

1 JASON H. LEE (Cal. Bar No. 253140)
JASON M. BUSSEY (Cal. Bar No. 227185)
2 AUDREY PAK (Cal. Bar No. 299991)
pakau@sec.gov
3 YOONA KIM (Cal. Bar No. 314641)
kimyoona@sec.gov
4 HANNAH CHO (Cal. Bar No. 342289)
choha@sec.gov

5 Attorneys for Plaintiff
6 SECURITIES AND EXCHANGE COMMISSION
44 Montgomery Street, Suite 700
7 San Francisco, CA 94104
(415) 705-2500 (Telephone)
8 (415) 705-2501 (Facsimile)

9
10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**
12

13 SECURITIES AND EXCHANGE COMMISSION,
14 Plaintiff,
15 vs.
16 SUDHEESH NAMBIAR,
17 Defendant.

Case No. 5:26-cv-3203

COMPLAINT
DEMAND FOR JURY TRIAL

18
19 Plaintiff Securities and Exchange Commission (the “SEC”) alleges:

20 **SUMMARY OF THE ACTION**

21 1. From at least November 2018 through May 2024, Defendant Sudheesh Nambiar
22 orchestrated a Ponzi-like scheme, fraudulently raising approximately \$43 million from over 400
23 investors throughout the United States.

24 2. In addition, between the end of 2020 and April 2021, Nambiar ran a related private
25 fund offering that fraudulently raised approximately \$900,000 from nine investors.

26 3. Nambiar, who was a day trader based in Milpitas, California, made numerous
27 material misrepresentations and omissions to investors in his Ponzi-like scheme about his skill and
28 success in trading securities. He falsely told those investors that he would use their pooled funds to

1 invest in securities, and that they could expect high returns on their investments of around 20% to
2 40% per year. To deceive those investors and keep his fraudulent scheme going, Nambiar also
3 frequently provided them with false documents, including account statements, charts, and excerpts
4 of Excel spreadsheets, purporting to show profitable trades and high returns on their investments.
5 Additionally, Nambiar made false claims to those investors about his monthly, quarterly, and
6 yearly profits.

7 4. In reality, Nambiar was a highly unsuccessful trader who repeatedly suffered
8 substantial trading losses, which totaled about \$21 million over the course of his Ponzi-like
9 scheme. Furthermore, Nambiar concealed from investors in that scheme that he used millions of
10 dollars of investor funds to repay existing investors, pay off high-interest loans from cash advance
11 companies, and cover personal expenses.

12 5. By May 2024, Nambiar's Ponzi-like scheme unraveled as numerous investors
13 demanded to withdraw their money and Nambiar did not have sufficient funds to satisfy those
14 requests. Many of Nambiar's investors have suffered a total loss of their investments.

15 6. In the midst of the Ponzi-like scheme, Nambiar solicited investments in a separate
16 private fund that would also invest in securities selected by Nambiar. While doing so, he omitted to
17 tell the fund's investors that he was engaged in a Ponzi-like scheme and that he had suffered
18 significant trading losses. The fund collapsed within months after Nambiar made numerous
19 unprofitable trades.

20 7. As a result of the conduct alleged in this Complaint, Nambiar violated Section
21 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule
22 10b-5 thereunder [17 C.F.R. § 240.10b-5]; Sections 5(a), 5(c), and 17(a) of the Securities Act of
23 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)]; and Section 206(4) of the
24 Investment Advisers Act of 1940 ("Advisers Act") [15 U.S.C. § 80b-6(4)] and Rule 206(4)-8
25 thereunder [17 C.F.R. § 275.206(4)-8].

26 8. In this action, the SEC seeks against Nambiar permanent injunctions, disgorgement
27 of ill-gotten gains with prejudgment interest, and civil monetary penalties. The SEC also seeks an
28 order prohibiting Nambiar from participating in the issuance, purchase, offer, or sale of any

1 security, and permanently enjoining Nambiar from, directly or indirectly, acting as or being
2 associated with an investment adviser.

3 **JURISDICTION AND VENUE**

4 9. The SEC brings this action pursuant to Sections 20(b), 20(d), and 22(a) of the
5 Securities Act [15 U.S.C. §§ 77t(b), 77t(d), and 77v(a)]; Sections 21(d), 21(e), and 27 of the
6 Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa]; and Section 209(d) of the Advisers Act [15
7 U.S.C. § 80b-9(d)].

8 10. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1),
9 and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d)(1), and 77v(a)]; Sections 21(d), 21(e),
10 and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa]; and Sections 209(d) and
11 214(a) of the Advisers Act [15 U.S.C. §§ 80b-9(d) and 80b-14(a)].

12 11. Nambiar, directly or indirectly, made use of the means and instrumentalities of
13 interstate commerce or of the mails in connection with the acts, transactions, practices, and courses
14 of business alleged in this Complaint.

15 12. Venue is proper in this District pursuant to Section 22(a) of the Securities Act [15
16 U.S.C. § 77v(a)], Section 27(a) of the Exchange Act [15 U.S.C. § 78aa(a)], and Section 214(a) of
17 the Advisers Act [15 U.S.C. § 80b-14(a)], because acts, transactions, practices, and courses of
18 business that form the basis for the violations alleged in this Complaint occurred in this District.
19 During the period of violative conduct alleged in this Complaint, Nambiar resided in this District
20 in Milpitas, California, and the entities that Nambiar used in connection with the violations alleged
21 in this Complaint were also based in this District at the same Milpitas, California addresses of
22 Nambiar's residence. Furthermore, Nambiar offered and sold securities to approximately two
23 dozen investors based in this District when the conduct alleged in this Complaint occurred,
24 including in the Counties of Santa Clara, Alameda, Contra Costa, and San Mateo.

25 **INTRADISTRICT ASSIGNMENT**

26 13. Under Civil Local Rule 3-2(e), this civil action should be assigned to the San Jose
27 Division because a substantial part of the events and omissions which give rise to the claims
28 alleged herein occurred in the County of Santa Clara.

DEFENDANT

14. **Sudheesh Nambiar**, age 39, was, at all relevant times, a day trader and resident of Milpitas, California. He was the founder and chief executive officer of Spartan Trading Inc., which Nambiar described to many investors as a legal entity for his purported securities-trading business. Nambiar was also a founder and managing member of Spartan Trading Capital Management, LLC (“Spartan LLC”), which advised and served as the general partner of the private fund, Spartan Trading Capital Fund, LP (the “Spartan Fund”).

RELATED ENTITIES

15. **Spartan Trading Inc.** is a private California corporation that was incorporated in October 2019 and, while operational, had its principal place of business in Milpitas, California. At all relevant times, Nambiar wholly owned and controlled Spartan Trading Inc. and also served as the corporation’s chief executive officer, chief financial officer, and secretary of record.

16. **Spartan Trading Capital Management, LLC** is a private Delaware limited liability company that was formed in January 2021 and, while operational, had its principal place of business in Milpitas, California. At all relevant times, Nambiar was a managing member of Spartan LLC. Spartan LLC filed a Form ADV in March 2023, identifying itself as the general partner of and adviser to the Spartan Fund.

17. **Spartan Trading Capital Fund, LP** is a private Delaware limited partnership that was formed in January 2021 and, while operational, had its principal place of business in Milpitas, California.

FACTUAL ALLEGATIONS

A. Nambiar Operated a Ponzi-Like Scheme that Defrauded Investors

1. Nambiar Raised Approximately \$43 Million from Investors

18. Nambiar was a day trader who created and oversaw several online groups or chatrooms on platforms such as Telegram, which attracted hundreds of followers. Nambiar shared with his online followers information about trading in securities, including market research and analyses.

1 19. Nambiar also used his online chatrooms to discuss his personal securities trades
2 and boast about his purported successes and profits.

3 20. Beginning around November 2018 and through May 2024, Nambiar reached out to
4 his online followers to solicit investments in his purported “Spartan Trading” investment business,
5 which he sometimes referenced as “Spartan Trading Inc.” or the “Spartan Trade Group”
6 (collectively, “Spartan Trading”). Nambiar also solicited investors in Spartan Trading by drawing
7 on his network of connections in the Indian American community within the San Francisco Bay
8 Area and across the United States.

9 21. Nambiar ran Spartan Trading on his own and was its sole promoter and point of
10 contact for prospective and actual investors. When he solicited investments, Nambiar spoke with
11 investors and prospective investors through various means, including in person, by video chat, by
12 phone, and through electronic written communications. Nambiar also regularly communicated
13 with investors through his posts in a Telegram investor group chatroom that he created and
14 managed specifically for investors and prospective investors in Spartan Trading.

15 22. Nambiar told investors that he would pool together the funds that they invested,
16 and, in exchange, they would earn returns on their investments based on his profitable trading
17 using their funds. In particular, Nambiar told investors to expect high rates of return ranging from
18 around 20% to 40% per year.

19 23. Nambiar told investors that they would be entitled to 70% of the trading profits,
20 and he would keep 30% as his compensation.

21 24. Furthermore, Nambiar told investors that he would provide frequent updates on his
22 trading results and the status of investors’ returns, and that at the end of each quarter, investors
23 could decide whether to redeem all or a portion of their investment principal and any returns,
24 invest new funds, and/or “roll over” any existing investments and keep their money in Spartan
25 Trading.

26 25. The securities Nambiar offered and sold in Spartan Trading were in the form of
27 investment contracts. In some cases, investors entered into written agreements titled “promissory
28 note” with Nambiar that memorialized their Spartan Trading investments. These promissory notes

1 specified, among other things, an investor’s investment amount, that the investor was investing
2 with Nambiar and/or Spartan Trading, and the promised rate of return.

3 26. The investment contracts and promissory notes that Nambiar offered and sold to
4 investors were securities. Nambiar represented to investors that he would pool their funds together,
5 and he did in fact pool their funds in various bank accounts. He then used investor funds to, among
6 other things, make Ponzi-like payments to existing investors and perpetuate his fraudulent scheme.
7 Moreover, he represented to investors that he would earn fees based on a percentage of profits
8 obtained through his trading efforts.

9 27. Investors expected to make a profit based solely on Nambiar’s trading activity and
10 believed that they could rely on his efforts and skills as a trader. Investors were motivated to invest
11 by Nambiar’s false representations that they would earn significant profits from Nambiar’s trading.

12 28. The Spartan Trading securities offered and sold by Nambiar were not registered
13 under the federal securities laws. No registration statements were filed or in effect with the SEC
14 with respect to the Spartan Trading investments, and no exemptions to registration applied.
15 Nambiar engaged in a general solicitation of investors located all over the United States, including
16 some individuals with whom Nambiar had no meaningful relationships and others with whom he
17 had no relationship at all. In addition, Nambiar did not require that Spartan Trading investors be
18 accredited investors, nor did he take any reasonable steps or have a process to determine whether
19 they were accredited.

20 29. Nambiar raised approximately \$43 million for Spartan Trading from over 400
21 investors from around November 2018 through May 2024.

22 **2. Nambiar Suffered Steep Losses in His Securities Trading Every Year of**
23 **His Ponzi-like Scheme**

24 30. Contrary to his repeated false representations to investors that he was a
25 successful and profitable trader as detailed in section A.3 below, Nambiar in reality suffered
26 substantial trading losses in every year of his Ponzi-like scheme, from the end of 2018 into
27 2024.

1 31. Nambiar controlled and operated numerous personal brokerage accounts at about
2 six brokerage firms that he used to trade using Spartan Trading investor funds.

3 32. Across those accounts, between November 2018 through May 2024, Nambiar
4 suffered total trading losses of approximately \$21 million. During the over five-year period,
5 Nambiar never once had a profitable year.

6 33. Indeed, Nambiar was doing so poorly in his trading that one of his brokerage
7 firms sent him several letters in 2022 and 2023 warning him that he had sustained substantial
8 losses on his trading in an account. Nambiar nevertheless continued to make unprofitable trades
9 in that account.

10 34. In order to continue trading in the face of steep losses, Nambiar had to regularly
11 transfer significant sums of money into his brokerage accounts. He also needed money to pay
12 investors their purported returns and/or principal.

13 35. Starting around June 2019 through April 2024, Nambiar took out numerous
14 high-interest loans totaling approximately \$8 million from cash advance companies in order to
15 have enough funds to keep trading and pay existing investors. Nambiar commingled the
16 proceeds from these loans with other funds, including Spartan Trading investor funds, in bank
17 accounts that Nambiar used as part of his scheme. Among other things, he used these
18 commingled funds to make Ponzi-like payments to his investors to deceive them into believing
19 he was a profitable trader and thereby perpetuate his fraudulent scheme.

20 36. To keep up with his loan repayment obligations, Nambiar had to make thousands
21 of debt payments to cash advance companies using Spartan Trading investor funds and other
22 commingled monies in his bank accounts.

23 **3. Nambiar Made Materially False and Misleading Statements to Spartan**
24 **Trading Investors**

25 37. Nambiar did not disclose his trading failures to the Spartan Trading investors or
26 prospective investors. Quite the opposite: he repeatedly made false and misleading statements to
27 investors, claiming that he was generating positive returns for Spartan Trading from his trading
28 activity and boasting about specific purported trading successes or achievements.

1 38. For example, in March 2020, soon after the market downturn caused by the Covid-
2 19 pandemic, Nambiar falsely told a prospective investor that his year-to-date returns for his
3 brokerage accounts was 2,500%. In truth, Nambiar lost hundreds of thousands of dollars between
4 January 2020 and March 2020.

5 39. Nambiar often posted false and misleading statements to investors in his Telegram
6 investor group chatroom. In numerous instances, he created and shared snippets of various charts,
7 Excel spreadsheets, and diagrams that purported to show the returns that he obtained on a monthly,
8 quarterly, or annual basis. The results appeared to show a near-perfect record of profitable trading
9 on a daily basis. Nambiar also posted in the chatroom about specific trading wins or to note a
10 positive benchmark he had purportedly achieved. Investors reacted to Nambiar's seemingly
11 positive record of profitable trading with comments and emojis praising his efforts.

12 40. For example, in June 2022, Nambiar posted in his Telegram investor group
13 chatroom that he had closed the quarter with an approximately 6% quarterly return, even though,
14 in truth, he had not generated a quarterly gain and had instead incurred a net loss of millions of
15 dollars for the quarter.

16 41. As another example, in July 2022, Nambiar posted in his Telegram investor group
17 chatroom that the Spartan Trading group had cleared a "million in gross profit" at the "half way
18 mark" for the year, which suggested Nambiar was generating significant gains through his trading.
19 But, in truth, Nambiar's trading activity in the first half of 2022 amassed over \$3 million in losses.

20 42. Additionally, Nambiar created and sent some investors false spreadsheets and
21 account statements by text or email that purported to report, among other things, the investors'
22 respective profits and total investment balances for an applicable month, quarter, or year, which
23 again, appeared to show consistently positive returns. Among other things, the fabricated results
24 falsely indicated to investors that Nambiar was achieving the high rates of return that he had told
25 investors to expect by investing in Spartan Trading.

26 43. At the same time, Nambiar did not disclose to investors that he took out numerous
27 high-interest loans in order to cover his trading losses and to pay investors their purported returns
28

1 and/or principal. He also did not disclose that he used investor funds to pay back money owed on
2 the high-interest loans.

3 44. Additionally, Nambiar did not disclose to investors that he used some new investor
4 funds to make payments to earlier investors in Ponzi-like fashion.

5 45. Nambiar further omitted that he used some investor funds to pay for personal
6 expenses.

7 46. Nambiar knew or was reckless in not knowing that his representations and
8 omissions were false or misleading. He was the sole individual with access to numerous brokerage
9 accounts used to trade with the funds of Spartan Trading investors, and he was the only person
10 who traded in those accounts. The statements for all those accounts, as well as the warning letters
11 from one brokerage firm about his trading losses, were addressed solely to Nambiar. Nambiar also
12 borrowed approximately \$8 million from cash advance companies so that he could continue to
13 trade and make Ponzi-like payments to unknowing investors. Nambiar controlled the various bank
14 accounts he used in the scheme to make Ponzi-like payments to investors.

15 47. Nambiar further knew or was reckless in not knowing that by omitting from
16 investors the fact that he was using Spartan Trading funds for non-investment purposes, he was
17 denying investors a full picture of his spending of their funds.

18 48. Nambiar's misrepresentations concerning the profitability of his trading efforts
19 were material. A reasonable investor would, and Spartan Trading investors here did, consider it
20 important to know that, in fact, Nambiar was not a successful trader and was consistently losing
21 money trading.

22 49. Moreover, Nambiar's investors reasonably expected to receive genuine and
23 accurate financial information about their investments, and it would have been important for them,
24 as it would be for any reasonable investor, to know that Nambiar had actually fabricated the
25 investors' returns in the updates that he provided.

26 50. Several Spartan Trading investors decided to reinvest their funds with Spartan
27 Trading, rather than cash out those funds, based on the false documents created and disseminated
28 by Nambiar that appeared to show those investors had earned high rates of return.

1 **4. Nambiar Misused Spartan Trading Investors' Funds, Including by Using**
2 **Investor Funds to Pay for Personal Expenses**

3 51. In Ponzi-like fashion, Nambiar used new investor funds to pay millions of dollars
4 in purported returns and/or principal withdrawals to existing investors in order to deceive the
5 existing investors into believing that his trading was successful and that their investments were
6 generating high returns. In total, Nambiar made approximately \$18 million in Ponzi-like payments
7 to investors.

8 52. Nambiar also diverted millions of dollars of investor funds to pay back numerous
9 high-interest loans whose existence and purpose Nambiar did not disclose to investors.

10 53. Moreover, Nambiar misappropriated hundreds of thousands of dollars of investor
11 funds to pay for his own and his family's personal expenses, including hotel and resort stays,
12 student loan payments, and private school tuition. Nambiar did not disclose any of these personal
13 uses of investor funds to Spartan Trading investors.

14 54. Nambiar did not disclose to investors that their funds would be used to make Ponzi-
15 like payments, repay high-interest loans, and cover his personal expenses. To the contrary, he
16 misrepresented to investors that he would pool their funds and use their money to invest in
17 securities, and that he would only earn a fee based on a percentage of any profits generated from
18 his trading.

19 55. Nambiar knew or was reckless in not knowing that he utilized undisclosed Ponzi-
20 like payments and high-interest loans in order to keep his scheme going and give the misleading
21 impression that he was running a successful investment enterprise.

22 56. Nambiar's misrepresentations, omissions, and deceptive acts concerning how he
23 would use investor funds were material. Spartan Trading investors considered it important that
24 Nambiar use their funds for the investment purposes he identified for them and not others, such as
25 using their funds to keep his Ponzi-like scheme afloat, make up for his steep trading losses, and
26 pay for his and his family's personal expenses. A reasonable investor would consider any one of
27 Nambiar's undisclosed uses of investor funds as a reason to not invest.

28

5. Nambiar's Ponzi-Like Scheme Collapses

57. By late 2023, Nambiar was running out of money and not raising new funds quickly enough to repay existing investors and his high-interest loans. When some investors tried to withdraw their funds in late 2023 and early 2024, Nambiar was unable to satisfy all of their requests.

58. Nambiar provided those investors a number of false and misleading excuses for his failure to honor their withdrawal requests. For example, he falsely told some investors that he would transfer, or had already transferred, money to their respective bank accounts. He also falsely told some investors that his bank accounts had been temporarily frozen by the Internal Revenue Service or the SEC.

59. Certain investors tried to raise questions and concerns to Nambiar directly or in the Telegram investor group chatroom. In March 2024, Nambiar muted or removed all investors' ability to post in the Telegram investor group chatroom. Nambiar stopped responding to many investors entirely.

60. Nambiar ultimately lacked sufficient funds to pay back his investors' outstanding investment principal, let alone their purported returns. Many of Nambiar's investors have suffered a total loss of their investments.

B. Nambiar Misled Investors in a Private Fund Offering While Raising Approximately \$900,000

61. Nambiar also engaged in the fraudulent offer and sale of approximately \$900,000 worth of limited partnership interests to nine investors in the Spartan Fund from around the end of 2020 through April 2021. At least four of the Spartan Fund investors were already invested in Spartan Trading at the time.

62. In December 2020, Nambiar posted in his Telegram investor group chatroom for Spartan Trading investors to announce a "major development"—that a new private fund opportunity for certain qualified investors was forthcoming in the new year. Nambiar described the Spartan Fund opportunity to investors as their "next step to enter bigger leagues," and told his investors to reach out if they met the net worth criteria for accredited investors.

1 63. Around January 2021, Nambiar directed the creation of the Spartan Fund and
2 Spartan LLC, which served as the Spartan Fund's general partner and investment adviser.

3 64. The Spartan Fund was organized to invest in securities using pooled investor funds,
4 and the Spartan Fund identified itself as a pooled investment fund in filings with the SEC. Under
5 the terms of the Spartan Fund's limited partnership agreement, investors did not have any authority
6 over investment decisions, and their role was limited to contributing capital to the fund. Nambiar
7 controlled all investment management decisions for the Spartan Fund and had sole authority to
8 execute trades for the fund.

9 65. Under the terms of the Spartan Fund agreement, Spartan LLC would be
10 compensated through a management fee and profit allocation, while Spartan Fund investors would
11 be entitled to distributions based on the fund's performance. Nambiar was entitled to a portion of
12 the Spartan Fund monies due to Spartan LLC as a managing member of Spartan LLC.

13 66. In his role advising and making investment decisions for the Spartan Fund for
14 compensation, Nambiar acted as an investment adviser to the Spartan Fund.

15 67. By early March 2021, Nambiar announced in his Telegram investor group
16 chatroom for Spartan Trading investors that the private fund's brokerage account was set up and
17 that he would start accepting eligible investors for the Spartan Fund. Nambiar also promoted the
18 Spartan Fund offering in direct communications with individual investors, including over the
19 phone and through text messages.

20 68. Nambiar misled prospective and actual investors in the Spartan Fund by
21 representing that the Fund was a natural extension of his prior trading efforts on behalf of Spartan
22 Trading, and therefore, Spartan Fund investors could expect to reap additional profits in line with
23 Nambiar's purported Spartan Trading profits to date of around 20% to 40% per year.

24 69. Nambiar omitted to tell investors that Spartan Trading, which he identified as a
25 model that the Spartan Fund would build upon, was actually a highly unsuccessful Ponzi-like
26 scheme that had not achieved real profits for its investors. Nambiar also omitted that he had
27 sustained millions of dollars in losses trading with Spartan Trading investor funds and that he had
28 misused some of those funds to pay for his and his family's personal expenses.

1 76. By reason of the foregoing, Nambiar violated, and unless restrained and enjoined
2 will continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5
3 thereunder [17 C.F.R. § 240.10b-5].

4 **SECOND CLAIM FOR RELIEF**

5 *Violations of Section 17(a) of the Securities Act*

6 77. The SEC re-alleges and incorporates by reference Paragraph Nos. 1 through 73.

7 78. Nambiar, by engaging in the conduct described above, directly or indirectly, in the
8 offer or sale of securities, by use of the means or instruments of transportation or communication
9 in interstate commerce or by use of the mails:

- 10 a. with scienter, employed devices, schemes, or artifices to defraud;
- 11 b. obtained money or property by means of untrue statements of material fact
12 or by omitting to state a material fact necessary in order to make the
13 statements made, in light of the circumstances under which they were
14 made, not misleading; and
- 15 c. engaged in transactions, practices, or courses of business which operated or
16 would operate as a fraud or deceit upon purchasers.

17 79. By reason of the foregoing, Nambiar violated, and unless restrained and enjoined
18 will continue to violate, Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)].

19 **THIRD CLAIM FOR RELIEF**

20 *Violations of Sections 5(a) and 5(c) of the Securities Act*

21 80. The SEC re-alleges and incorporates by reference Paragraph Nos. 1 through 73.

22 81. The Spartan Trading investment contracts and promissory notes offered and sold
23 by Nambiar are securities under Section 2(a)(1) of the Securities Act [15 U.S.C. § 77b(a)(1)] and
24 Section 3(a)(10) of the Exchange Act [15 U.S.C. § 77c(a)(10)].

25 82. By engaging in the conduct described above, Nambiar, directly or indirectly, made
26 use of the means or instruments of transportation or communication in interstate commerce, or of
27 the mails, to offer to sell or to sell securities through the use or medium of any prospectus or
28 otherwise, or carried or caused to be carried through the mails or in interstate commerce, by means

1 or instruments of transportation, securities for the purpose of sale or for delivery after sale, when
2 no registration statement had been filed or was in effect as to such securities, and when no
3 exemption from registration was applicable.

4 83. By reason of the foregoing, Nambiar violated, and unless restrained and enjoined
5 will continue to violate, Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and
6 77e(c)].

7 **FOURTH CLAIM FOR RELIEF**

8 *Violations of Section 206(4) and Rule 206(4)-8 of the Advisers Act*

9 84. The SEC re-alleges and incorporates by reference Paragraph Nos. 1 through 73.

10 85. At all relevant times, Nambiar acted as an investment adviser to the Spartan Fund
11 within the meaning of Section 202(a)(11) of the Advisers Act [15 U.S.C. § 80b-2(a)(11)]. The
12 Spartan Fund was a pooled investment vehicle within the meaning of Rule 206(4)-8(b) of the
13 Advisers Act [17 C.F.R. § 275.206(4)-8(b)].

14 86. By engaging in the conduct described above, Nambiar, while acting as an
15 investment adviser to the Spartan Fund, directly or indirectly, knowingly or recklessly, by use of
16 the means or instrumentalities of interstate commerce: (1) made untrue statements of material fact
17 or omitted to state material facts necessary to make the statements made, in light of the
18 circumstances under which they were made, not misleading, to investors or prospective investors
19 in the Spartan Fund; and (2) otherwise engaged in acts, practices or courses of business that were
20 fraudulent, deceptive or manipulative with respect to investors or prospective investors in the
21 Spartan Fund.

22 87. By reason of the foregoing, Nambiar violated, and unless restrained and enjoined
23 will continue to violate, Section 206(4) of the Advisers Act [15 U.S.C. § 80b-6(4)] and Rule
24 206(4)-8 thereunder [17 C.F.R. § 275.206(4)-8].

PRAYER FOR RELIEF

WHEREFORE, the SEC respectfully requests that the Court:

I.

Enter an order permanently enjoining Nambiar from directly or indirectly violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder, Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)], and Section 206(4) of the Advisers Act [15 U.S.C. § 80b-6 (4)] and Rule 206(4)-8 thereunder [17 C.F.R. § 275.206(4)-8].

II.

Enter an order permanently enjoining Nambiar from directly or indirectly, including, but not limited to, through any entity owned or controlled by him, participating in the issuance, purchase, offer, or sale of any security, provided, however, that such injunction shall not prevent Nambiar from purchasing or selling securities for his own personal accounts, pursuant to Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], and Section 209(d) of the Advisers Act [15 U.S.C. § 80b-9(d)].

III.

Enter an order requiring Nambiar to disgorge all ill-gotten gains received as a result of his unlawful conduct plus prejudgment interest thereon pursuant to Sections 21(d)(3), 21(d)(5), and 21(d)(7) of the Exchange Act [15 U.S.C. §§ 78u(d)(3), 78u(d)(5), and 78u(d)(7)].

IV.

Enter an injunction, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure and pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], and Section 209(d) of the Advisers Act [15 U.S.C. § 80b-9(d)], permanently restraining and enjoining Nambiar from, directly or indirectly, acting as or being associated with an investment adviser.

V.

Enter an order requiring Nambiar to pay civil monetary penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)].

VI.

Retain jurisdiction of this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that may be entered, or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

VII.

Grant such other and further relief as this Court may determine to be just, equitable, and necessary.

JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38 and Civil Local Rule 3-6, the SEC demands a trial by jury on all issues so triable.

Dated: April 15, 2026

Respectfully submitted,

/s/ Yoona Kim

Yoona Kim

Attorney for Plaintiff

SECURITIES AND EXCHANGE COMMISSION