

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 101484 / October 31, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-20166

In the Matter of

Ravi Iyer,

Respondent.

**ORDER AUTHORIZING THE
TRANSFER TO THE U.S.
TREASURY OF ANY FUNDS
RETURNED TO THE FAIR FUND
IN THE FUTURE AND
TERMINATING THE FAIR FUND**

On December 10, 2020, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934, and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the “Order”)¹ against Ravi Iyer (“Iyer” or the “Respondent”). In the Order, the Commission found that from December 2016 to September 2018, Iyer acted as an unregistered broker in violation of Section 15(a) of the Exchange Act. Iyer personally invested in Global Credit Recovery, LLC (“GCR”), an entity offering investments in purported portfolios of charged-off consumer debt and shortly thereafter, invited his friends, family, and colleagues to invest money as well. In exchange for actively managing the investment relationship with GCR, Iyer charged those who did invest (“Investors”) 1% of their account balances each time they took a distribution from their investment. This compensation netted Iyer approximately \$238,034 of the Investors’ money.

The Order required the Respondent to pay \$238,034 in disgorgement, \$24,524 in prejudgment interest, and a \$25,000 civil money penalty, for a total of \$287,558. The Order created the Fair Fund, pursuant to the Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty paid, along with the disgorgement and prejudgment interest paid, could be distributed to harmed investors.

Pursuant to Section IV.C.iv. of the Order, the \$25,000 civil penalty was to be paid to Gregory S. Milligan, Harney Management Partners, LLC, the receiver (the “Receiver”) appointed by the United States District Court for the District of Maryland in *SEC v. Merrill, et al.*, No.18-cv-2844 (D. Md.) “Merrill-Ledford Civil Litigation”) for disposition pursuant to any terms ordered by the Court in the Merrill-Ledford Civil Litigation. Section IV.C.vii. of the Order further placed responsibility for the administration of the remainder of the Fair Fund with

¹ Exchange Act Rel. No. 90628 (Dec. 10, 2020).

the Respondent by, among other things, requiring him to deposit the full amount ordered into an escrow account for the purpose of making payments to harmed former Investors. Pursuant to Section IV.C.xii. of the Order, the Respondent was responsible for any and all tax compliance responsibilities and any other administrative costs and expenses.

Pursuant to the Order, Respondent paid \$25,000 in civil penalties to the Receiver. In accordance with the distribution calculation approved by the Commission staff and conditions set forth in the Order, the Respondent fully compensated harmed former Investors for the fees they paid Iyer. The Respondent issued 20 payments, totaling \$287,558.32, and the entire amount was successfully disbursed (100%) to recipients. Distribution payments ranged from \$357.36 to \$46,227.99. No funds remain in the Fair Fund.

The Order further requires the Respondent to submit a final accounting and certification of the disposition of the Fair Fund to staff. The Respondent submitted the final accounting to staff on June 21, 2021. Section IV.C.xi. of the Order requires that the Commission staff submit the final accounting received from the Respondent to the Commission for approval and request the transfer of any funds remaining in the Fair Fund, or any funds returned to it in the future, to the Treasury.

The final accounting has been submitted to the Commission for approval, as required by the Order, and has been approved.

Accordingly, it is ORDERED that:

- A. any funds returned to the Fair Fund in the future that are infeasible to return to investors, shall be transferred to the U.S. Treasury, subject to Section 21F(g)(3) of the Securities Exchange Act of 1934; and
- B. the Fair Fund is terminated.

For the Commission.

Vanessa A. Countryman
Secretary