

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

TO: Star Network
www.starnetwork.io

**DESIST AND REFRAIN ORDER
(For violation of section 25110 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, Star Network is and was a business entity of unknown type with an unknown principal place of business. Star Network operated the website www.starnetwork.io, as well as social media accounts on Facebook (<https://www.facebook.com/starnetworkofficial>), X (formerly known as Twitter) @Starnetworkdefi, Telegram (https://t.me/starnetwork_official), Instagram (<https://www.instagram.com/starnetwork.io/>), and YouTube (<https://www.youtube.com/@starnetworkofficial4338/>).

3. At all relevant times, Star Network operated a mobile phone software application (app) called Star Network – Social DeFi. The Star Network app was available for download on both the Apple App Store and the Google Play Store. The Star Network app was created by Big Leap Limited, a limited company incorporated in the United Kingdom, with a principal place of business at Formal House, 60 St. Georges Place, Cheltenham, Gloucestershire, England, GL50 3PN.

4. Beginning at least as early as 2023, Star Network offered and sold securities in the form of investment contracts in California through general solicitations on its website and app. These securities were crypto asset interest-bearing accounts in which an investor deposited funds and Star Network promised to pay interest on the deposited funds.

1 5. Star Network claimed that it was founded and operated by former senior executives of
2 prominent American investment banks, technology companies, and payment companies that applied
3 their expertise in investment banking, fintech, social media, and compliance to Star Network. Star
4 Network did not disclose the identities of any of its management team to the public.

5 6. The crypto asset interest-bearing account products offered or sold by Star Network
6 were securities in the form of investment contracts that were neither qualified nor exempt from the
7 qualification requirement under the CSL. The Department has not issued a permit or other form of
8 qualification authorizing Star Network to sell these securities in California.

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

12 Pursuant to Corporations Code section 25532, Star Network is hereby ordered to desist and
13 refrain from the further offer or sale of securities in California, including but not limited to its crypto
14 asset interest-bearing account products, unless and until the qualification requirements of the CSL
15 have been met.

16 Any person who with knowledge directly or indirectly controls and induces another person to
17 violate any provision of the CSL, or knowingly provides substantial assistance to another person to
18 violate any provision of the CSL, is deemed to be in violation of that provision to the same extent as
19 the other person. Cal. Corp. Code § 25403(a) and (b).

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

22 Dated: June 5, 2024
23 San Diego, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



24 By _____
25 MARY ANN SMITH
26 Deputy Commissioner
27 Enforcement Division
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