

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

4 **TO:** Polinur ME Limited
66/F, The Center, 99 Queen's Road Central
Hong Kong
www.polinur.me

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

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

9 1. The Department of Financial Protection and Innovation (Department) regulates the
10 offer and sale of securities in California under the Corporate Securities Law of 1968 (Cal. Corp. Code
11 §§ 25000-25707) (CSL).

12 2. At all relevant times, Polinur ME Limited (Polinur) is and was a business entity of
13 unknown type with a purported principal place of business at 66/F, The Center, 99 Queen's Road
14 Central, Hong Kong. Polinur operated the website www.polinur.me.

15 3. Beginning at least as early as 2022, Polinur offered and sold securities in the form of
16 investment contracts in California through general solicitations on its website. Polinur referred to
17 these investment contracts as "Investment Plans."

18 4. Polinur held itself out as a metaverse software development company. The purported
19 purpose of the securities offerings was to use investor funds to hire developers, enter new markets,
20 market its products, and expand its customer base.

21 5. Polinur offered investors several different Investment Plans promising to pay fixed
22 daily rates of return, ranging from 1.4% to 2.4%, depending on the amount of money that the investor
23 deposited into Polinur. The Investment Plans were publicly available to investors in California via
24 Polinur's website: www.polinur.me.

25 6. After investors created their accounts on the Polinur website, investors could log into
26 their account using their username and password to monitor their purported balance and returns,
27 deposit funds, and request withdrawals.
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1 7. Polinur facilitated deposits and withdrawals using crypto assets, including Bitcoin
2 (BTC), Tether (USDT), Ether (ETH), Litecoin (LTC), Tron (TRX), and Ripple (XRP).

3 8. Polinur also had a referral program that operated in the manner of a pyramid scheme.
4 The referral program promised to pay investors to recruit new investors. According to this referral
5 program, investors would be paid a commission based on the amount of funds deposited by the
6 investors that they recruited. Investors would also be paid additional commissions when the investors
7 that they recruited, in turn, recruited new investors.

8 9. In addition, Polinur’s referral program advertised that Polinur would pay bonuses each
9 week to the top three recruiters for that week.

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

13 11. In fact, Polinur was luring investors into what is known as a High Yield Investment
14 Program (HYIP). HYIPs are unregistered investments typically run by unlicensed individuals – and
15 are often frauds. The hallmark of an HYIP scam is the promise of high returns on an annual (or even
16 monthly, weekly, or daily) basis at little or no risk to the investor. Another key element of most
17 HYIPs is a referral program, in which the HYIP offers referral commissions or bonuses to investors
18 to recruit new investors. This usually leads to investors sharing information about the HYIP with
19 their friends and family and promoting HYIPs on social media. HYIPs rarely disclose the identities of
20 the individuals operating the HYIP.

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

24 13. In connection with the offer or sale of these securities, Polinur made material
25 omissions to potential investors, including but not limited to the following:

- 26 a. failing to disclose that the offer or sale of its Investment Plans was not qualified in
27 California;

- 1 b. failing to disclose the identities of the individuals operating and/or managing Polinur;
- 2 and
- 3 c. failing to disclose that it used investor funds to pay purported profits to other
- 4 investors, in the manner of a Ponzi scheme.

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

8 Pursuant to Corporations Code section 25532, Polinur ME Limited is hereby ordered to desist
9 and refrain from the further offer or sale of securities in California, including but not limited to
10 investment contracts known as Investment Plans, unless and until the qualification requirements of
11 the CSL have been met.

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

17 Pursuant to Corporations Code section 25532, Polinur ME Limited is hereby ordered to desist
18 and refrain from offering or selling or buying or offering to buy any security in California, including
19 but not limited to investment contracts known as Investment Plans, by means of any written or oral
20 communication which includes an untrue statement of a material fact or omits to state a material fact
21 necessary in order to make the statements made, in the light of the circumstances under which they
22 were made, not misleading.

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

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

7 Dated: September 27, 2022
8 San Diego, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



9 By _____
10 MARY ANN SMITH
11 Deputy Commissioner
12 Enforcement Division
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