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*Counsel for the Commissioner of Securities and Insurance*

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE,  
OFFICE OF THE MONTANA STATE AUDITOR**

IN THE MATTER OF

YieldTrust.ai; Stefan Ciopraga

Respondents.

Case No. SEC-2023-00070

**NOTICE OF PROPOSED AGENCY  
ACTION, TEMPORARY ORDER TO  
CEASE AND DESIST, AND  
OPPORTUNITY FOR HEARING**

TO: YieldTrust.ai  
Mun.Bucuresti Sec.1 Bd.  
Bucurestii Noi. Nr.78 Bl.C1 SC.1 Et.3 Ap.16,  
Bucharest, Romania 12365

Stefan Ciopraga  
Mun.Bucuresti Sec.1 Bd.  
Bucurestii Noi. Nr.78 Bl.C1 SC.1 Et.3 Ap.16,  
Bucharest, Romania 12365

The Commissioner of Securities and Insurance, Office of the Montana State Auditor (Commissioner), has cause to believe that YieldTrust.ai and Stefan Ciopraga (Respondents) have violated the Securities Act of Montana, § 30-10-101, *et seq.*, MCA. The Commissioner proposes to order Respondents to cease and desist from operating as an unregistered broker/dealer in Montana, from offering or selling unregistered securities in Montana, from operating a pyramid promotional scheme, and from making fraudulent and/or misleading statements in connection with the offer or sale of securities

A temporary cease-and-desist order has been issued concurrently with this Notice. The Commissioner has the authority to undertake this action pursuant to the Securities Act of Montana, including § 30-10-101 *et seq.*

Failure to timely respond to this Notice will result in entry of a Default Order, and the Proposed Agency Action below will be deemed a Final Agency Action based on the facts and law set out below. If Respondents wish to contest the Proposed Agency Action, an administrative hearing may be demanded. That demand must be in writing and received by the Commissioner within 15 days of receipt of this Notice, as described in the Statement of Rights below.

The Commissioner also concurrently issues a Temporary Order to Respondents to immediately cease and desist their unlawful actions in Montana as laid out in the allegations below. Failure to request a hearing on the Temporary Order within 15 days of receipt of this Notice will result in entry of a permanent cease and desist order by default, as described below.

### **FACTUAL ALLEGATIONS**

There is reasonable cause to believe that the following facts, if true, justify and support administrative action against Respondents, including the imposition of an order requiring Respondents to cease and desist their business in Montana.

#### **Background**

1. Respondents YieldTrust.ai (Yieldtrust) and Stefan Ciopraga (Ciopraga) operate an investment scheme using social media and various online influencers to publicly offer investments tied to the performance of “YieldBot,” a decentralized application (dApp) that purports to earn daily profits of up to 2.2% through cryptocurrency trading using artificial intelligence (AI).

2. YieldTrust offers investments through an internet website accessible by the public, including in the state of Montana, at <http://yieldtrust.ai>.<sup>1</sup>

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<sup>1</sup> As of March 29, 2023, this website was live. As of the date of filing of this Notice, the website is not available. It is unclear whether this is a temporary condition.

3. Namecheap, Inc., is listed as the registrar of the YieldTrust Website and is located at 4600 East Washington Street, Suite 305, Phoenix, Arizona 85034.

4. Stefan Ciopraga is the owner of the YieldTrust smart contract, based on government identification Ciopraga provided to an independent identity verification service. According to that same identification, he resides in Bucharest, Romania.

### **The Investment**

5. Using a portal on Respondents' website, investors can connect their cryptocurrency wallet to YieldTrust's smart contract on the "BNB Chain" blockchain,<sup>2</sup> make deposits to the smart contract, and purportedly earn rewards generated by AI cryptocurrency trading conducted by YieldBot.

6. Respondents' website claims that the YieldBot uses "Quantum Artificial Intelligence" and has a "deep learning core... programmed to "analyse [sic] the crypto markets and – in milliseconds – make its own trading decisions, autonomously choosing from hundreds of trading methods and chaining them together to create unique strategies – achieving an exhilarating performance."

7. Respondents' website also claims that the artificial intelligence "is capable of executing 70 times more trades with 25 times higher profits than any human trader could" and it "continually improves itself by learning from its past success and modifying its decision-making process, becoming more effective with each trade made."

8. On its website, YieldTrust makes the following representations about YieldBot and YieldTrust's smart contract:

- A. YieldBot is a "cutting-edge investment platform offering modern wealth solutions through cryptocurrencies, artificial intelligence (AI) and decentralised [sic] finance (DeFi)"
- B. Yieldbot is a "first of its kind" "Quantum Artificial Intelligence" that has a "deep learning core... programmed to "analyse [sic] the crypto markets and

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<sup>2</sup> The "BNB Chain" or "Build and Build" blockchain is Binance's layer-1 blockchain. See, e.g., A Beginner's Guide to the BNB Chain, *Cointelegraph* (available at <https://cointelegraph.com/altcoins-for-beginners/a-beginners-guide-to-the-bnb-chain-the-evolution-of-the-binance-smart-chain>)

– in milliseconds – make its own trading decisions, autonomously choosing from hundreds of trading methods and chaining them together to create unique strategies – achieving an exhilarating performance”

C. YieldBot “is capable of executing 70 times more trades with 25 times higher profits than any human trader could” and it “continually improves itself by learning from its past success and modifying its decision-making process, becoming more effective with each trade made”

D. “The team behind YieldTrust consists of talented quants, who are experts in market data analysis, mathematics, and coding, and not just traders. They continuously improve the code of YieldBot and its deep learning core.”

9. According to YieldTrust’s instructions, investors access the YieldBot by navigating to the YieldTrust Website and connecting their cryptocurrency wallet.

10. Investors then deposit<sup>3</sup> digital assets, subject to a 3% fee paid to Respondent YieldTrust, and elect to deposit their funds in pools for Binance USD (BUSD),<sup>4</sup> USD Coin (USDC), or Tether (USDT).<sup>5</sup>

11. YieldTrust claims that YieldBot thereafter “picks up on the money deposited” and “[t]he bot uses your funds on various centralised [sic] exchanges to generate profits with every withdrawal.”

12. YieldTrust claims that YieldBot earned an average of 2.6% per day for four months, “sometimes exceeding 10% daily ROI,” and told investors that “thanks to these stable and long-term proven strategies, we can return daily profits of up to 2.2%.”

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<sup>3</sup> YieldTrust’s website describes this as “staking.” Typically, “staking” refers to a “process in which cryptocurrency holders volunteer to take part in validating transactions on the blockchain” using a digital protocol, usually in exchange for transaction fees. *Explainer: What is 'staking,' the cryptocurrency practice in regulators' crosshairs?* Reuters, Feb. 10, 2023 (available at <https://www.reuters.com/business/finance/what-is-staking-cryptocurrency-practice-regulators-crosshairs-2023-02-10/>) This does not appear to be what Respondent is doing with cryptocurrency deposited to its smart contract, and CSI will use the term “deposit” for clarity.

<sup>4</sup> In February 2023, the New York Department of Financial Services ordered Paxos Trust Company, the issuer of the BUSD token, to cease issuing BUSD. That same month, the United States Securities and Exchange Commission issued a Wells notice to Paxos that explained the SEC is considering recommending a securities enforcement action against Paxos for issuing BUSD in violation of securities laws.

<sup>5</sup> BUSD, USDC, and USDT are U.S. Dollar stablecoins. “Stable Coins” or “Stablecoins” are a type of cryptocurrency where the coin or token’s value is intended to be indexed to the value of another asset, most commonly a particular government currency. See *Albright v. Terraform Labs, Pte. Ltd.*, No. 22-cv-07281 (JSR) 2022 U.S. Dist. LEXIS 209074 at \*2 (S.D.N.Y. Nov. 17, 2022).

13. Investors may reinvest profits to compound their investment. YieldTrust's website contains a slider to allow potential investors to imagine their profit over time if they reinvest their gains. This tool claims that an initial investment of \$10,000 with compounded returns should earn approximately \$5,500 in 20 days.

14. YieldTrust tells investors they may withdraw profits every 24 hours, but investors must also wait 30 days before withdrawing their initial deposits.

15. In at least one place on its website, YieldTrust incorrectly states this "lockup" period is only 15 days, but according to an independent audit of the smart contract, initial deposits are locked for 30 days.

16. YieldTrust's website provides potential investors with reports that purport to reflect the success of YieldBot, but the only available reports span dates from February 21, 2023, through February 27, 2023.

17. The reports claim that YieldBot earned total realized profits ranging from 3.71% to 6.12% and total net profits ranging from 2.17% to 2.92% during that date range.

18. YieldTrust did not provide blockchain data or other information to investors that would permit them to independently verify the cryptocurrency trades represented in the reports or their profitability.

19. YieldTrust states that it stores some cryptocurrency assets in a "cold storage" system and that it does not trade funds on a single centralized exchange to protect against "unexpected bankruptcies like FTX exchange [sic]."

20. YieldTrust also states that it protects users through an "insurance fund" populated by returns earned through trading and compounding. It also represents that all participating wallets are entitled to a portion of the insurance fund.

21. YieldTrust's website also claims that it satisfied the KYC (know your customer) standard, a term typically used to describe the process whereby financial institutions identify their clients to ensure compliance with anti-money-laundering laws and regulations.

22. YieldTrust's website contains certificates issued by organizations that purport to demonstrate Respondent YieldTrust submitted to and satisfied identity verification processes that identified at least one contract owner or team member.

23. YieldTrust obtained at least one of these certificates after Ciopraga, as the contract owner for the dApp, provided a government identification card and a video of himself to the organization that conducted the KYC.

24. YieldTrust does not disclose its relationship with Ciopraga in any of its materials provided to prospective investors.

25. Instead, a person claiming to be its Chief Executive Officer identifies himself only as "Benji" or "Benji CPR" and a person claiming to be its Marketing Officer identifies himself only as "Jake" or "Jaketheinvestor."

26. YieldTrust has not disclosed the identities of its principals, officers, or team members to prospective investors, outside of its references to "Benji" and "Jake."

### **Independent Audit Findings**

27. On or about March 2, 2023, The Stamp, an organization that audits blockchain smart contracts, published a report that summarized its audit of the YieldTrust smart contract that purported to use YieldBot to make cryptocurrency trades.

28. The report found that the "contract's owner privileges were not only extensive but also included many unnecessary permissions," and that "excessive permissions such as those observed in this contract may be detrimental to the contract's overall security and integrity."

29. The report designated the YieldTrust smart contract as "DANGEROUS" in part because the ownership privileges of the smart contract permit the deployer team to:

- A. Blacklist users and prevent them from withdrawing funds, receiving interest, or receiving refunds,
- B. Change the token used at any time, potentially preventing users from withdrawing funds,
- C. Change the delay between claims with no restrictions, which could be used to blacklist all users, and

D. Withdraw funds from the contract balance.

30. The audit report also identified other risks beyond the code of the contract itself, including:

- A. The smart contract deployer team “is unknown, and given that the contract's ownership privileges were found to be extensive and included many dangerous permissions, it may be prudent not to place trust in them. These privileges pose significant risks to users and investors and could lead to financial losses,”
- B. The dApp is “a ‘ROI’<sup>6</sup> type of yield farm that relies on funds invested to payout existing users. If the contract's funds deplete, investors will not receive any further payouts,”
- C. The dApp and other “[c]entralized referral systems pose a significant threat, as influencers and developers can potentially earn a substantial amount of funds from referrals, more than the regular interest payouts,” and
- D. The smart contract and other “[y]ield farming contracts without external funding are similar to gambling products, and thus should be treated as such. These contracts have a high-risk, high-reward profile, and it is recommended that investors conduct thorough research before investing.”

31. The audit also considered a certificate that YieldTrust used to tout its satisfaction of KYC. It concluded that, “considering the dangerousness of the contract, we consider it null & void.”

32. The audit was unable to confirm whether that the YieldBot dApp actually generates any profits under the YieldTrust smart contract.

33. Shortly after this audit report was published, on March 24, 2023, YieldTrust announced its CEO “Benji” “will be unable to return to the company due to food poisoning and other pressing business matters” and YieldTrust “has faced significant negative publicity in recent weeks, beginning with the audit [of its smart contract]”

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<sup>6</sup> Return on Investment

34. YieldTrust also announced that, “[g]iven these circumstances, we have decided that it is no longer viable to continue our operations”

35. YieldTrust provided investors with a link to an online form they could use to request a refund of their digital assets. The form advised investors that “to ensure that our bot has ample time to generate returns to cover withdrawals and accommodate new deposits, we have a 30-day lockup period in place.”

36. YieldTrust further advised they were still “using the funds deposited in our smart contract to operate our bot and generate returns.”

37. After YieldTrust announced it planned to cease operations, it nevertheless continued to accept new investors. As of March 29, 2023, YieldTrust’s website still included the investment dashboard allowing users to connect a cryptocurrency wallet and make deposits to the smart contract.

### **Recruitment and Influencers**

38. In support of its scheme, YieldTrust recruited investors and influencers to recruit new investors and promises to pay “a whopping 6% reward” on deposits referred to YieldTrust’s program.

39. YieldTrust promoted the YieldBot dApp and YieldTrust smart contract through the YieldTrust Website ([www.yieldtrust.ai](http://www.yieldtrust.ai)), Telegram ([t.me/yieldtrustai](https://t.me/yieldtrustai)), Twitter<sup>7</sup> (@yieldtrust\_ai), and Medium<sup>8</sup> (@yieldtrustai).

40. YieldTrust also promoted the YieldBot dApp and YieldTrust smart contract through online influencers, including the following online influencers:

- A. VenoMCalls, an online influencer that promotes projects through Twitter (@VenoMCalls) and Telegram ([t.me/venomcalls](https://t.me/venomcalls));
- B. CaesarsCalls Crypto Lounge, an online influencer that promotes projects through Twitter (@CaesarsCalls) and Telegram ([t.me/caesars\\_calls](https://t.me/caesars_calls)); and
- C. The Defi Sniperz Collective, a group of online influencers that promote projects through various online and social media platforms, including on

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<sup>7</sup> As of March 28, 2023, YieldTrust’s Twitter account is no longer active.

<sup>8</sup> As of March 28, 2023, YieldTrust’s Medium account is no longer active.



Twitter (@defi\_sniperz), Telegram (t.me/defisniperz), YouTube (youtube.com/@yocryptorock), and its website (www.defisniperz.com).

41. Other online influencers promoted YieldTrust through an affiliate program that offers compensation for referrals.

42. For example, “CryptoSkillet” is an online influencer that promotes projects through YouTube (youtube.com/@cryptoskillet), Twitter (@CryptoSkillet) and Facebook (User ID 100081606601413). CryptoSkillet uses an affiliate link to refer prospective investors to YieldTrust in exchange for a commission equal to 6% of referred investors’ deposits.

### **Failure to Register**

43. A review of the CSI’s internal database, SEC’s EDGAR database, which contains securities filings for all interstate securities offerings, and the Financial Regulatory Authority’s (FINRA) Central Registration Depository (CRD), which maintains registration filings for all broker-dealer firms and securities salespersons, shows that YieldTrust has never registered to sell securities in Montana, nor are its products registered to be sold as securities in Montana or elsewhere.

44. A review of the CSI’s internal database, SEC’s EDGAR database, which contains securities filings for all interstate securities offerings, and the Financial Regulatory Authority’s (FINRA) Central Registration Depository (CRD), which maintains registration filings for all broker-dealer firms and securities salespersons, shows that Ciopraga has never registered to sell securities in Montana, nor are its products registered to be sold as securities in Montana or elsewhere.

### **ASSERTIONS OF LAW**

1. The Commissioner has jurisdiction over this matter pursuant to § 30-10-101 *et seq.*, MCA.

2. It is unlawful for a person to offer or sell any security in the state of Montana if that security has not been registered under the Securities Act of Montana or, in the case

of a federal covered security, by following the procedure set forth in § 30-10-211, MCA. § 30-10-202, MCA.

3. A “person” is, among other things, an individual, corporation, partnership, or association. § 30-10-103(17), MCA.

4. YieldTrust is an “association” under § 30-10-103(17), MCA, and is likely to be a corporation as well.

5. A “security” includes, among other things, any “note,” “evidence of indebtedness,” or “investment contract.” § 30-10-103(24), MCA.

6. The smart contract investment offered by YieldTrust is a security.

7. The YieldTrust security is not registered under the procedures prescribed in § 30-10-202(1) or (2), MCA.

8. By creating and placing the YieldTrust smart contract onto the BNB blockchain where others could interact with it, including in Montana, YieldTrust offered and/or sold the securities described above to Montanans in violation of § 30-10-202, MCA.

9. By creating and placing the YieldTrust smart contract onto the BNB blockchain where others could interact with it, including in Montana, Respondent Ciopraga offered and/or sold the securities described above to Montanans in violation of § 30-10-202, MCA.

10. It is unlawful for a person to transact business in the state of Montana as a broker-dealer or salesperson unless the person is registered pursuant to parts 1 through 3 of Title 30, Chapter 10 of the Montana Code. § 30-10-201(1), MCA.

11. A “broker/dealer” is “any person engaged in the business of effecting transactions in securities for the account of others or for the person’s own account.” § 30-10-103(1)(a).

12. By creating and placing the YieldTrust smart contract onto the BNB blockchain where others could interact with it, including in Montana, YieldTrust acted as a broker/dealer in Montana without registering in violation of § 30-10-201(1), MCA.

13. Through his creation and placement of the YieldTrust smart contract onto the BNB blockchain where others could interact with it, including individuals in Montana,

Ciopraga acted as a broker/dealer in Montana without registering in violation of § 30-10-201(1), MCA.

14. It is unlawful for any person to conduct, promote, or cause to be conducted or promoted any pyramid promotional scheme. § 30-10-325(1), MCA.

15. A “pyramid promotional scheme” is defined as “a sales plan or operation in which a participant gives consideration for the opportunity to receive compensation derived primarily from obtaining the participation of other persons in the sales plan or operation rather than from the sale of goods or services by the participant or the other persons induced to participate in the sales plan or operation by the participant.” § 30-10-324(7)(a), MCA.

16. A “pyramid promotional scheme “includes a Ponzi scheme, in which a person makes payments to investors from anything of value, including anything of purported value, obtained from later investors, rather than from any profits or other income of an underlying or purported underlying business venture.” § 30-10-324(7)(b), MCA.

17. Respondents are operating a pyramid promotional scheme because their “investment” is a Ponzi scheme—payments made to early investors are derived from payments received from later investors, rather than from any profits or income from the purported underlying business venture.

18. It is unlawful for any person, in connection with the offer, sale, or purchase of any security, whether directly or indirectly, to employ any device, scheme, or artifice to defraud, make any untrue statement of material fact (or omit a material fact necessary to prevent other statements from being misleading), or engage in any act, practice, or course of business that operates or would operate as a fraud or deceit on any person. § 30-10-301(1), MCA.

19. Respondents YieldTrust and Ciopraga engaged in the following acts that constitute fraudulent or prohibited practices under section 30-10-301, MCA:

- a. Respondents failed to disclose the following material facts about YieldTrust, which are necessary to avoid rendering YieldTrust’s claims misleading:
  - i. The physical address of YieldTrust and the country(ies) of operation;

- ii. The capitalization of YieldTrust and other material financial information, including assets, liabilities, and revenue;
  - iii. The source and value of compensation paid or owed to parties responsible for developing, maintaining, and updating YieldBot, including the party(ies) responsible for coding the YieldBot;
  - iv. The source and value of compensation paid or owed to online influencers and any other persons acting as agents of YieldTrust;
  - v. The public address of any on-chain transactions by YieldBot that could be used to verify the claims that an AI is actually conducting the cryptocurrency transactions in service of the smart contract;
  - vi. The public addresses of any corporate wallets, including the wallet holding the assets purportedly used to insure clients against loss;
  - vii. The identity of “Benji” aka BenjiCPR, the purported Chief Executive Officer of YieldTrust, as well as his business reputation, qualifications and experience; and
  - viii. The identity of “Jake” aka Jaketheinvestor, the person purportedly responsible for marketing YieldTrust, as well as his business reputation, qualifications and experience;
- b. Respondents failed to disclose the following material facts about the YieldTrust smart contract and the YieldBot that purportedly executes AI cryptocurrency trades, which are necessary to avoid rendering YieldTrust’s claims misleading:
- i. The identity of the party(ies) responsible for designing, developing and coding the YieldBot;
  - ii. The identity of the party(ies) responsible for designing, developing and coding the smart contract;
  - iii. The fact that the smart contract “relies on funds invested to payout existing users,” and that “[i]f the contract’s funds deplete, investors will not receive any further payouts”;

- iv. The features of the smart contract code that permit the developers to manipulate the terms of the investments or take steps that may negatively impact the profitability of the investments;
  - v. The features of the smart contract code that permit the developers to prevent users from withdrawing funds, receiving interest, or receiving refunds; and
  - vi. The features of the smart contract code that permit the developers to blacklist any user's wallet and change the delay between requesting and receiving a refund.
- c. Respondents failed to disclose the following material investing risks, which are necessary to avoid rendering YieldTrust's claims misleading:
  - i. Governments may adopt legislation or enact regulations that negatively impact the use, transfer, exchange, or price of digital assets;
  - ii. The value of digital assets can be volatile, and the price of a digital asset as it relates to fiat currency may decrease over a short period of time, resulting in significant loss to the owners of digital assets;
  - iii. A technical failure or deficient source code may negatively impact YieldBot and the ability to stake, trade or exchange digital assets;
  - iv. A hacking incident or malicious attack may negatively impact the profitability of the YieldBot;
  - v. Digital assets custodied at exchanges, or deployed in through staking-as-a-service platforms administered by exchanges, may not be fully backed by reserves and exchanges may use or otherwise appropriate these digital assets in a manner that makes recovery unlikely; and
  - vi. Parties depositing digital assets at exchanges rely on the exchange to maintain solvency.

- d. Respondents also failed to disclose that BUSD, one asset deposited into the smart contract, was the subject of multiple government enforcement actions in the United States.

20. If it appears to the Commissioner that any person has engaged or is about to engage in a practice that violates parts 1 through 3 of Chapter 10, Title 30, of the Montana Code Annotated, including §§ 30-10-202 and 30-10-327, MCA, the Commissioner may issue an order directing the person to cease and desist their unlawful acts or practices after notice and an opportunity for hearing. § 30-10-305, MCA. The Commissioner may also issue a temporary cease and desist order pending the hearing referenced above. *Id.*

21. The Commissioner may also impose a fine not to exceed \$5,000 per violation on a person found to have violated a rule or order of the Commissioner, including a cease and desist order. § 30-10-305, MCA.

#### **PROPOSED AGENCY ACTION**

WHEREFORE, the Commissioner proposes to order the following:

1. Pursuant to § 30-10-305, MCA, a permanent order prohibiting Respondents from offering or selling unregistered securities in violation of Montana law.
2. Pursuant to § 30-10-305, MCA, a permanent order prohibiting Respondents from acting as an unregistered broker/dealer in violation of Montana law.
3. Pursuant to § 30-10-305, MCA, a permanent order prohibiting Respondents from conducting, promoting, or causing to be conducted or promoted a pyramid promotional scheme in violation of Montana law.
4. Pursuant to § 30-10-305, MCA, a permanent order prohibiting Respondents from making fraudulent and/or misleading statements in connection with the offer or sale of securities.
5. Pursuant to § 30-10-305(3)(a), impose a fine of \$50,000 on each Respondent for violations of the Securities Act of Montana.

### **STATEMENT OF RIGHTS**

Respondents are entitled to contest the Commissioner's proposed action by requesting an administrative hearing. To do so, within 15 days of receipt of this Notice, Respondents must submit a hearing request in writing to Andrew Cziok, 840 Helena Avenue, Helena, MT 59601 or [CSI.LegalService@mt.gov](mailto:CSI.LegalService@mt.gov). A hearing request may also include a response to the allegations set forth above. If a hearing is requested, Respondents will be provided notice of the time, place, and nature of the hearing. Respondents will be entitled to attend this hearing and respond and present evidence and arguments on all issues in this action.

Administrative hearings are conducted by an impartial hearing examiner appointed by the Commissioner under the provisions of the Montana Administrative Procedures Act. Formal proceedings may be waived pursuant to § 2-4-603, MCA. Respondents have the right to be represented by an attorney at any and all stages of this proceeding.

### **CONTACT WITH COMMISSIONER'S OFFICE**

Please contact Andrew Cziok at [CSI.LegalService@mt.gov](mailto:CSI.LegalService@mt.gov) with any questions or concerns. If represented by an attorney, please ensure this contact is made by the attorney. A non-human entity such as a corporation or partnership must be represented by an attorney in all administrative proceedings. *See Weaver v. Law Firm of Graybill, Ostrem, Warner & Crotty*, 246 Mont. 175, 178, 803 P.2d 1089 (1990).

### **POSSIBILITY OF DEFAULT**

Failure to timely provide a written hearing request shall result in the entry of a default order imposing the Commissioner's proposed action, without additional notice, pursuant to Admin. R. Mont. 1.3.214.

DATED this 4th day of April 2023.

  

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ANDREW CZIOK  
*Counsel for the Commissioner of Securities & Insurance*

### **TEMPORARY CEASE AND DESIST ORDER**

Pursuant to § 30-10-305, MCA, and in light of the factual allegations and assertions of law above, it appears to the Commissioner that Respondents have engaged, are engaged, and may in the future engage in acts or practices constituting a violation of the Securities Act of Montana.

Therefore, it is hereby ORDERED that Respondents immediately cease and desist from operating as an unregistered broker/dealer in Montana, from offering or selling unregistered securities in Montana, from operating a pyramid promotional scheme, and from making fraudulent and/or misleading statements in connection with the offer or sale of securities as described above.

### **PENALTIES**

Pursuant to § 30-10-305, a violation of this Order is a separate violation for which the CSI may impose a fine not to exceed \$5,000 per violation in addition to any other penalties imposed by law.

### **NOTICE OF RIGHT TO HEARING**

You are entitled to a hearing to respond to this Notice of Proposed Agency Action, Temporary Order to Cease and Desist, and Opportunity for Hearing (Notice), and to present evidence and arguments on all issues involved in this case. If you wish to contest these allegations, you must make a written request for a hearing within 15 days of receipt of this Notice to: The Office of the Montana State Auditor, Commissioner of Securities and Insurance, c/o Andrew J. Cziok, 840 Helena Avenue, Helena, MT 59601 or [CSI.LegalService@mt.gov](mailto:CSI.LegalService@mt.gov). The hearing shall then be held within 20 days of the CSI's receipt of the hearing request, unless the time is extended by agreement of the parties or by order of the hearing examiner. If you do not request a hearing and the Commissioner orders none, the temporary order in this Notice shall become permanent, and the above allegations will be declared the findings of fact and the above conclusions of law will be declared the final conclusions of law.



Should you request a hearing, you have the right to be accompanied, represented, and advised by an attorney. If the attorney you choose has not been admitted to the practice of law in the state of Montana, she or he must comply with the Montana State Bar for appearing pro hac vice and the requirements of *Application of American Smelting and Refining Co.* (1973), 164 Mont. 139, 520 P.2d 103 and *Montana Supreme Court Commission on the Unauthorized Practice of Law v. O'Neil*, 2006 MT 284, 334 Mont. 311, 147 P.3d 200. If you request a hearing, you will be given notice of the date, time, and place of the hearing.

### **POSSIBILITY OF DEFAULT**

Failure to request a hearing on this cease and desist order within 15 days of receipt of this Notice will result in the entry of a default order entering a permanent cease and desist order against you without further notice, pursuant to § 30-10-205(1)(a)(ii), Mont. Admin. R. 6.2.101, and Mont. Admin. R. 1.3.214.

DATED this 4th day of April 2023.

A handwritten signature in blue ink, appearing to read 'Troy Downing', is written over a horizontal line.

**TROY DOWNING**  
Commissioner of Securities and Insurance,  
Montana State Auditor

### **CERTIFICATE OF SERVICE**

I hereby certify that on April 4, 2023, I caused a copy of the foregoing *Notice of Proposed Agency Action, Temporary Order to Cease and Desist, and Opportunity For Hearing* to be served on the following persons by the following means:

1, 2 U.S.P.S Registered Mail  
           E-Mail

1. YieldTrust.ai  
Mun.Bucuresti Sec.1 Bd.  
Bucurestii Noi. Nr.78 Bl.C1 SC.1 Et.3 Ap.16,  
Bucharest, Romania 12365
2. Stefan Ciopraga  
Mun.Bucuresti Sec.1 Bd.  
Bucurestii Noi. Nr.78 Bl.C1 SC.1 Et.3 Ap.16,  
Bucharest, Romania 12365

Courtesy copies have been sent to Respondents via email at business@yieldtrust.ai, yieldtrustai@gmail.com and su\_stefan@yahoo.com.

An additional courtesy copy has been served on Respondents by certified mail c/o Namecheap, Inc., the registrar of the YieldTrust Website, at 4600 East Washington Street, Suite 305, Phoenix, Arizona 85034.

/s/ Brandy Morrison

Brandy Morrison  
Paralegal