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

TO: Golden Trust Financial Bank

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, Golden Trust Financial Bank is and was a business entity of unknown type with a purported principal place of business at S White Rd # 60, San Jose, CA 95148. Golden Trust Financial Bank operated the website www.goldentrustfinancialbank.com and listed info@goldentrustfinancialbank.com as an email address.
- 3. Beginning at least as early as 2023, Golden Trust Financial Bank offered and sold securities in the form of investment contracts in California through general solicitations on its website. Golden Trust Financial Bank referred to these investment contracts as "Fixed Deposit Scheme[s]" and "Deposit Pension Scheme[s]" (Deposit Schemes).
- 4. Golden Trust Financial Bank held itself out as a bank. Golden Trust Financial Bank claimed it allowed investors to deposit funds and generate "profits" every 30 days.
- 5. Golden Trust Financial Bank's Deposit Schemes promised to pay a monthly rate of return to investors, ranging from 10% to 15%, depending on the amount of money and duration of time that the investor left funds deposited on the Golden Trust Financial Bank platform. The Deposit Schemes were publicly available to investors and consumers in California via Golden Trust Financial Bank's website: www.goldentrustfinancialbank.com.
- 6. After investors created their accounts on the Golden Trust Financial Bank website, investors could log into their account using their login credentials to access their Deposit Schemes.

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High Yield Investment Program (HYIP). HYIPs are unregistered investments typically run by unlicensed individuals – and are often frauds. The hallmark of an HYIP scam is the promise of high returns on an annual (or even monthly, weekly, or daily) basis at little or no risk to the investor. Another key element of most HYIPs is a referral program, in which the HYIP offers referral commissions or bonuses to investors to recruit new investors. This usually leads to investors sharing information about the HYIP with their friends and family and promoting HYIPs on social media.

- In connection with the offer or sale of these securities, Golden Trust Financial Bank made untrue statements of material fact and material omissions to potential investors, including but not limited to the following:
 - a. failing to disclose that the offers or sales of its Deposit Schemes were not qualified in California;
 - b. failing to disclose the identities of the individuals operating and/or managing Golden Trust Financial Bank;
 - c. falsely claiming to be located in California, and using a fraudulent California address similar to one belonging to a legitimate company, Golden Trust;
 - d. engaging in the banking business while transacting business under a naming containing the word "bank" without a certificate from the Commissioner, in violation of California Financial code section 562.

Based on the foregoing findings, the Commissioner is of the opinion that the securities offered or sold by Golden Trust Financial Bank 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, Golden Trust Financial Bank is hereby ordered to desist and refrain from the further offer or sale of securities in California, including but not limited to investment contracts known as Deposit Schemes, unless and until the qualification requirements of the CSL have been met.

In addition, the Commissioner is of the opinion that Golden Trust Financial Bank 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, Golden Trust Financial Bank 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 known as Deposit Schemes, 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 CSL, or any person who provides substantial assistance to another person in violation of the CSL, shall be liable for the violations.

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: April 12, 2024 Sacramento, California CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

