

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **SECURITIES DIVISION**

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

6 Swiss Valorem Bank Ltd.,
GSB Gold Standard Bank Ltd.,
7 Josip Heit,
Stephn McNeal,

8 Respondents.

Order No. S-23-3655-24-CO01

CONSENT ORDER
AS TO STEPHN MCNEAL

9 **INTRODUCTION**

10 On November 16, 2023, the Securities Administrator of the Securities Division of the Department of
11 Financial Institutions (Securities Division) issued a Summary Order to Cease and Desist and Statement of
12 Charges and Notice of Intent to Impose a Fine and to Charge Costs, Order No. S-23-3655-23-TO01
13 (“Summary Order”), against Respondents Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Josip
14 Heit, and Stephn McNeal. Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division
15 and Stephn McNeal (“Respondent”) hereby enter into this Consent Order in settlement of the matters alleged
16 in the Statement of Charges. Respondent neither admits nor denies the Findings of Fact and Conclusions of
17 Law as set forth below.

18 **FINDINGS OF FACT**

19 **Respondents**

20 1. Stephn McNeal (“McNeal”) is a Washington state resident who was ranked as a Continental
21 Executive promoter in the GSPartners multilevel marketing scheme. McNeal was assigned CRD #4139379
22 but did not complete the requisite exams and is not registered in Washington state.
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1 2. Swiss Valorem Bank Ltd. (“Swiss Valorem”) is alleged to be a Kazakhstan entity. Swiss
2 Valorem represented itself as a digital banking, corporate finance, and investment solution platform where
3 users could create accounts and purchase investments issued by GSB Gold Standard Bank Ltd.

4 3. GSB Gold Standard Bank Ltd. (“GSB”) is alleged to be Kazakhstan entity. It did business as
5 GSPartners, GSP, and Gold Standard Partners. GSB issued securities in the form of the Elemental Series
6 and Success Series of MetaCertificates and participation in a multilevel marketing scheme described herein.

7 4. Josip Heit (“Heit”) is believed to be a Croatian native who is currently based in Dubai, UAE.
8 Heit was the Director of the GSB Group, a group of affiliated entities that included the entities above, at all
9 relevant times.

10 **Nature of the Conduct**

11 *Background*

12 5. From approximately December 1, 2020, through December 31, 2023, Swiss Valorem and
13 GSB, (collectively, “GSPartners”), and Heit offered and sold unregistered securities to investors worldwide
14 in the form of MetaCertificates and participation in a multilevel marketing (“MLM”) scheme. At least one
15 unregistered salesperson in Washington, McNeal, offered these unregistered securities. As of 2023, the
16 metaverse promoted by GSPartners had reportedly attracted an estimated 600,000 “citizens” and paid out
17 more than 15 million USDT.¹

18 6. Respondents were soliciting investors through several websites including:
19 <https://GSPartners.global/>, <https://gstrade.exchange/>, <https://swissvalorembank.com/>,
20 <https://www.gsb.gold/>, <https://g999main.net/>, and <https://lydian.world/>. Respondents were also publicly
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22 _____
23 ¹ USDT is the currency code for Tether, a cryptocurrency stablecoin launched by the company Tether Limited Inc. in 2014. Crypto
traders use stablecoins like USDT to make transfers between different cryptocurrencies or to move their investments into or out of
traditional currencies. USDT is pegged to the US dollar with the aim of keeping the price of 1 USDT at \$1.

1 advertising the investments on social media platforms such as Facebook (@g999blockchain), Instagram
2 (@g999blockchain), Telegram, and a YouTube channel (@g999main).

3 7. While offering and selling these unregistered securities, the Respondents failed to disclose to
4 investors material information related to the investments, including basic information about GSPartners'
5 financial condition, business, and operations; information relevant to its capitalization and use of principal;
6 information about the way GSPartners generated sufficient revenue to pay profits and cover compensation;
7 information about actions taken by Canadian securities regulators against GSPartners; and a reasonable
8 basis for GSPartners' revenue projections.

9 *MetaCertificates*

10 8. Respondents offered investors the ability to purchase several series of "MetaCertificates" on
11 the "Lydian.World Metaverse," which could be accessed with an internet browser at <https://lydian.world/>.

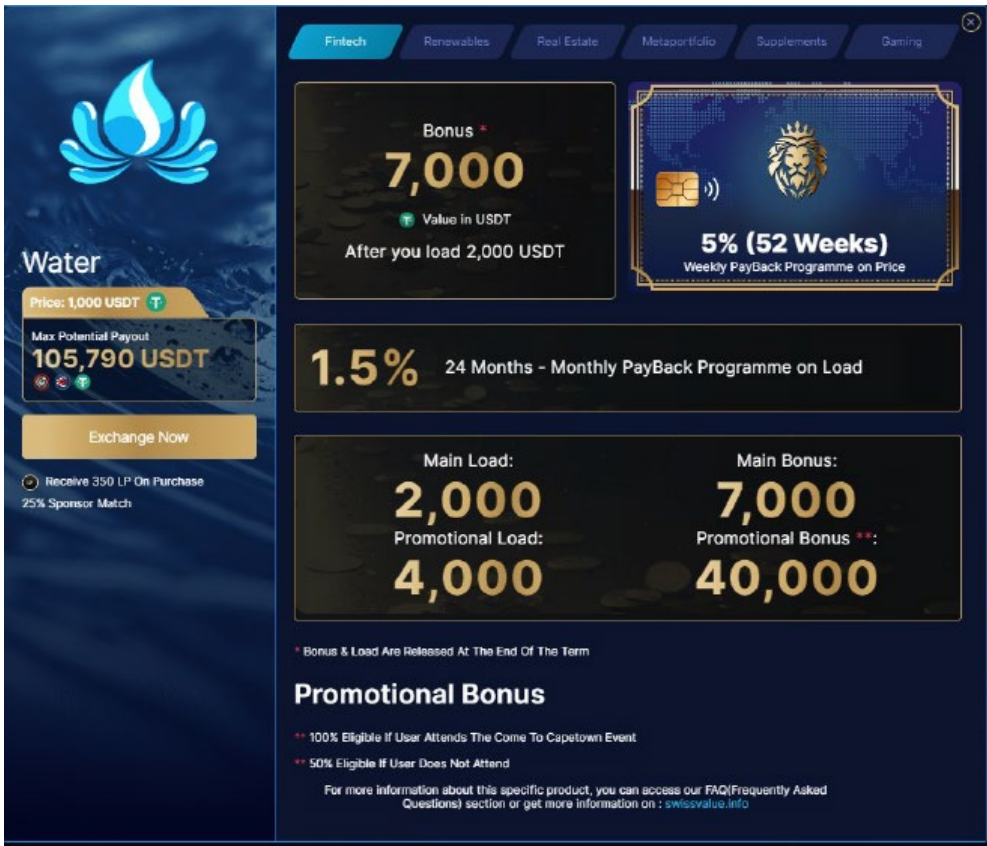
12 9. Investors purchased MetaCertificates by initially transferring digital assets to GSPartners and
13 then "loading" their MetaCertificates by transferring additional principal.

14 10. Investors "loaded" their MetaCertificates with additional principal until they satisfied certain
15 thresholds. Investors that loaded additional principal equal to or exceeding the relevant threshold had "fully
16 loaded" their MetaCertificates.

17 11. The requirements for investors to realize a profit after purchasing the MetaCertificates were
18 (i) to continue investing money or "loading" them, and, to receive the full payment of a promotional bonus,
19 (ii) to attend a specified event.

20 12. In late 2023, the MetaCertificates were offered in two series: the Elemental Series
21 MetaCertificates and Success Series MetaCertificates. These MetaCertificates purported to offer investors
22 lucrative returns depending on the type, series, and length of the MetaCertificate.
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1 13. The “Water MetaCertificate” below was a MetaCertificate in the Elemental Series. As the
 2 image depicts, this Water MetaCertificate could be purchased for 1,000 USDT and had a maximum
 3 potential payout of 105,790 USDT. This MetaCertificate length was 24 months and investors were promised
 4 a 1.5% monthly return on their investment. This MetaCertificate offered a 7,000 USDT “bonus” to investors
 5 if they “fully loaded” this MetaCertificate by putting an additional 2,000 USDT into the MetaCertificate
 6 and by attending the “Capetown Event.”



14.

15. The “Epic MetaCertificate” below was a “Renewables” MetaCertificate in the Success Series. As the image depicts, investors could purchase this Epic MetaCertificate could be purchased for 50,000 USDT and had a maximum potential payout of 8,806,000 USDT. This MetaCertificate length was 24 months and investors were promised a 1.5% monthly return on their investment. This MetaCertificate also had two load levels that investors had to reach if they wanted to receive the bonuses offered.

1 16. If an investor loaded an additional 100,000 USDT onto this MetaCertificate, they would have
2 “Fully Load[ed] Main Load 1” and were told they would receive a 500,000 USDT bonus and a 4% weekly
3 return on the price of the certificate for 52 weeks. If an investor then loaded another 200,000 USDT onto
4 this MetaCertificate, they would have “Fully Load[ed] Main Load 2” and were told they would receive a
5 1,000,000 USDT bonus and receive an 8% weekly return on the price of the certificate for 52 weeks.

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18. On October 1, 2023, GSPartners disabled weekly return payments for investors who had been withdrawing. For investors to reinstate their weekly returns, investors had to make an additional deposit around 27% of their initial investment to “top up” the load.

19. Shortly after the weekly return payments were disabled, GSPartners instituted a 50% withdrawal fee via the “Market Protection Strategy” (“MPS”). Investors’ returns on MetaCertificate purchases were paid out in GSPartners-specific crypto coins. When an investor tried to convert one of the GSPartners coins to USDT for withdrawal, the MPS resulted in GSPartners paying out only 50% of the

1 requested withdrawal. GSPartners reported that the remaining 50% of the requested withdrawal would be
2 held by GSPartners for 13 months to “protect against market volatility.”

3 *Introducing Partner Programme*

4 20. Respondents Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Stephn McNeal, and
5 Josip Heit also offered a multilevel marketing (“MLM”) security entitled the Introducing Partner
6 Programme (“IPP”). The IPP was generally available to investors that paid a 33 USDT enrollment fee and
7 completed a Partnership Agreement or enrolled through the GSPartners website.

8 21. According to Respondents, the benefits available to investors who enrolled in the IPP included
9 “the right to: sell GSP services; participate in the GSP Compensation Plan and receive bonuses and
10 commissions, if eligible; sponsor other individuals as customers or Partners into the GSP business and
11 thereby build an organization and progress through the GSP Compensation Plan; receive periodic GSP
12 literature and other GSP communications; participate in GSP-sponsored support service training,
13 motivational and recognition functions; and participate in promotional and incentive contests and programs
14 sponsored by GSP for its Partners.”

15 22. To retain their Partner status, investors had to renew their Partner status monthly by submitting
16 a monthly renewal fee of 33 USDT. If a Partner failed to pay the renewal fee, the Partner lost “any and all
17 rights to his or her downline organization” until the Partner re-activated and paid the renewal fee.

18 23. For a Partner to receive commissions and bonuses through the IPP, the Partner had to be in
19 good standing. A Partner in good standing received “18% direct commissions on all product sales [and] up
20 to 24% on direct package [sales].” Partners were also eligible to receive a varying return of 2-18% on up to
21 9 levels of sales if the Partner retained three active Partnership referrals in their “down line.” The
22 compensation structure for having recruited new Partnerships into a “downline” is described below.
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1 31. On August 8, 2023, the Canadian Securities Administrators in Ontario issued an investor alert
2 stating that “GSPartners aka Swiss Valorem Bank” was not registered in Ontario to engage in the business
3 of trading in securities.

4 *Misrepresentations and Omissions*

5 32. Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Josip Heit, and Stephn McNeal
6 failed to disclose to investors that the MetaCertificates and participation in the IPP were securities, and that
7 anyone who offers or sells securities in the state of Washington must be registered or exempt from
8 registration.

9 33. Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Josip Heit, and Stephn McNeal
10 failed to disclose the general and specific risks of investing.

11 34. Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Josip Heit, and Stephn McNeal
12 failed to provide a reasonable basis for their revenue projections.

13 35. Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Josip Heit, and Stephn McNeal
14 failed to disclose material information related to the offer and sale of the MetaCertificates and participation
15 in the IPP, including the warnings issued by Canadian securities regulators.

16 36. Swiss Valorem Bank Ltd., GSB Gold Standard Bank Ltd., Josip Heit, and Stephn McNeal
17 failed to disclose material information regarding the GSPartners’ financial condition, business, results of
18 operations, management, and use of funds invested by investors.

19 37. Swiss Valorem Bank Ltd. and GSB Gold Standard Bank Ltd. represented themselves to
20 investors as a bank, however they were not licensed or chartered as a bank federally or in the state of
21 Washington. This was a material misrepresentation as purchasers of MetaCertificates who resided in
22 Washington state were not protected by FDIC insurance or state laws designed to protect banking
23 customers.

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3 Based upon the above Findings of Fact, the following Conclusions of Law are made:

4 **CONCLUSIONS OF LAW**

5 1. The offer and/or sale of the investments described above constitutes the offer and/or sale of a
6 security as defined in RCW 21.20.005(14) and (17).

7 2. Stephn McNeal violated RCW 21.20.140, the securities registration section of the Securities
8 Act of Washington, by offering and/or selling securities for which no registration is on file with the Securities
9 Administrator.

10 3. Stephn McNeal violated RCW 21.20.040, the licensee registration section of the Securities Act
11 of Washington, by offering and/or selling said securities while not being registered as a securities salesperson
12 or broker-dealer in the state of Washington.

13 4. Stephn McNeal violated RCW 21.20.010, the anti-fraud section of the Securities Act of
14 Washington, by making untrue statements of material fact or omitting to state material facts necessary to make
15 the statements made, considering the circumstances in which they were made, not misleading.

16 Based upon the foregoing and finding it in the public interest:

17 **CONSENT ORDER**

18 IT IS AGREED AND ORDERED that Respondent Stephn McNeal, and his agents and employees,
19 shall each cease and desist from offering and/or selling securities in any manner in violation of RCW
20 21.20.140, the securities registration section of the Securities Act of Washington.

21 IT IS AGREED AND ORDERED that Respondent Stephn McNeal, and his agents and employees,
22 shall each cease and desist from offering and/or selling securities in any manner in violation of RCW
23 21.20.040, the registration section of the Securities Act of Washington.

1 IT IS AGREED AND ORDERED that Respondent Stephn McNeal, and his agents and employees,
2 shall each cease and desist from violating RCW 21.20.010, the anti-fraud section of the Securities Act of
3 Washington.

4 IT IS AGREED AND ORDERED that Respondent Stephn McNeal shall be liable for and pay a fine
5 in the amount of \$500.

6 IT IS AGREED that Respondent Stephn McNeal entered into this Consent Order freely and voluntarily
7 and with a full understanding of its terms and significance.

8 IT IS AGREED that the Securities Division has jurisdiction to enter this order.

9 IT IS AGREED that in consideration of the foregoing, Respondent Stephn McNeal waives his right to
10 a hearing and to judicial review of this matter pursuant to Chapter 34.05 RCW.

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12 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

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14 Signed this 21 day of November 2024.

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Signed by:

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/s/
Stephn McNeal, Individually

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Approved as to form by:

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/s/
Victor Minjares, Attorney for Stephn McNeal

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