

1 and factors associated with past experiences with the help of algorithms,” “provides decision-making
2 only from objective data, excluding assumptions and hypotheses,” and could “generate profits 24/7.”

3 6. Harvest Keeper also guaranteed that investors would not lose money. It falsely
4 claimed that it had created an “insurance fund” to prevent any investor losses and ensure that investor
5 funds were “completely safe.”

6 7. Harvest Keeper’s Investments promised to pay investors a 4.81% “guaranteed” fixed
7 rate of return, which would be available for investors to withdraw at any time. The Investments were
8 publicly available to investors in California via Harvest Keeper’s website: www.harvest-keeper.app.

9 8. Harvest Keeper facilitated deposits and withdrawals using crypto assets, including
10 Tether (USDT).

11 9. Harvest Keeper held itself out as being transparent about the individuals managing
12 Harvest Keeper. The website included names and photos of the individuals that Harvest Keeper
13 claimed were members of its management team. Harvest Keeper’s website stated that “our investors
14 should feel safe” because a third-party entity had purportedly verified the identities of the individuals,
15 thereby “confirming [Harvest Keeper’s] legitimacy.” According to Harvest Keeper’s website and
16 social media, the founder of Harvest Keeper was an individual named Markus Peters, who Harvest
17 Keeper described as the “leader” and “main generator of ideas.” Markus Peters touted Harvest
18 Keeper to prospective investors in videos posted by Harvest Keeper’s YouTube account. In reality,
19 this was a hoax: Markus Peters was a fictitious character played by an actor.

20 10. As part of its solicitation efforts, Harvest Keeper used a multi-level marketing scheme
21 that would reward investors for inducing others to send money to Harvest Keeper. According to this
22 program, investors would be paid a referral bonus based on the amount of funds deposited by the
23 investors that they recruited. Investors would also be paid additional referral bonuses when the
24 investors that they recruited, in turn, recruited new investors.

25 11. Investors seeking to take advantage of Harvest Keeper’s referral program created and
26 posted videos to YouTube and posted content on other social media websites to recruit others to
27 invest in Harvest Keeper.

28

1 12. In fact, Harvest Keeper was luring investors into what is known as a High-Yield
2 Investment Program (HYIP). HYIPs are unregistered investments typically run by unlicensed
3 individuals – and are often frauds. The hallmark of an HYIP scam is the promise of high returns on
4 an annual (or even monthly, weekly, or daily) basis at little or no risk to the investor. Another key
5 element of most HYIPs is a referral program, in which the HYIP offers referral commissions or
6 bonuses to investors to recruit new investors. This usually leads to investors sharing information
7 about the HYIP with their friends and family and promoting HYIPs on social media. HYIPs rarely
8 disclose the true identities of the individuals operating the HYIP.

9 13. On or around March 17, 2023, Harvest Keeper collapsed: the platform stopped
10 processing investors’ withdrawal requests, Harvest Keeper shut down its website and social media
11 accounts, and investors were unable to access their funds.

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

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

- 18 a. failing to disclose that it used investor funds to pay purported profits to other
- 19 investors, in the manner of a Ponzi scheme;
- 20 b. falsely promising 4.81% daily returns;
- 21 c. falsely representing the identities of the actual individuals operating and/or managing
- 22 Harvest Keeper;
- 23 d. falsely representing that Harvest Keeper would prevent any investor losses;
- 24 e. falsely representing that investors would always have full access to their funds; and
- 25 f. failing to disclose that the offer or sale of Harvest Keeper’s securities was not
- 26 qualified in California.

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

4 Pursuant to Corporations Code section 25532, Harvest Keeper is hereby ordered to desist and
5 refrain from the further offer or sale of securities in California, including but not limited to
6 investment contracts known as Investments, unless and until the qualification requirements of the
7 CSL have been met.

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

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

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

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

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

3 Dated: April 19, 2023
4 San Diego, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



5 By _____
6 MARY ANN SMITH
7 Deputy Commissioner
8 Enforcement Division
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28