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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Securities Act of Washington by:

Fitbela Epro Limited,
Xinghua Jin,

Respondents.

Order No.: S-22-3424-23-SC01

STATEMENT OF CHARGES AND
NOTICE OF INTENT TO
ENTER ORDER TO CEASE AND DESIST,
TO IMPOSE A FINE,
AND TO CHARGE COSTS

THE STATE OF WASHINGTON TO:

Fitbela Epro
Xinghua Jin

STATEMENT OF CHARGES

Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents Fitbela Epro Limited and Xinghua Jin have violated the Securities Act of Washington. The Securities Administrator believes those violations justify the entry of an order against the Respondents to cease and desist from such violations, to impose a fine, and to charge costs pursuant to RCW 21.20.390 and RCW 21.20.395. The Securities Administrator finds as follows:

TENTATIVE FINDINGS OF FACT

Respondents

1. Fitbela Epro Limited (“Fitbela Epro”) is a United Kingdom Private limited Company, incorporated on August 16, 2021, with its principal place of business purportedly in London, England. Fitbela Epro holds itself out as a cryptocurrency trading and investment company, operating associated websites: fitbelaepro.com and fitbelaepro.org.

2. Xinghua Jin (“Jin”) is a New York State resident and the CEO of Haight Kim Trading Inc. and Haight CA Trading Inc. Jin is the sole individual associated with both businesses.

1 **Related Entities**

2 1. Haight Kim Trading Inc. (“Haight Kim Trading”) is a New York domestic business
3 corporation formed on March 7, 2022. Haight Kim Trading holds itself out as an antique appraisal and
4 consignment business.

5 2. Haight CA Trading Inc. (“Haight CA Trading”) is a California stock corporation formed on
6 April 7, 2022. Haight CA Trading holds itself out as operating in the antique-trade.

7 3. Kechung Trading Co., Limited (Kechung Trading) is a private company registered in Hong
8 Kong, formed on March 30, 2022.

9 **Overview**

10 4. From approximately April 2022 to August 2022, Fitbela Epro defrauded A.F. and C.L.,
11 Washington residents, out of \$60,000 and \$210,000, respectively, by making false or misleading claims about
12 its cryptocurrency trading platform and offerings. Specifically, Fitbela Epro defrauded A.F. and C.L. by
13 having its representatives inform them that they could earn a profit by making cryptocurrency trades with
14 trading information provided by Fitbela Epro agents. A.F. and C.L. made a number of wire transfers to fund
15 their Fitbela Epro accounts, a number of which were to entities controlled by Xinghua Jin. Both A.F. and
16 C.L. were later alerted that they could not withdraw the funds, principal or supposed profits invested with
17 Fitbela Epro until they paid advance tax bills. Fitbela Epro never made any payments to C.L. Fitbela Epro
18 only made a single payment to A.F., in the amount of \$1000.

19 **Nature of the Conduct**

20 ***Washington Resident A.F.***

1 5. In or around April 2022, A.F. received an invitation to an investment group on Viber¹ that
2 appeared to be a group dedicated to information about stocks. A.F. shared with the group that she and her
3 husband were both retired and had traditional investments, including a 401K, and had previously only dealt
4 with investment advice from trusted advisors.

5 6. In or around May 2022, A.F. received a Viber call from “Nancy,” an employee or agent of
6 Fitbela Epro, who shared with A.F. an investment opportunity in cryptocurrency. Nancy described the
7 investment as invest money and “play”—through various transactions, directed by Nancy—to earn profit.
8 A.F. decided to “play” with a \$40,000 investment after reading some positive Viber comments from other
9 purported Fitbela Epro investors. A.F. was not provided with any further information prior to her investment.

10 7. Nancy instructed A.F. to work with Fitbela Epro customer service to wire money for the
11 investment. Customer service, via a chat feature on the Fitbela Epro website, directed A.F. to wire money to
12 an account held by Hights CA Trading Inc. at JPMorgan Chase. The instructions detailed that A.F. was not
13 to include any comment in the comment section, this instruction was very explicit, shared multiple times.
14 When A.F. inquired about the process, Fitbela Epro shared that they used multiple accounts and banks because
15 of the vast number of daily wire transactions, but that each company and bank account were run by one finance
16 department. On May 6, 2022, as instructed by Fitbela Epro, A.F. wired \$40,000 from her bank to the Jin-
17 controlled Hights CA Trading Inc. account. Afterwards, Fitbela Epro instructed A.F. to send them
18 confirmation of her wire transfers, including photos of her driver license.

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¹ Viber is popular application used for voice over IP and instant messaging. Viber is one of the most popular messaging apps in the world, offered in over 40 languages.

1 8. After A.F.'s initial investment and transfer of funds, Nancy directed A.F. to make specific
2 cryptocurrency trades online using MetaTrader 4². Nancy would sporadically contact A.F., by phone or text,
3 to make a transaction.

4 9. In or around early June 2022, A.F. attended a lecture in another Viber group, hosted by another
5 Fitbela Epro agent, "Mr. Andrews." Mr. Andrews shared a different Fitbela Epro offering—A.F. could pool
6 her money with others and engage in similar trading strategies for greater returns. In June 2022, A.F. wired
7 an additional \$20,000 for this group investment to an account held by Kechung Trading. Mr. Andrews began
8 to similarly direct A.F. to buy and sell cryptocurrencies using MetaTrader 4.

9 10. In or around July 2022, Nancy directed A.F. to set up a Crypto.com wallet after A.F. asked
10 how to withdraw money from her account. Nancy explained to A.F. that the withdrawal process was time
11 consuming, but Fitbela Epro would transfer \$1000 in the interim as proof of concept. A.F. received the \$1000
12 deposit. Nancy then attempted to solicit A.F. to invest more money with a "new level" opportunity. A.F.
13 declined, content to wait until her withdrawal was processed.

14 11. After waiting some time, A.F. communicated her concerns about the withdrawal process with
15 Fitbela Epro customer service. Customer service stated that the withdrawal could not process because the
16 investment term was not complete. Then, customer service demanded A.F. pay, in advance, \$100,000 in
17 taxes.

18 12. A.F. instructed Fitbela Epro to take the taxes out of her account, which purportedly held
19 \$290,000; Fitbela Epro explained that the taxes must be paid in advance. A.F. continued to try to take a
20 withdrawal—the withdrawal was denied.

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22 ² MetaTrader 4 is a popular smartphone app used to conduct foreign market exchange transactions. MetaTrader 4
23 allows licensees to use a plug in, known as a Virtual Dealer, which can be used to simulate account balances, profits,
or losses. A similar product, the MetaTrader 5 app, was removed from the Apple App Store in September 2022 after it
was used in a cryptocurrency scam to defraud a California investor out of more than \$1 million.

1 13. A.F. lost all but \$1000 of her investment.

2 *Washington Resident C.L.*

3 14. In or around April 2022, C.L. began chatting with “Nancy,” a woman that recently joined his
4 Viber group. After several weeks of chatting, Nancy shared with C.L. that she was a Fitbela Epro account
5 coordinator and extended an opportunity to invest with her in cryptocurrency. Nancy stated that the more
6 money that C.L. invested, the more money he would earn. Nancy did not disclose to C.L. any other
7 information about the investment other than it was associated with cryptocurrency.

8 15. In or around May 2022, Nancy directed C.L. to contact Fitbela Epro customer service for
9 directions on how to transfer money to a Fitbela Epro account. Customer service instructed C.L. to transfer
10 his investment funds in two different ways: 1) to deposit \$100,000 into a Crypto.com account by wiring funds
11 to MCB bank, then transfer the Crypto.com account funds to Fitbela Epro, and 2) to wire another \$120,000
12 into Jin-controlled accounts—Haight CA Trading and Haight Kim Trading. Further, Fitbela Epro instructed
13 C.S. to send them confirmation of his wire transfers, including photos of his driver license.

14 16. After funding the Fitbela Epro account, Nancy instructed C.L. to download MetaTrader 4 to
15 access his Fitbela Epro account. The MetaTrader application displayed the same account information
16 available on the Fitbela Epro website.

17 17. For weeks, Nancy directed C.L. to perform a number of specific trades on MetaTrader 4.

18 18. After a few weeks, Nancy abruptly alerted C.L. that his investment plan was finished, despite
19 no prior acknowledgement that the investment was a term investment. Nancy explained that C.L. must now
20 pay a tax bill of \$70,000 in order to withdraw his funds.

21 19. C.L. has not been able to withdraw any of his investment.

22 *Xinghua Jin*

1 20. Washington residents A.F. and C.L. wired funds to accounts owned by Haight CA Trading
2 and Haight Kim Trading. Xinghua Jin is the sole person associated with both accounts and the only
3 individual with signatory authority.

4 21. Jin opened the Haight CA Trading account on April 23, 2022 at the Flushing Skyview Center
5 branch of JPMorgan Chase located in Flushing, New York. This account received wire transfers from April
6 29, 2023 until May 18, 2023 from various entities and individuals, including from A.F. and C.L., totaling over
7 \$1.4 million dollars. By May 18, 2023, the account was zeroed out with nearly all of the funds transferred by
8 wire to accounts in Hong Kong. A number of the incoming wires included notes, such as “Payment of
9 Personal Taxes,” “For Trading,” “IN Vestment,” “37 Percent Fed. Tax,” “Trade Related,” and “Buying
10 Crypto.”

11 22. Jin, identified as the sole business owner on the account application, opened the the Haight
12 Kim Trading account on March 29, 2022 at the Great Neck branch of Wells Fargo Bank located in Great
13 Neck, New York. This account received wire transfers from May 2, 2022 until May 20, 2022 from various
14 entities and individuals, including from C.L., totaling over \$180,000. By May 20, 2022, the account had
15 wired at least \$60,000 to an account in Hong Kong. On June 7, 2022, Wells Fargo Bank closed the account
16 and removed the remaining \$75,664.03 with an entry for “Loss Prevention Closing.”

17 23. Jin claimed to the Securities Division that the wire transfers received from A.F. and C.L. were
18 on behalf of a Hong Kong entity, for the purchase of Chinese art pieces, including the following:

- 19 • Chinese ink and wash painting on paper by Huang Binhong—\$10,000;
- 20 • Chinese ink and with paintings in booklet by Mei Quing—\$100,000; and
- 21 • Chinese ink and wash painting by Fu Baoshi—\$40,000.

22 24. Neither A.F. nor C.L. intended to wire funds for the purchase of art.

23

1 25. Jin possessed personal information of A.F. and C.L. including account information and copies
2 of their Washington State driver licenses—information that A.F. and C.L. had provided *only* to Fitbela Epro.

3 **Misrepresentation or Omissions of Material Fact**

4 26. Fitbela Epro misrepresented to investors where investor funds would be deposited. Fitbela
5 Epro represented that all investor wire transfers would be to accounts held by partner companies under the
6 same finance department, instead funds were transferred to accounts held by entities solely associated with
7 Jin.

8 27. Fitbela Epro failed to disclose material information regarding the company, including, but not
9 limited to, financial statements, operational history, and financial conditions.

10 28. Fitbela Epro failed to provide any information about its owner(s).

11 29. Fitbela Epro failed to provide any information about the risks of investing with the company.

12 30. Fitbela Epro’s claims about the expected return on investment were misleading because the
13 company failed to provide a reasonable basis for its projections.

14 **Engagement in Activities Which Operate or Would Operate as a Fraud Upon a Person**

15 31. Fitbela Epro directed investors to wire funds to Jin-controlled Hights Kim Trading and
16 Hights CA Trading. Jin later wired these funds to accounts in Honk Kong, accounts not associated with
17 Fitbela Epro.

18 32. Fitbela Epro, through its own website and MetaTrader’s plug-in, displayed false account
19 information to investors—showing “deposits” when funds remained in Jin-controlled accounts or Hong Kong
20 accounts.

21 33. Jin knew or should have known that the A.F. and C.L. wire transfers were Fitbela Epro
22 investments and not purchases on behalf of a foreign company to purchase art.
23

1 34. Fitbela Epro and Jin worked in concert to direct the investor funds into Jin-controlled accounts,
2 as evidenced by Jin's possession of personal investor information provided to Fitbela Epro, including driver
3 license photos.

4 **Registration Status**

5 35. Fitbela Epro is not currently registered to sell its securities in the state of Washington and has not
6 previously been so registered, nor has it filed a claim of exception from registration.

7
8 Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

9 **CONCLUSIONS OF LAW**

10 1. The offer and/or sale of the cryptocurrency trading program described above constitute the
11 offer and/or sale of a security as defined in RCW 21.20.005(14) and (17).

12 2. Fitbela Epro violated RCW 21.20.140, the securities registration section of the Securities Act
13 of Washington, by offering and/or selling securities for which no registration is on file with the Securities
14 Administrator.

15 3. Fitbela Epro violated RCW 21.20.010, the anti-fraud section of the Securities Act of
16 Washington, by employing a device, scheme, or artifice to defraud; making untrue statements of material fact
17 or omitting to state materials facts necessary to make the statements made, in light of the circumstances in
18 which they were made, not misleading; or engaging in an act, practice, or course of business which operates
19 or would operate as a fraud or deceit upon any person.

20 4. Jin violated RCW 21.20.010(3), the anti-fraud section of the Securities Act of Washington, by
21 engaging in an act, practice, or course of business which operates or would operate as a fraud or deceit upon
22 any person.

23 **NOTICE OF INTENT TO ORDER THE RESPONDENT TO CEASE AND DESIST**

1 Pursuant to RCW 21.20.390(1), and based upon the above Tentative Findings of Fact and Conclusions
2 of Law, the Securities Administrator intends to order Respondents Fitbela Epro and Xinghua Jin, and their
3 agents and employees, to each permanently cease and desist from violations of RCW 21.20.140 and RCW
4 21.20.010.

5 **NOTICE OF INTENT TO IMPOSE FINES**

6 Pursuant to RCW 21.20.395, and based upon the Tentative Findings of Fact and Conclusions of Law,
7 the Securities Administrator intends to order that:

- 8 a. Fitbela Epro shall be liable for and shall pay a fine of \$70,000; and
- 9 b. Xinghua Jin shall be liable for and pay a fine of \$30,000.

10 **NOTICE OF INTENT TO CHARGE COSTS**

11 Pursuant to RCW 21.20.390, and based upon the Tentative Findings of Fact and Conclusions of Law,
12 the Securities Administrator intends to order that Respondents Fitbela Epro and Xinghua Jin shall be jointly
13 and severally liable for and shall pay the costs, fees, and other expenses incurred in the administrative
14 investigation and hearing of this matter, in an amount not less than \$16,500.

15 **AUTHORITY AND PROCEDURE**

16 This Statement of Charges is entered pursuant to the provisions of Chapter 21.20 RCW and is subject
17 to the provisions of Chapter 34.05 RCW. Respondents Fitbela Epro and Xinghua Jin, may make a written
18 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY
19 FOR HEARING accompanying this Order. If a respondent does not make a hearing request in the time
20 allowed, the Securities Administrator intends to adopt the above Tentative Findings of Fact and Conclusions
21 of Law as final and to enter a permanent order to cease and desist as to that respondent, to impose any fines
22 sought against that respondent, and to charge any costs sought against that respondent.

1 Signed and Entered this 15th day of May, 2023.



/s/

William M. Beatty
Securities Administrator

9 Approved by:

Presented by:

/s/

Brian Guerard
Chief of Enforcement

/s/

Megan Campbell
Financial Legal Examiner

14 Reviewed by:

/s/

Holly Mack-Kretzler
Financial Legal Examiner Supervisor