substantial assistance to another person in violation of the Corporate Securities Law of 1968, shall be
2 liable for the violations.

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

5 Dated: August 13, 2025
6 San Diego, California

KHALIL MOHSENI
Commissioner of Financial Protection and Innovation



7 By _____
8 MARY ANN SMITH
9 Deputy Commissioner
10 Enforcement Division
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