

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 103479 / July 16, 2025**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 6898 / July 16, 2025**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-22495**

**In the Matter of**

**RAJESH MARKAN**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS PURSUANT TO  
SECTION 15(b) OF THE SECURITIES EXCHANGE  
ACT OF 1934 AND SECTION 203(f) OF THE  
INVESTMENT ADVISERS ACT OF 1940, MAKING  
FINDINGS, AND IMPOSING REMEDIAL  
SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (the “Advisers Act”) against Rajesh Markan (“Markan” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraphs 2 and 4 below, and Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Markan, age 48, is a resident of Mansfield, Texas. Between 2015 and 2024 (“the relevant period”), Markan was associated with two dually registered broker-dealers and investment advisers.

2. On July 9, 2025, a final judgment was entered by consent against Markan, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder, as set forth in the judgment entered in the civil action entitled *SEC v. Rajesh Markan*, Civil Action Number [3:25-cv-01653-X], in the United States District Court for the Northern District of Texas, Fort Worth Division.

3. The Commission’s complaint alleged that during the relevant period, Markan made false and misleading statements and engaged in a fraudulent scheme to deceive in connection with the offer and sale of securities while working as a registered representative and investment adviser representative of two dually registered broker-dealers and investment advisers. Markan solicited approximately ten of his brokerage customers from three separate states to invest, collectively, approximately \$2.9 million in a purported private equity fund. Markan falsely told the investors that a well-known New York private equity firm advised the fund and provided investors a sham prospectus to describe the offering. In reality, the fund did not exist, the fund was not associated with the New York private equity firm, and Markan misappropriated most of the investors’ money.

4. On or about March 31, 2025, Markan entered into a written plea agreement to plead guilty to a single count of securities fraud in violation of Title 15 of the United States Code, Sections 77q(a) and 77x before the United States District Court for the Northern District of Texas, in *United States v. Rajesh Markan*, Crim. No. 3:25-CR-145-N.

5. In connection with the agreement to plead guilty, Respondent has admitted that:

- (1) Beginning in or about November 2014, Defendant began soliciting funds from clients for what he alleged was an opportunity to invest in a private equity fund through an investment firm (the “Investment Firm”);
- (2) Defendant represented that the invested funds would be encumbered for a specified number of years and that the investments would yield significant returns;
- (3) Between November 2014 and July 2024, Defendant solicited approximately \$2.7 million from around ten individuals or families for investments in funds managed by the Investment Firm;
- (4) Once investors invested, Defendant sent (i) periodic statements to them purporting to be from the Investment Firm that showed growth on their investments and (ii) correspondence to investors that purported to be from a senior portfolio manager at the Investment Firm;
- (5) Defendant did not invest the funds as represented. He instead used them for personal expenses and, on at least one occasion, used investors funds to make a Ponzi payment to another investor; and

- (6) Defendant acted willfully in connection with the offer and sale of the interests in the purported private equity funds, and directly or indirectly obtained money by means of untrue statements of material facts and omissions to state material facts

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Markan's Offer.

Accordingly, it is hereby ORDERED:

pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act that Respondent Markan be, and hereby is, barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

pursuant to Section 15(b)(6) of the Exchange Act that Respondent Markan be, and hereby is, barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any application for reentry by the Respondent will be made to the appropriate self-regulatory organization, or if there is none, to the Commission by contacting the Division of Enforcement's Office of Chief Counsel at [ENF-Reentry@sec.gov](mailto:ENF-Reentry@sec.gov), and will be subject to the applicable laws and regulations governing the reentry process. Reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman  
Secretary