BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of, ASCENDANCY INVESTMENT EDUCATION FOUNDATION, COINBEARER INC., and BITCOINBEARS.COM, Respondents.	SUMMARY ORDER TO CEASE AND DESIST AND REVOKING EXEMPTIONS NOTICE OF PROPOSED ORDER FOR RESTITUTION AND CIVIL PENALTIES DFI Case No. S-250373 (EX)

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities ("Division"), having legal authority and jurisdiction to administer and enforce the Wisconsin Uniform Securities Law, Wis. Stats. Ch. 551 ("Ch. 551") and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondents

1. At all relevant times, Ascendancy Investment Education Foundation ("Ascendancy") operated online through the website www.ascendancyfactor.com. Ascendancy purports to have a last known address of 18121 E Hampden Avenue, Unit C, Number 1228, Aurora, CO 80013. This address is a virtual mailbox which was rented by a Chinese citizen named Yilu Ji ("Ji"). On its website, Ascendancy purported to have been in business since September 2018.

2. At all relevant times, Coinbearer, Inc. ("Coinbearer") was the purported operating company of Bitcoin Bears and is registered with the State of Washington effective June 26, 2024. Coinbearer purported to have a last known address of 100 N Howard Street, Suite R, Spokane, WA 99201. Washington's Secretary of State website indicates the registered agent for Coinbearer is Registered Agent, Inc. also located at 100 N Howard

Street.[1] Registered Agent, Inc. denies any relationship with Ascendancy or Coinbearer. The incorporator of Coinbearer is listed as Mary Louise Mulligan ("Mulligan"). Mulligan represented herself as the President of Coinbearer and provided a business address as 324 S Diamond Bar Bouvard, Unit Number 717, Diamond Bar, CA 91765. This address is also a virtual mailbox which was rented by Ji.

3. At all relevant times, bitcoinbears.com ("Bitcoin Bears"), purported to operate an online cryptocurrency trading platform. The Bitcoin Bears website, www.bitcoinbears.com, purports to have been established in 2018 and to have obtained "the msb license in the united states [sic]". Bitcoin Bears does not have addresses or phone numbers affiliated with the company and does not appear to be registered anywhere. The website lists its activities to include "Check casher (including traveler's and money orders), Dealer in foreign exchange, Issuer of money orders, Issuer traveler's checks…"

Conduct

4. Since at least 2018 through 2024, Ascendancy had a web-based presence at www.ascendancyfactor.com, which promoted several financial services including:
    - Professional Financial Education
    - Intelligent AI System (FINQbot)
    - Market Analysis Reports
    - Risk Management Training
    - Portfolio Optimization
    - Customer Support Services

5. On its website, Ascendancy promoted itself as providing personalized investment advice: "We combine top-tier financial education from experienced professionals with cutting-edge AI technology to offer personalized investment advice and market analysis. This ensures secure, informed, and significant wealth growth for investors."

6. Ascendancy lists "Lucas Turner" ("Turner") as its founder; however, the Division has been unable to confirm Lucas Turner is a real person.

[1] Registered Agent, Inc. provides registration assistance to new companies looking to establish business in the State of Washington.

7. The Intelligent AI System, called FINQbot, purported to benefit investors as follows:

> FINQbot utilizes real-time data, advanced algorithms, and personalized investment advice to provide efficient and accurate market analysis along with comprehensive risk management. Its strong security measures safeguard user data. With high prediction accuracy, FINQbot is a valuable tool that delivers significant benefits to users and fosters the growth of AI in the financial advisory industry.
>
> - **Smart Trading** – Real-time automated trading strategies
> - **Data Analysis** – Efficient and accurate market analysis
> - **Personalized Service**– Customized investment advice
> - **Risk Management** – Comprehensive risk assessment and control
> - **Security Assurance** – Robust security protections
> - **Market Prediction** –High accuracy trend forecasting

8. Bitcoin Bears is a website that purportedly operates a cryptocurrency exchange. Some of the offerings that can be found on Bitcoin Bears include:
    - Spot Trading
    - Options Trading
    - Currency Surfing
    - Initial Offering
    - Financial Management
    - Peer to Peer Trading

9. On its website, Bitcoin Bears represents that they are "the world's first stablecoin trading center" with "impeccable security", "24/7 multilingual customer support", and having "advanced analytical tools". The Bitcoin Bears website does not provide a physical address or any other contact information.

10. The Bitcoin Bears website also indicates that it has "…5,000 new registered users every day". However, the Division's analysis of web traffic shows that in January 2024, Bitcoin Bears only saw a total of 985 unique visitors.

11. The Bitcoin Bears website states "This website is operated by Coinbearer company."

12. Wisconsin resident, [redacted] ("AH"), age 78, learned of Ascendancy online. During AH's interactions with Ascendancy, he communicated with a person named Ana Ionescu ("Ionescu"). Ionescu represented herself as an assistant to Turner. AH learned

that Ascendancy operates on a platform that includes making "donations" to the foundation.

13. On or about October 21, 2024, Ionescu presented AH with a document titled "Personalized Service Agreement—Ascendancy IEF—Premium Member" ("Agreement"). The Agreement described the investment services and advice to be provided to AH. In addition to providing education services, the Agreement promised FINQbot analysis information services and investment profits from profitable projects such as currency surfing, stocks, options, and "other similar opportunities."

14. As part of the Agreement, AH had to promise to invest a minimum of $10,000 as the initial investment capital to activate trading. Once AH achieved 120% profit, AH was required to "donate" 10% of the profit to Ascendancy.

15. Coinbearer was a signatory to the Agreement between AH and Ascendancy. Coinbearer participated in the agreement as the "supervisory party" who would protect the interests of both AH and Ascendancy.

16. The relevant portions of the Agreement between AH, Ascendancy and Coinbearer are set forth below:

1.3 Prerequisite for Premium Member Donations 1:
The Foundation agrees to provide high-quality personalized investment education services during the term of this Agreement. These services include investment knowledge transfer, currency surfing signal services, FINQbot analysis information services, and professional interpretation services regarding investment knowledge and decision-making.

1.4 Prerequisite for Premium Member Donations 2:
The Foundation commits to helping the Premium Member of this Agreement achieve investment profits during the term of this Agreement. Investments include profitable projects such as currency surfing, stocks, options, and other similar opportunities.

Once a 120% investment profit is achieved, the Premium Member voluntarily agrees to donate 10% of the profit upon the expiration of this Agreement. If the investment profit target is not met during the effective period of the Agreement, the Premium Member may cancel the donation without any further obligation.

During the effective period of this Agreement, the Premium Member shall not withdraw trading funds arbitrarily for any other reason, and the supervisory party will oversee the terms specified in this Agreement.

1.5 The Premium Member must deposit $10,000 into their currency surfing account during this period as the initial investment capital to activate trading.

Furthermore, the donated funds must be paid to the Foundation after actual returns are achieved, after which the Premium Member may withdraw their investment.

Article 2: Form and Amount of Donation
2.1 The Premium Member commits to donating to the Foundation in the following manner:
Example: If the investment is $10,000 and the profit is 120%, the profit would be $12,000, with the donation amount calculated as $12,000 * 10% = $1,200.

2.2 The donated funds must be paid to the Foundation's designated account by November 23, 2024, with specific account information to be provided before the expiration of this Agreement.

Article 3: Restrictions on the Use of Donations
3.1 The Foundation commits to using the donated funds for [specific projects or purposes] according to the donor's intention unless the Premium Member agrees in writing to modify the use.

3.2 If the Foundation is unable to execute the designated use of the donated funds, it shall notify the donor and negotiate how to reallocate the funds.

17. In or about November 2024, AH invested $32,600 with Ascendancy. In exchange for this investment, AH was purportedly credited with different bonuses and shares of Ascendancy which increased his overall portfolio.

18. As his account grew, AH sought to withdraw some of his funds. In or about December 2024, he interacted with an individual named "Ella" who stated she was a service manager for Coinbearer. Ella informed AH that his account was flagged for security risks and withdrawals would be restricted for a period of 30 days to ensure the safety of his funds, which he believed had grown to $150,000.

19. Eventually, AH was informed that in order to recover his funds, he would need to donate $32,000 to Ascendancy. On December 11, 2024, AH complied by transferring that amount in USDC cryptocurrency to an account controlled by Ascendancy.

20. In or around January 2025, AH communicated with Ionescu again in an attempt to withdraw his investment funds. These communications continued over several days with Ionescu changing the amounts that AH would have to pay in order to access his funds. Ultimately, Ionescu told AH he would need to make another $15,000 donation by January 20, 2025 or his account would be "permanently banned."

21. Investor AH was a passive investor, providing investment funds to the Respondents who promised profits to AH from currency surfing and other investment opportunities. The investments were entirely managed by the Respondents.

22. To date, and despite repeated requests, Investor AH has not received any return of his $64,600 principal or any payment for any alleged profits.

23. The Respondent's representations to AH failed to provide material information prior to AH's investments, such as potential risks, the use of investor funds, and the investor's ability to withdraw funds from the investment account. In fact, the Respondents affirmatively misrepresented to AH that he would be able to withdraw his funds after he reached 120% profit on his investment.

24. The Respondents also failed to make adequate disclosures regarding any officers and principals, including Turner, to AH prior to his decision to invest.

25. No Respondent, or any identified representative, has ever been registered with the Division, the Securities and Exchange Commission, or the Financial Industry Regulatory Authority.

B. Conclusions of Law

Legal Authority and Jurisdiction

26. The Administrator has legal authority and jurisdiction over the conduct described above, pursuant to Wis. Stats. Ch. 551 and the rules and orders promulgated thereunder.

27. Pursuant to Wis. Stat. § 551.102(28)(d)(1), the passive investment accounts offered and sold by the Respondents are investment contract securities under Wisconsin law. Specifically, Wisconsin investors who deposited funds into their Ascendancy accounts for the purpose of generating passive income invested their assets with the Respondents with the expectation of profits through the essential managerial efforts of someone other than the investor.

28. In addition, pursuant to Wis. Stat. § 551.102(28)(d)(2), the passive investment accounts offered and sold by the Respondents are investment contract securities under Wisconsin

law. Specifically, Wisconsin investors who deposited funds into their Ascendancy accounts for the purpose of generating a passive income furnished initial value to the Respondents based on representations from Respondents by which Wisconsin investors like AH reasonably understood that a valuable benefit of some kind over and above the initial funds would accrue to them as a result of the operation of the enterprise, and with the Wisconsin investors not having the right to exercise practical and actual control over the managerial decisions of the enterprise.

29. The investment contracts sold by the Respondents to AH were required to be, but were not, registered with the Division.

30. Pursuant to Wis. Stat. § 551.301(1), it is unlawful to offer or sell securities in Wisconsin unless the securities are registered under Ch. 551, federally covered securities, or exempted from registration under Ch. 551.

31. Pursuant to Wis. Stat. § 551.501(1), it is unlawful for a person, in connection with the offer, sale, or purchase of a security, directly or indirectly, to employ a device, scheme, or artifice to defraud.

32. Pursuant to Wis. Stat. § 551.501(2), it is unlawful for a person, in connection with the offer, sale or purchase of a security, directly or indirectly, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

33. Pursuant to Wis. Stat. § 551.501(3), it is unlawful for a person, in connection with the offer, sale or purchase of a security, directly or indirectly, to engage in an act, practice or course of business that operates or would operate as a fraud or deceit upon another person.

34. The Respondents were further transacting business in this state as investment advisers as defined under Wis. Stat. § 551.102(15) because they were advising AH about the advisability of investing in securities and making recommendations to purchase specific securities for compensation.

35. Pursuant to Wis. Stat. § 551.403(1), it is unlawful for a person to transact business in this state as an investment adviser unless the person is registered under Ch. 551 as an investment adviser or is exempt from registration under Wis. Stat. § 551.403(2).

Violations

36. As described above, the Respondents violated Wis. Stat. § 551.301 by selling, offering to sell, and accepting offers to purchase securities in this state that were not registered and were not exempt from registration.

37. As described above, the Respondents violated Wis. Stat. § 551.501(1-3), when in connection with the offer and sale of the Ascendancy investment accounts, the Respondents directly or indirectly employed a device, scheme, or artifice to defraud, engaged in acts, practices, or a course of business that operated as a fraud or deceit, and made untrue statements of material fact and omitted to state material facts necessary in order to make the statements made, under the circumstances under which they were made, not misleading.

38. As described above, the Respondents violated Wis. Stat. § 551.403(1) by transacting business as investment advisers in Wisconsin without being registered under Ch. 551 or exempted from registration under Wis. Stat. § 551.403(2).

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 551, to wit Wis. Stat. § 551.604, to issue the following orders and notices:

A. Summary Orders Issued Pursuant to Wis. Stat. § 551.604(2)

(a) IT IS ORDERED summarily that the RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, shall cease and desist from making or causing to be made in or from Wisconsin to any person or entity any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551 or successor statute, pursuant to Wis. Stat. §§ 551.604(1)(a) and (2).

(b) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth at Ch. 551 or successor statute that might otherwise apply to any offer or sale of any security of or by any of the RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(b) and (2).

(c) IT IS FURTHER ORDERED summarily that all exemptions from registration set forth in Wis. Stat. §§ 551.201 and 551.202 that may otherwise apply to a specific security, transaction or offer of or by the RESPONDENTS, their agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of any RESPONDENT, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(c) and (2).

(d) IT IS FURTHER ORDERED summarily that the RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of any

RESPONDENT, are prohibited from violating Wis. Stat. § 551.501 and Wis. Stat. § 551.502 or successor statutes.

(e) IT IS FURTHER ORDERED summarily that the RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of either RESPONDENT, are prohibited from violating Ch. 551 or successor statute that might otherwise apply to any offer or sale of a security of or by the RESPONDENTS.

(f) PLEASE TAKE NOTICE that the summary orders of the Administrator are effective as of the issuance of this Order, pursuant to Wis. Stat. § 551.604(2). You are advised that any willful violation of an order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

B. Proposed Orders

(g) IT IS PROPOSED that an order be issued against the RESPONDENTS to pay restitution in the amount of **$64,600**, with interest on such amount at the legal rate under Wis. Stat. § 138.04, starting from the date of the transaction through the date of satisfaction, pursuant to Wis. Stat. § 551.604(4m). Such payment shall be made payable to the Wisconsin Department of Financial Institutions and shall be remitted to the Division no later than 30 calendar days from the date of issuance of this Order, or if a petition for a hearing is filed as provided under Wis. Stat. § 551.604(2), by a date to be fixed by a final order.

(h) IT IS FURTHER PROPOSED that an order be issued imposing a civil penalty against the RESPONDENTS, jointly and severally, in the form of an administrative assessment totaling **$64,600** for the violations committed against Wisconsin investor AH, pursuant to Wis. Stat. § 551.604(4). Such payment shall be made payable to the Wisconsin Department of Financial Institutions and shall be remitted to the Division no later than 30 calendar days from the date of issuance of this Order, or if a petition for a hearing is filed as provided under Wis. Stat. § 551.604(2), by a date to be fixed by a final order. Respondents shall reach out to the Division for written instructions to make the payments before the due date.

(i) IT IS FURTHER PROPOSED that an order be issued imposing the actual costs of the investigation or proceeding pursuant to Wis. Stat. § 551.604(5) against the RESPONDENTS.

(j) IT IS FURTHER PROPOSED that an order be issued prohibiting RESPONDENTS, their successors, affiliates, controlling persons, officers, agents, servants, employees, and every entity and person directly or indirectly controlled or hereafter organized by or on behalf of each RESPONDENT, from becoming registered in any capacity under Ch. 551 or successor statute that might otherwise apply, prior to satisfying their civil liabilities under Wis. Stats. §§ 551.604(4), (5) and (4m) as ordered in paragraphs (g), (h) and (i) above.

C. Service of Order

(k) IT IS FURTHER ORDERED that this Order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Admin. Code § DFI-Sec. 8.06. This Order shall also be served upon the office of the administrator pursuant to Wis. Stat. § 551.611.

(l) PLEASE TAKE NOTICE that the date of the service of this Order is the date it is placed in the mail if service is by certified mail. If a party or the party's attorney is personally served, the date of service is the date service is completed. You are advised that any willful violation of an order issued by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

D. Notice of Hearing Rights

(m) PLEASE TAKE NOTICE that you have the right to request a hearing pursuant to Wis. Stat. § 551.604(2). Every request for a hearing shall be in the form of a written petition filed with the Division, pursuant to Wis. Admin. Code § DFI-Sec. 8.01 and Wis. Stat. § 227.42. A petition for a hearing to review the order shall:

(1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and

(2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.

(n) PLEASE TAKE FURTHER NOTICE that you may file your written petition:

(1) By mailing the written petition to:
Division of Securities
Wisconsin Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701-1768

(2) By delivering the written petition in person to:
Division of Securities
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower, 4th Floor
Madison, Wisconsin 53705

(3) By faxing the written petition to 608-264-7979.

(o) PLEASE TAKE FURTHER NOTICE that the petition for hearing must be filed with the Division. Pursuant to Wis. Stat. § 551.102(8), "filing" means "receipt." Therefore, a petition is not "filed" with the Division until it is actually "received" by the Division. If the Division does not receive your written petition before midnight on the 30th day after the date of service of this Order, your right to a hearing will be waived and the Summary Order shall become final by operation of law.

(p) PLEASE TAKE FURTHER NOTICE that within 15 days after receipt of a request in a record from you, the matter will be scheduled for a hearing or other public administrative proceedings, pursuant to Wis. Stats. §§ 551.604(2) and (3).

(q) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the date of service of this Order, the findings of fact, conclusions of law, and summary and proposed orders, including any imposition of civil penalties, disgorgement, restitution, costs, and all applicable interest, become final as by operation of law, pursuant to Wis. Stat. §551.604(2).

(r) PLEASE TAKE FURTHER NOTICE violations of this Order may be enforced by any investor, or by the Division whether acting in its own right or on behalf of the investor, by petitioning any court of competent jurisdiction to enforce the terms of the order.

(s) PLEASE TAKE FURTHER NOTCE failure to provide a copy of this Order to prospective investors may be a material misrepresentation in violation of Ch. 551 and this Order.

(t) PLEASE TAKE FURTHER NOTICE that any willful violation of an order by the Division under Ch. 551 is a criminal offense punishable under the provisions of Wis. Stat. § 551.508.

EXECUTED at Madison, Wisconsin, this 6th day of May, 2025.

Department of Financial Institutions
FORWARD
State of Wisconsin

Leslie M. Van Buskirk
Administrator

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