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

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| In the Matter of,<br><br>BKTRADE a/k/a BKTRADER,<br><br>Respondent. | SUMMARY ORDER TO CEASE AND DESIST AND REVOKING EXEMPTIONS AND NOTICE OF PROPOSED ORDER FOR RESTITUTION<br><br>DFI Case No. S-251083 (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**

**Respondent**

1. At all relevant times, BKTRADE a/k/a BKTRADER ("BKTrader") purported to operate an online AI powered investment platform with guaranteed returns through the website www.bktbot.com. BKTrader's fictitious address on its website was 123 Main Street, Suite 456, Cityville, State 78901.

2. The Enforcement Division's research concluded that BKTrader is not organized in any jurisdiction, but its website states it has offices in "New York City" and its Terms and Conditions state it is in the State of Delaware. Attempts to find the name and physical address of the owner of the website have been unsuccessful.

**Conduct**

3. BKTrader's website www.bktbot.com promoted the utilization of AI trading bots for cryptocurrency investments to guarantee high percentage returns. For example, a seven-day "basic" AI Trading Bot package offered a return of 210% whereas the seven-day "ultimate" AI Trading Bot package offered a return of 686%. Investors willing to invest for 21 days, were offered a return of 1,260%.

4. Through its website, BKTrader also promoted "Unleashing Passive Income Potential

Harnessing the Power of Staking Investments." For staking crypto, BKTrader offered up to a 99% return for a seven-day investment.

5. Other benefits of the BKTrader platform included "real-time market analytics," "diverse portfolio management," and security. "Our platform employs advanced encryption and security protocols to ensure your investments are protected at all times. Trade and invest with peace of mind, knowing your assets are in safe hands."

6. In January of 2025, Wisconsin resident AR was browsing www.youtube.com when she came across a video containing information related to the "AI Automation Industry."

7. Based on her technical background, AR found this information interesting and proceeded to learn more about the makers of the video.

8. AR followed a link posted in the video she was watching and was directed to another application called "Skool." Skool appeared to be an open platform where people who share similar interests can create groups for discussion.

9. Once on Skool, AR was able to connect with a group called "AI Automation Industry."

10. AR was contacted by one of the individuals that ran the group on Skool. The individual informed AR that she would need to pay $6,000 to be part of the paid portion of the group. AR decided to remain within the "free" portion of the group.

11. While in the group, AR was contacted by "Bill Gates," who solicited her directly on investing. "Bill Gates" directed AR to a Telegram group where conversations continued and ultimately lead her back to Skool where she joined a group called "BKTrader."

12. As part of starting the process with BKTrader, AR completed "Know Your Customer" (KYC) requirements including sharing her driver's license information and her social security number.

13. Once onboarded with BKTrader, AR started investing within the website www.bktbot.com, believing it to be an AI powered investment platform with guaranteed returns.

14. AR began investing small amounts of money (e.g. $100). AR continued to make various investments on www.bktbot.com and was eventually transferred over to a "Support Group" for the business.

15. When AR wanted to withdraw her investment and purported profits, she was told by the "Support Group" that she would need to pay an additional $80,000 on top of her investments and separate from her purported profits to gain access to her funds. The "Support Group" indicated this was part of the Terms and Conditions of their services.

16. AR was then contacted by an "Account Manager" who stated they would cover $30,000 of the funds needed if she could pay $50,000. AR completed the $50,000 payment but was then told she would need to pay an additional 25 Ethereum.

17. As AR attempted to complete this last transaction, her credit union froze her accounts, noting suspicious activity. This led to AR eventually submitting her complaint with the Division.

18. The Division's investigation of BKTrader's website www.bktbot.com indicates it is only 4 months old with minimal traffic. Furthermore, the owner of the website is a reseller with tens of thousands of different URLs being purchased and sold. The identified company associated with the account was Aquiryn LLC a/k/a Asura Hosting. The company did not respond to the Division's administrative subpoena.

19. When tracing AR's crypto transactions, the Division learned AR's funds were transferred to various unhosted wallets and exchanges. One wallet was associated with a person residing in Nigeria. None of the funds were recoverable.

20. The registrar of the website www.bktbot.com agreed to take down the website per the Division's request.

21. AR's total investment losses are $262,301.57.

22. Investor AR was a passive investor, providing investment funds to BKTrader which guaranteed profits based on investment opportunities. The investments were entirely managed and directed by BKTrader through its "AI powered investment platform" and supporting financial services.

23. To date, and despite repeated requests, Investor AR has not received any return of her $262,301.57 principal or any payment for any alleged profits.

24. Respondent's representations to AR failed to provide material information prior to AR's investments, such as potential risks, the use of investor funds, and the investor's ability to withdraw funds from the investment account.

25. The Respondent has never been registered to offer securities with the Division, the U.S. 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 Respondent are investment contract securities under Wisconsin law. Specifically, Wisconsin investors who deposited funds onto the BKTrader investment platform for the purpose of generating passive income invested their assets with the Respondent 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 Respondent are investment contract securities under Wisconsin law. Specifically, Wisconsin investors who deposited funds into the BKTrader investment platform for the purpose of generating a passive income furnished initial value to Respondent based on representations from Respondent by which the Wisconsin investors like AR 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 Respondent to AR 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 Respondent was further transacting business in this state as an investment adviser as defined under Wis. Stat. § 551.102(15) because the AI powered platform made recommendations 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 Respondent 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 Respondent violated Wis. Stat. § 551.501(1)-(3), when in connection with the offer and sale of the BKTrade investment accounts, the Respondent 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, Respondent violated Wis. Stat. § 551.403(1) by transacting business as an investment adviser 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 RESPONDENT, its 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 the RESPONDENT, its agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of the 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 RESPONDENT, its agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of the RESPONDENT, are hereby revoked, pursuant to Wis. Stats. §§ 551.604(1)(c) and (2).

(d) IT IS FURTHER ORDERED summarily that RESPONDENT, its successors, affiliates, controlling persons, officers, agents, servants, employees and every entity and person directly or indirectly controlled or hereafter organized by or on behalf the RESPONDENT, are prohibited from violating Wis. Stat. § 551.501 and Wis. Stat. § 551.502 or successor statutes.

(e) IT IS FURTHER ORDERED summarily that RESPONDENT, its 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 the 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 RESPONDENT.

(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 Respondent to pay restitution in the amount of **$262,301.57**, 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 the actual costs of the investigation or proceeding pursuant to Wis. Stat. § 551.604(5) against the Respondent.

(i) IT IS FURTHER PROPOSED that an order be issued prohibiting Respondent, its 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 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) and (h) above.

**C. Service of Order**

(j) 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.

(k) 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**

(l) 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.

(m) 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

(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.

(n) 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.

(o) 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).

(p) 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).

(q) 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.

(r) 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.

(s) 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 3rd day of September, 2025.




Leslie M. Van Buskirk

Leslie M. Van Buskirk
Administrator
Division of Securities

State of Wisconsin
Department of Financial Institutions
4822 Madison Yards Way, 4th Floor
Madison, Wisconsin 53705

# State of Wisconsin

Department of Financial Institutions

Tony Evers, **Governor** Wendy K. Baumann, **Secretary-designee**

## AFFIDAVIT OF SERVICE AND COMPLIANCE WITH WIS. STAT. § 551.611

STATE OF WISCONSIN )
) ss.
COUNTY OF DANE )

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.

2. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46 and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have caused to be served copies of the documents below upon the Administrator for the Division of Securities.

    i. A copy of the Summary Order to Cease and Desist and Revoking Exemptions and Notice of Proposed Order for Restitution, DFI Case No. S-251083 (EX), and

    ii. A copy of this Affidavit of Service.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Katherine Clementi
KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

This 4th day of Sept., 2025.

Robin S. Jacobs
Notary Public, State of Wisconsin

(Notary Seal)

ROBIN S. JACOBS NOTARY PUBLIC STATE OF WISCONSIN

My commission is permanent.