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EJIKE E OKPA II  
MEMBER

IN THE MATTER OF §  
HORATIU CHARLIE CARAGACEANU AKA §  
HORATIU CARACEANU, HORATIU CARA AND §  
CHARLIE CARAGACEANU; THE SHARK OF §  
WALL STREET; AND HEDGE4.AI §

Order No. ENF-23-CDO-1872

**Horatiu Charlie Caragaceanu aka Horatiu Caraceanu, Horatiu Cara and Charlie Caragaceanu** is being served by registered mail addressed to Bulevardul Alexandru Obregia nr 10-14, Bl10-14 Sc Ap 4 Sector 4, Bucuresti 041735 RO

**The Shark of Wall Street** is being served by registered mail addressed to Bulevardul Alexandru Obregia nr 10-14, Bl10-14 Sc Ap 4 Sector 4, Bucuresti 041735 RO

**Hedge4.ai** is being served by registered mail addressed to Bulevardul Alexandru Obregia nr 10-14, Bl10-14 Sc Ap 4 Sector 4, Bucuresti 041735 RO

### EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("**Securities Commissioner**") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 4007.104 of The Securities Act, Tex. Gov't Code Ann. §§ 4001.001-4008.105 (the "**Securities Act**").

The Enforcement Division of the Texas State Securities Board (the "**Enforcement Division**") has presented evidence sufficient for the Securities Commissioner to find that:

### FINDINGS OF FACT

1. Horatiu Charlie Caragaceanu aka Horatiu Caraceanu, Horatiu Cara and Charlie Caragaceanu ("**Respondent Caragaceanu**") claims to be a resident of San Francisco, California, and the Chief Executive Officer of The Shark of Wall Street ("**Respondent TSWS**"). Respondent Caragaceanu is also the Chief Executive Officer of Hedge4.ai ("**Respondent Hedge4.ai**"), an affiliate or branch of Respondent TSWS.
2. Since as early as 2019, Respondents Caragaceanu, TSWS and Hedge4.ai (collectively the "**Respondents**") have been minting, offering and selling cryptocurrencies and nonfungible tokens allegedly tied to artificial intelligence, stock trading, cryptocurrency investing, and gold and diamond mining.

3. Respondents marketed these digital assets as investments that would significantly increase in value, paid lucrative guaranteed returns and/or generated considerable passive income. However, these digital assets are now valued at or around \$0 per token.
4. In March 2023, Respondents began promoting new digital asset investments. These products include TruthGPT Coin, a digital asset purportedly powered by an artificial intelligence model referred to as Elon Musk AI. They are claiming TruthGPT Coin serves as the “Ultimate AI-Powered Cryptocurrency Investment Advisor” and purchasers of TruthGPT Coin may earn up to 1000x their principal investment.
5. Respondents are also promoting Elon Musk AI Token, and they are offering TruthGPT Coin and Elon Musk AI Token through internet websites and social media platforms. The tokens are being marketed in part through avatars that visually and audibly depict Elon Musk favorably endorsing TruthGPT Coin and comparing TruthGPT Coin to ChatGPT.
6. The Enforcement Division has determined Respondents are offering TruthGPT Coin and Elon Musk AI Token as part of a fraudulent securities scheme and the Securities Commissioner is entering this Emergency Cease and Desist Order to protect the public from immediate and irreparable harm.

#### SERVICE OF THIS EMERGENCY CEASE AND DESIST ORDER

7. Respondent Caragaceanu is identifying himself as a resident of San Francisco, California. He is being served by registered mail addressed to Bulevardul Alexandru Obregia nr 10-14, BI10-14 Sc Ap 4 Sector 4, Bucuresti 041735 RO.
8. Respondent Hedge4.ai is being served by registered mail addressed to Bulevardul Alexandru Obregia nr 10-14, BI10-14 Sc Ap 4 Sector 4, Bucuresti 041735 RO.
9. Respondent TSWS purportedly acts as a branch of Respondent Hedge4.ai and is being served by registered mail addressed to Bulevardul Alexandru Obregia nr 10-14, BI10-14 Sc Ap 4 Sector 4, Bucuresti 041735 RO.

#### THE RESPONDENTS

10. Respondent Caragaceanu is the Chief Executive Officer of Respondents TSWS and Hedge4.ai.
11. Respondents are describing Respondents TSWS and Hedge4.ai as artificial intelligence labs, spy labs, and traders’ clubs that act through teams of cryptographers, traders, machine learning programmers and ethical hackers.
12. They are purportedly developing an artificial intelligence and machine learning predictor algorithm that can uncover lucrative decentralized finance projects or profitable trading robots.

13. Respondents are touting their successes and their plans to secure listings for Respondent TSWS on the NASDAQ in 2026 and Respondent Hedge4.ai on the NASDAQ in 2027.
14. Respondents are also touting future plans for charitable events and donations. They are, for example, representing that Respondent Hedge4.ai plans to begin “[g]iving back parts of [its] profits to reliable charities, mostly towards education for underprivileged children, nursing homes for the elderly and environmental activists” and “[m]entoring and financing young entrepreneurs using our accelerators/ incubators.”

RESPONDENTS HAVE BEEN USING INTERNET WEBSITES  
AND SOCIAL MEDIA TO PROMOTE INVESTMENTS TIED TO DIGITAL ASSETS

15. Respondents have promoted various digital asset investments, including DNGToken (“**DNGD Token**”) Hedge4Coin (“**HEDJ Token**”), Hedge4.AI token (“**HEJJ Token**”), The Shark of WallStreet Token (“**TSWS Token**”) and several collections of NFTs.
16. Respondents have been promoting these digital asset investments through internet websites and social media platforms, including the following:
  - A. The internet websites for Respondent Hedge4.ai ([www.hedge4.ai](http://www.hedge4.ai)), Respondent TSWS ([thesharkofwallstreet.app](http://thesharkofwallstreet.app)), and a startup gold mining company ([dng.digital](http://dng.digital) and [dnd.io](http://dnd.io)),
  - B. The Twitter handles for DNGD Token (@dngtoken), Respondent Hedge4.ai (@millionaireso0n), and Respondents Hedge4.ai and TSWS (@hedge4A),
  - C. The Facebook webpages for Respondent Hedge4.ai (at [facebook.com.hedge44](http://facebook.com.hedge44)) and DNGD Token ([facebook.com/people/DngdToken/100071635725797](http://facebook.com/people/DngdToken/100071635725797)),
  - D. Discord through the server for HEJJ Coin NFT ([discord.gg/3mZUrcrYAN](http://discord.gg/3mZUrcrYAN)),
  - E. Reddit through the subreddit for Respondent Hedge4.ai ([r/hedge4dotai](http://r/hedge4dotai)),
  - F. YouTube through the channels for Respondent Hedge4.ai ([youtube.com/@hedge4ai51](http://youtube.com/@hedge4ai51)) and DNGD Token ([youtube.com/@dngtoken9504](http://youtube.com/@dngtoken9504)),
  - G. Instagram through the feed for Respondent Hedge4.ai (at [instagram.com/hedge4.ai/](http://instagram.com/hedge4.ai/)),
  - H. LinkedIn through the profile for Respondent Caragaceanu ([linkedin.com/in/horatiu-charlie-caragaceanu-8965a8205](http://linkedin.com/in/horatiu-charlie-caragaceanu-8965a8205)), and
  - I. Telegram through the channels for Respondents TSWS and Hedge4.ai ([hedge4](http://hedge4)) and for DNGD Token ([dngtoken](http://dngtoken)).

## HEDJ TOKEN

17. HEDJ Token is an ERC-20 digital asset deployed on the Ethereum blockchain.
18. The contract for HEDJ Token is 0x956cBE17D4Af9890bC10Ed4153B73cc7eB89B6c3 and it was created on or about August 24, 2019, by 0x930225C1ce5E6E7DC9e345E750ee77ECdF7Ef49e at transaction hash 0x8e060634f159a93f0087109af64cd0a8fed7b9864c46fb53397f6c004e14545e in block 8411306.
19. Respondents began offering HEDJ Token for \$0.005 per token. They marketed HEDJ Token by telling prospective investors it has “50x potential in the DeFi space” and has “excellent potential to double your money, 10x your money, we can make it 100x or 1000x your money.”
20. In or around February 2021 and March 2021, Respondents announced plans to migrate HEDJ Token from the Ethereum Blockchain to the Binance Smart Chain and thereafter deployed 999,980,441 HEJJ Tokens on the Binance Smart Chain.

## HEJJ TOKEN

21. HEJJ Token is a BEP20 digital asset deployed on the Binance Smart Chain.
22. The contract for HEJJ Token is 0x2f1ad6Ec7D2Da4cd4CF679a781cA376d7f091e30 and it was created on or about February 26, 2021, by 0x930225C1ce5E6E7DC9e345E750ee77ECdF7Ef49e at transaction hash 0x8cea1a19baf2b1a6cd7bb42983aa8575bcc5c52d47fbb56dc5e0034d1ed697c4 in block 5210711.
23. Not long after the migration to the Binance Smart Chain, Respondents began selling HEJJ Token for \$0.000088 per token. They marketed HEJJ Token by telling prospective investors its team is “creating projects all around the world for crypto start-ups, generating franchise income (consultancy fees) that is reinvested in HEJJ” and that the token is tied to a “money making machine Artificial Intelligence Lab.”
24. Respondents have also been promoting HEJJ Token as an investment that will generate lucrative profits, and they have been describing these lucrative profits as follows:
  - A. They have been representing that HEJJ Token “has the potential to go 1000x. Not 100x. Not just 100x. It’s 1000x” and that “it can go 100x just because we’re expecting some money from venture capitalists from California from Silicon Valley,” and
  - B. They have been representing that investors can stake HEJJ Token and earn returns of 167% per month, 1000% per year, 2000% per year, or more.

25. Although Respondents have been touting the lucrative profitability of HEJJ Token, as of the date of this Emergency Cease and Desist Order, the fair market value of HEJJ Token is \$0.00.

#### DNGD TOKEN

26. DNGD Token is a BEP20 digital asset deployed on the Binance Smart Chain.
27. The contract for DNGD Token is 0x95EA2148d0697BB6eE54a4E6e9A86466fB8Df498 and it was created on or about July 28, 2021, by 0x3bfc72abCd437Dc8fcbc1dd250cBE19383B9BDCc at transaction hash 0x222c3282bc80974d4863d67b60ea1e95b321a425883401e418187d5a1bc65b13 in block 9555158.
28. DNGD Token is purportedly tied to a gold mining company that operated in Africa and Respondent Caragaceanu purportedly served as the Chief Technology Officer for the issuer.
29. Respondents were selling DNGD Token for \$0.07 per token. Purchasers were purportedly entitled to receive a guaranteed return of 7% to 15% per month, and they were purportedly able to stake DNGD Token and earn 30% profit every 30 days.
30. Respondents were also representing that Respondent Caragaceanu would earn profits from DNGD Token and his profits would benefit a token tied to respondent Hedge4.ai. They claimed, for example, that “with [Respondent Caragaceanu’s] profits from this project we will PUMP HEDGE4 token. Trust our team!”
31. Although Respondents were touting the lucrative profitability of DNGD Token, as of the date of this Emergency Cease and Desist Order, the fair market value of DNGD Token is \$0.00.

#### TSWS TOKEN

32. TSWS Token is a BEP20 digital asset deployed on the Binance Smart Chain.
33. The contract for TSWS Token is 0x0eE3F6D467d85C39d17Dda602F4147BC202e3e30, and it was created on or about October 18, 2021, by 0xeFa895e78aF07Ba408eaA39dcF3e757239752D67 at transaction hash 0x78aa70a9f64b0d78f101caded0412a246fd1ead0221aaa91d0006fcd031d1431 in block 11872722.
34. Respondents have been describing TSWS Token as a utility coin and claiming ownership is a prerequisite for accessing a trading academy that permits investors to “make money in this recession” by “rid[ing] the panic & trad[ing] like a shark.”
35. Respondents have also been telling prospective investors they can stake TSWS Token and earn returns of 60% every 30 days or 720% per year.

36. Respondents have been instructing investors to contact Respondent TSWS through WhatsApp or its Telegram channel to purchase TSWS Token for 0.02 BUSD per token.
37. Respondents have been providing “referral links” that permit clients to refer new investors. They have been purportedly compensating these clients with “MLM rewards.”
38. Although Respondents have been touting the lucrative profitability of TSWS Token, as of the date of this Emergency Cease and Desist Order, the fair market value of TSWS Token is \$0.00.

### NFT PROJECTS

39. Respondents have been promoting the Hedge 4 Collection, a series of NFTs that include the following assets:
  - A. The NFT named “100x NFT The Shark of Wall Street 100,000 TSWS tokens. Passive income NFT” (the “TSWS NFT”) depicts a web 3.0 wallet holding 100,000 TSWS Tokens. Respondents most recently listed the TSWS NFT for .12 ETH, and purchasers of the TSWS NFT are purportedly entitled to receive 100,000 TSWS Tokens.
  - B. The NFT named “Diamonds and Gold to Crypto NFT” (the “DNGD NFT”) depicts a web 3.0 wallet holding 8305 DNGD Token. Respondents most recently listed the DNGD NFT for 1.04 RTH, and purchasers of the DNGD NFT are purportedly entitled to receive 8,305 DNGD Tokens.
40. Respondents also created other collections and minted various NFTs, including other NFTs tied DNGD Token that tout their potential for “100x growth” and a collection of NFTs named “CharlieDAO.”

### GPTX TOKENS

41. Respondents are now promoting GPT Token, also known as GPTX Token.
42. GPTX Token is a BEP20 digital asset deployed on the Binance Smart Chain.
43. The contract for GPTX Token is 0xC4d7B76dc121e67dc4e7E4e32eCC9B5015eba9e3 and the contract was created on or about March 18, 2023, by 0x3bfc72abCd437Dc8fcbc1dd250cBE19383B9BDCc at transaction hash 0x013e2142f563141b82c9cf30989ac6527d3259b351fb96d83e9676b3f3c2a055 in block 26583417.
44. Respondents are telling prospective investors that GPTX Token is a utility token and not a security, and that the main utility is earning rewards through staking GPTX Token.

45. Respondents are also telling prospective investors that they will burn and buy back tokens whenever they earn 7x on a startup. They are also telling investors GPTX Token has the potential to increase in value 100x.
46. Respondents are also marketing GPTX Token by telling prospective investors Respondents will “create a similar TV Show like Shark Tank” and their “hub and TV Channel will be setup in Dubai... next year.”

#### TRUTHGPT COIN AND ELON MUSK AI TOKEN

47. Respondents are now promoting TruthGPT Coin and Elon Musk AI Token.
48. TruthGPT Coin and Elon Musk AI Token are BEP20 digital assets deployed on the Binance Smart Chain.
49. The contracts for TruthGPT Coin and Elon Musk AI Token are as follows:
  - A. The contract for TruthGPT Coin is 0xA36aF8252c17F7f57836eCA81Ac9f5636aFaaf74, and it was created on or about February 17, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFc54e80546323 at transaction hash 0x6fc7c47f4808ddbee75778a16f0023623ea6f8e069f66ac806d5d7765dba922b in block 25744332, and
  - B. The contract for Elon Musk AI Token is 0xdd5f47e5ec6773d4c5de1cf591d4466b75406236, and it was created in March 2023 by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0x078ce4e1a85839b4a644a268be8aff37c9b61bd9f05de2acea9dad4c7ea69492.
50. TruthGPT Coin and Elon Musk AI Token are available from PinkSale and PancakeSwap.

#### MARKETING TRUTHGPT COIN AND ELON MUSK AI TOKEN

51. Respondents are promoting GPTX Token, TruthGPT Coin and Elon Musk AI Token through existing internet websites and social media accounts, including the LinkedIn profile for Respondent Caragaceanu, the website for Respondent Hedge4.ai, the Twitter handle for Respondents TSWS and Hedge4.ai, the YouTube channel for Respondent Hedge4.ai and the Telegram channel for Respondent Hedge4.ai.
52. TruthGPT Coin and Elon Musk AI Token are also being offered through a new internet website (truthgptc.com) and new social media accounts, including a subreddit (r/truthgptcoin), a YouTube channel (@truthgptcoin), a TikTok handle (@truthgptc), a Twitter handle (@truthgptcoin) and a Medium blog (@truthgptcoin).

53. Respondents are telling prospective investors that TruthGPT Coin is powered by an artificial intelligence platform developed by Elon Musk. They are referring to this artificial intelligence platform as Elon Musk AI.
54. Elon Musk AI purportedly interfaces with TruthGPT Coin to create the “Ultimate AI-Powered Cryptocurrency Investment Advisor” that can purportedly provide accurate, reliable real-time analysis of market trends as follows:
  - A. TruthGPT Coin offers “a secure and reliable platform for cryptocurrency trading and investment,” while Elon Musk AI provides users with recommendations and ideas for investment,
  - B. Users are able to pose questions through the TruthGPT platform. These questions are answered by Elon Musk AI, which “has been trained on large datasets of cryptocurrency-related information,”
  - C. Elon Musk AI is constantly learning and evolving, ensuring users receive “the most up-to-date recommendations and insights into cryptocurrency investments,” and
  - D. Elon Musk AI performs “crypto analysis” and detects “whether a currency is a scam or not” and can “make price predictions, monitor social media and help... with many other topics.”
55. Respondents are marketing Elon Musk AI Token as a token that complements TruthGPT Coin insofar as Elon Musk AI Token is used for advertising and promoting through TruthGPT Coin’s platform.

#### THE PROFITABILITY OF TRUTHGPT COIN AND ELON MUSK AI TOKEN

56. Investors purportedly profit from their purchase of TruthGPT Coin from advertising and promotional revenues earned from the TruthGPT Coin platform that will be randomly distributed to owners of TruthGPT Coin and Elon Musk AI Token, prioritizing purchasers holding the greatest number of tokens.
57. Investors purportedly profit from their purchase of Elon Musk AI Token because each Elon Musk AI Token is “rewarded with a 5% reward in TruthGPT Coin for every transaction.”
58. Respondents are further telling investors the price of TruthGPT Coin will increase by as much as 10,000 times the current purchase price.

#### RESPONDENTS ARE CLAIMING ELON MUSK IS ENDORSING TRUTHGPT COIN

59. Respondents are publishing an image of a tweet purportedly published by Elon Musk from @elonmusk on February 17, 2023. The tweet reads, “What we need is Truth GPT.” Respondents are using this tweet to demonstrate that Elon Musk is endorsing TruthGPT Coin.



60. Animated avatars of Elon Musk also depict him touting TruthGPT Coin, endorsing TruthGPT Coin and comparing TruthGPT Coin to ChatGPT. For example, an animated avatar of Elon Musk published in social media depicts him discussing TruthGPT Coin and audibly stating:

Cryptocurrency trading is one of the most exciting and rapidly evolving markets in the world, and two platforms are leading the charge: TruthGPT Coin and ChatGPT. While both platforms use artificial intelligence technology to provide users with insights and suggestions for investment opportunities. There are key differences between the two that make them stand out. TruthGPT Coin is a secure and reliable platform for trading and investing in cryptocurrencies using an artificial intelligence model called Elon Musk AI... Ultimately, both TruthGPT Coin and ChatGPT offer unique advantages for those looking to navigate the world of cryptocurrency trading..."

61. The website and social media platforms for TruthGPT Coin also show other images of Elon Musk that convey his support and/or endorsement of TruthGPT Coin.

#### RESPONDENTS ARE CREATING THE APPEARANCE THAT OTHER PUBLIC FIGURES ARE PART OF THE TRUTHGPT ECOSYSTEM

62. The website for TruthGPT Coin contains imagery depicting the likenesses of other public figures, including Jaynti Kanani, the co-founder of Polygon, Emin Gun Sirer, the founder and Chief Executive Officer of Avax, Michael Saylor, the founder and Chairperson of MicroStrategy, Vitalik Buterin, the founder of Ethereum and Changpeng "CZ" Zhao, the founder and CEO of Binance.
63. This website for TruthGPT Coin also contains webpages for each public figure that presents an image of the public figure and displays links to their websites and social media accounts.
64. These webpages purportedly incorporate a communications platform whereby these public figures can follow, be followed by and interact with users.

#### OTHER NEW TOKENS CREATED BY THE SAME CONTRACT CREATOR

65. As described herein, the contract creator for TruthGPT Token and Elon Musk AI Token is 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323.
66. Beginning as early as February 21, 2023, the same contract creator created at least seven other BEP20 digital assets deployed on the Binance Smart Chain.
67. These digital assets include FlokiGPT ("FlokiGPT Token"), DBAI ("Doge Based AI Token"), EverTruth ("EverTruthGPT Token"), Illuminati ("Illuminati Token"), BabyTruth ("BabyTruthGPT Token"), CFLOKI ("CEO Floki Inu Token"), and NPCMEME ("NPC Meme Token"), and they are described in greater detail as follows:

- A. The contract for FlokiGPT Token is 0x391E69A80388C78e14338b07eb063E56cf44ec8d, and it was created on or about February 24, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0xd1dbc301b4ee3c8def5bd89b8695bc677b04116723b66132a2c09432dd60caf7 in block 25946323,
- B. The contract for Doge Based AI Token, is 0xFf6BD815C657D204A697a40197AE681Ee132a195, and it was created on or about March 3, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0x11aaa3360ab4a45e93a5f55afb64234b50f18e701adeefc3118d05ab14b00621 in block 26156214,
- C. The contract for EverTruthGPT Token is 0x326579a20fFE326dd195F9bfB6124e9656245aeB, and it was created on or about February 21, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0xb4b6d94fde3efe43b2d4991e12ec1ad222e06778b719615199085c583e50590c in block 25871499,
- D. The contract for Illuminati Token is 0xE9909A4C296B27fA87363f6CC34D654D2425c3F8, and it was created on or about February 22, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0x88bf02c052d7d658f23e2dfce2f0b0d8fd6dc7215c2038ed255867f018d2818a in block 25893460,
- E. The contract for BabyTruthGPT Token is 0xc07aA5C3cD62C1FB1411a97a11edeB09c7286825, and it was created on or about February 24, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0x27bbd08a444c3c55dd572f8b45d68801900f501b8c9f34fe8e8afc76ed05cb23 in block 25930248,
- F. The contract for CEO Floki Inu Token is 0xAf7545d2e44dEb018AE9ddD8F32C830d45779F33, and it was created on or about February 25, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0x236918c7f0d43bf206b02ba327978cc2b39226ad137c9af8021c615ee3ae6477 in block 25978040, and
- G. The contract for NPC Meme is 0x6EAD4C4c9fD4ce30576cadb418e365647d5db617, and it was created on or about February 26, 2023, by 0xA1D42Fe38D417c46ADb2b7aE8dFcc54e80546323 at transaction hash 0xcac550d5631b1cb66395df7761e971c0416c6869bef3fedd32d7899213391ca9 in block 25987261.

68. Although many of these tokens are not yet being marketed through internet websites, social media or other platforms, Doge Based AI Token, FlokiGPT Token and Illuminati Token are being promoted as follows:
- A. Doge Based AI Token is being marketed through a website accessible at dogebasedai.com, Telegram through dogebasedaigroup, and Medium at dogebasedai as a decentralized application that serves as a “smart investment bot” and provides yield farming and staking,
  - B. FlokiGPT Token is being marketed through an internet website accessible at flokigpt.ai, Telegram through flokigpt\_ai and Twitter through @flokigpt as an AI-powered trading bot, and
  - C. Illuminati Token is being marketed through a website accessible at illuminati.co that describes the asset as representing "ownership in a multi-dex yield farming fund on Cronos Chain."

#### REGISTRATION VIOLATIONS

69. DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein have not been registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
70. Respondents have not been registered with the Securities Commissioner as dealers or agents at any time material hereto.

#### FRAUD AND DECEPTION AND THE CONCEALMENT OF OPERATIONAL INFORMATION

71. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein, Respondents are intentionally failing to disclose the education, business repute, qualifications and experience of Respondent Caragaceanu, and this information constitutes material facts.
72. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein, Respondents are intentionally failing to disclose the business repute, qualifications and experience of Respondents TSWS and Hedge4.ai, and this information constitutes material facts.
73. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein, Respondents are intentionally failing to disclose the following material facts relating to the location of their operations:
- A. The country of residence for Respondent Caragaceanu,

- B. The mailing address for the offices of Respondents Hedge4.ai and TSWS, as well as the mailing address for the primary office for Respondent Caragaceanu, and
  - C. The country where Respondents Hedge.ai and TSWS are incorporated or organized, if any, as well as the agency or agencies where they filed for incorporation or organization, if any.
74. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein, Respondents are intentionally failing to disclose financial information for Respondents TSWS and Hedge4.ai, including their assets, liabilities and revenue, and this information constitutes material facts.
75. As described herein, Respondents are telling investors they plan to secure listings for Respondent TSWS on the NASDAQ in 2026 and Respondent Hedge4.ai on the NASDAQ in 2027. These statements are materially misleading or otherwise likely to deceive the public because Respondents are not disclosing any plans to satisfy criteria for listing shares on the NASDAQ, including standards relating to earnings, cash flow, revenue and/or asset valuation.

**FRAUD AND THE CONCEALMENT  
OF INFORMATION ABOUT OTHER INVESTMENTS AND THE TRADING ACADEMY**

76. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein, Respondents are intentionally failing to disclose the following material facts relating to the profitability of digital assets they previously offered and sold as investments, including:
- A. That the contract for HEDJ Token was created on or about August 24, 2019, Respondents were offering HEDJ Token for \$0.05 per HEDJ Token, and the fair market value of HEDJ Token is now \$0.00,
  - B. That the contract for HEJJ Token was created on or about February 26, 2021, Respondents were offering HEJJ Token for \$0.000088 per HEJJ Token, and the fair market value of HEJJ Token is now \$0.00,
  - C. That the contract for DNGD Token was created on or about July 28, 2021, Respondents were offering DNGD Token for \$0.07 per DNGD Token, and the fair market value of DNGD Token is now \$0.00, and
  - D. That the contract for TSWS Token was created on or about October 18, 2021, Respondents were offering TSWS Token for 0.02 BUSD per TSWS Token, and the fair market value of TSWS Token is now \$0.00.
77. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs

described herein , Respondents are intentionally failing to disclose the success of their trading academy and the profitability of their recommendations.

#### FRAUD AND ELON MUSK AI

78. In connection with the offer of TruthGPT Coin and Elon Musk AI Token, Respondents are intentionally failing to disclose the identities, business reputes, qualifications and experience of the team responsible for developing Elon Musk AI, and this information constitutes material facts.
79. In connection with the offer of TruthGPT Coin and Elon Musk AI Token, Respondents are intentionally failing to disclose the cost of developing and updating Elon Musk AI, and this information constitutes material facts.
80. In connection with the offer of TruthGPT Coin and Elon Musk AI Token, Respondents are intentionally failing the following risks associated with Elon Musk AI, and these risks constitute material facts:
  - A. Deficiencies in the coding of artificial intelligence platforms may negatively impact the ability to use the platforms and the reliability of their output,
  - B. A hacking incident of malicious act may negatively impact the ability to use artificial intelligence platforms and the reliability of their output, and
  - C. Artificial intelligence platforms compete with other artificial intelligence platforms, and this competition may negatively impact demand for a particular artificial intelligence platform.
81. In connection with the offer of TruthGPT Coin and Elon Musk AI Token, Respondents are intentionally failing to disclose the accuracy and reliability of Elon Musk AI, and this information constitutes material facts.

#### FRAUD AND THE ENDORSEMENT BY ELON MUSK AND THE DEALINGS WITH PUBLIC FIGURES

82. In connection with the offer of TruthGPT Coin and Elon Musk AI Token, Respondents are intentionally failing to disclose the following material information relating to their purported relationship with Elon Musk:
  - A. Any contracts or financial obligations arising from the use of the likeness of Elon Musk and his purported endorsement of TruthGPT Coin, and
  - B. Any contracts or financial obligations arising from the use of the artificial intelligence platform referred to as Elon Musk AI.
83. In connection with the offer of TruthGPT Coin and Elon Musk AI Token, Respondents are intentionally failing to disclose the following material facts relating to their purported relationship with public figures, including Jaynti Kanani, Emin Gun Sirer, Michael Saylor, Vitalik Buterin, and Changpeng “CZ” Zhao:

- A. Any contracts or financial obligations arising from dealings with said public figures, and
- B. Any plans for said public figures to interact with users through the TruthGPT platform.

**FRAUD AND THE RISKS  
ASSOCIATED WITH INVESTMENTS TIED TO DIGITAL ASSETS**

84. In connection with the offer of DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein, Respondents are intentionally failing to disclose the following material facts relating to the risks associated with investments tied to digital assets:
- A. Governments may adopt legislation or enact regulations that negatively impact the use, transfer, exchange or price of digital assets,
  - B. The value of digital assets may 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,
  - C. A technical failure or deficient source code may negative impact YieldBot and the ability to stake, trade or exchange digital assets,
  - D. A hacking incident or malicious attack may negatively impact the profitability of investments tied to digital assets,
  - E. A slashing event may reduce the quantity of staked assets and negatively impact the profitability of investments tied to digital assets, and
  - F. DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein compete with other digital assets marketed as investments and/or that generate passive returns, and this competition may negatively impact price and liquidity of said tokens.

**MISLEADING STATEMENTS RELATING TO REGULATION**

85. Respondents are telling prospective purchasers of GPTX Token that it is a utility coin and not a security coin, and this statement is materially misleading or otherwise likely to deceive the public because GPTX Token is regulated as a security in Texas.

**MISLEADING STATEMENTS ABOUT THE AUDIT**

86. Respondents are telling prospective purchasers of GPTX Token that the contract for GPTX Token was audited. These statements are materially misleading or otherwise likely to deceive the public because Respondents are not identifying the

firm that conducted the audit, describing the qualifications and experience of the auditing firm, detailing the scope of the audit or the methodology used by the auditing firm, or providing a report summarizing audit findings.

### **CONCLUSIONS OF LAW**

1. DNGD Token, HEDJ Token, HEJJ Token, TSWS Token, GPTX Token, TruthGPT Coin, Elon Musk AI Token and the NFTs described herein are “securities” as the term is defined in Section 4001.068 of the Securities Act.
2. Respondents are violating Section 4003.001 of the Securities Act by offering securities for sale in Texas at a time when the securities are not registered with or permitted by the Securities Commissioner.
3. Respondents are violating Section 4004.051 of the Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 4004.051 of the Securities Act.
4. Respondents are engaging in fraud in connection with the offer for the sale of securities.
5. Respondents are making offers containing statements that are materially misleading or otherwise likely to deceive the public.
6. Respondents’ conduct, acts, and practices threaten immediate and irreparable harm.
7. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 4007.104 of the Securities Act.

### **ORDER**

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers, agents, investment advisers, or investment adviser representatives in Texas until they are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from engaging in any fraud in connection with the offer for sale of any security in Texas.
4. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas through an offer containing a statement that is materially misleading or otherwise likely to deceive the public.

## **NOTICE**

Pursuant to Section 4007.104 of the Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, and state the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 4007.206 of the Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 4007.104 of the Securities Act is a criminal offense punishable by a fine of not more than \$10,000.00, or imprisonment in the penitentiary for two to ten years, or by both such fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 3<sup>rd</sup> day of May 2023.



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TRAVIS J. ILES  
Securities Commissioner