Thomas P. Smith, Jr.
Lindsay Moilanen
Paul G. Gizzi
Benjamin Mishkin
Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
100 Pearl Street
Suite 20-100
New York, NY 10004-2616
(212) 336-0077 (Gizzi)
gizzip@sec.gov

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

SECURITIES AND EXCHANGE COMMISSION, **Plaintiff,** **-against-** **ELLEN POLCARI,** **Defendant.**	**COMPLAINT** **26 Civ. ( ) ( )** **JURY TRIAL DEMANDED**

Plaintiff Securities and Exchange Commission ("Commission"), 100 Pearl Street, Suite 20-100, New York, NY 10004-2616, for its Complaint against Defendant Ellen Polcari ("Defendant" or "Polcari"), last known to be residing at 225 Spruce Street, Haddonfield, NJ 08033-1615, alleges as follows:

SUMMARY

1. From at least April 2023 until March 2025 (the "Relevant Period"), Polcari—a former "executive assistant" at Venture Capital Firm A and Venture Capital Firm B (together, the "Firms"), which each advise several private funds (the "Funds")—orchestrated a fraudulent scheme through which she misappropriated approximately $1.28 million invested in the Funds.

2. To execute her scheme, Polcari, the Firms' only non-owner employee during the Relevant Period, communicated with prospective investors about participating in the Funds' securities offerings; directed interested investors to wire their investments to bank accounts that she controlled; and generally began misappropriating portions of those investments upon receipt or shortly thereafter.

3. Polcari used the money she misappropriated for various personal expenditures, including, but not limited to, personal credit card and loan payments; online gambling expenses; and numerous purchases at restaurants, grocery stores, and other retailers. Polcari was not entitled to any of that money.

4. In addition, in August 2024, Polcari fraudulently transferred to herself certain stock shares that belonged to one of the Funds and, in November 2024, she sold most of those shares for a total of $56,000. A few months later, Polcari attempted to do so again, but her efforts were thwarted after her fraudulent scheme was uncovered in March 2025.

VIOLATIONS

5. By virtue of the foregoing conduct and as alleged further herein, Defendant violated Sections 17(a)(1) and (3) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77q(a)(1) and 77q(a)(3)] and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and 240.10b-5(c)].

6. Unless Defendant is restrained and enjoined, she will engage in the acts, practices, transactions, and courses of business set forth in this Complaint or in acts, practices, transactions, and courses of business of similar type and object.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

7. The Commission brings this action pursuant to the authority conferred upon it by Securities Act Sections 20(b) and 20(d) [15 U.S.C. §§ 77t(b) and 77t(d)] and Exchange Act Section 21(d) [15 U.S.C. § 78u(d)].

8. The Commission seeks a final judgment: (a) permanently enjoining Defendant from violating the securities laws this Complaint alleges she violated; (b) permanently enjoining Defendant from directly or indirectly, including, but not limited to, through any entity owned or controlled by her, participating in the issuance, purchase, offer, or sale of any security; provided, however, that such injunction shall not prevent Defendant from purchasing or selling securities for her own personal accounts; (c) ordering Defendant to disgorge all ill-gotten gains she received as a result of the violations alleged herein and to pay prejudgment interest thereon pursuant to Exchange Act Sections 21(d)(3), 21(d)(5), and 21(d)(7) [15 U.S.C. §§ 78u(d)(3), 78u(d)(5), and 78u(d)(7)]; (d) ordering Defendant to pay civil money penalties pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)]; and (e) ordering any other and further relief the Court may deem just and proper.

JURISDICTION AND VENUE

9. This Court has jurisdiction over this action pursuant to Securities Act Sections 20 and 22(a) [15 U.S.C. §§ 77t and 77v(a)], Exchange Act Sections 21(d) and 27 [15 U.S.C. §§ 78u and 78aa], and 28 U.S.C. § 1331.

10. Defendant, directly and indirectly, has made use of the means or instrumentalities of interstate commerce or of the mails in connection with the transactions, acts, practices, and courses of business alleged herein.

11. Venue lies in this District under Securities Act Section 22(a) [15 U.S.C. § 77v(a)] and Exchange Act Section 27 [15 U.S.C. § 78aa]. Defendant may be found in, is an inhabitant of, or transacts business in the District of New Jersey, and certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred within this District. For example, during the Relevant Period, Defendant resided in and perpetrated her fraudulent scheme from this District.

DEFENDANT

12. **Polcari**, age 38, was at all relevant times a resident of Haddonfield, New Jersey. She was an executive assistant at Venture Capital Firm A from approximately November 2015 to March 2025, and Venture Capital Firm B from June 2024 to March 2025. From May 2019 to June 2023, Polcari was also associated with a dually registered broker-dealer and investment adviser unrelated to the Firms, in an administrative role.

RELEVANT ENTITIES AND INDIVIDUAL

13. **Forks Up LLC** ("Forks Up") is a Delaware limited liability company with its principal place of business in Haddonfield, New Jersey. It was formed in October 2020. Forks Up is wholly owned by Polcari.

14. **Venture Capital Firm A** is a Delaware limited liability company with its principal place of business in Whitefish, Montana. It was formed in May 2010. During the Relevant Period, Venture Capital Firm A was the investment adviser to several private funds (collectively, the "Firm A Funds"), including, but not limited to, Fund 1 and Fund 2.

15. **Venture Capital Firm B** is a Delaware limited liability company with its principal place of business in Kalispell, Montana. It was formed in June 2024. During the Relevant Period, Venture Capital Firm B was the investment adviser to several private funds

(collectively, the “Firm B Funds”), including, but not limited to, Fund 3, Fund 4, Fund 5, and Fund 6.

16. **Owner**, an individual, was, during the Relevant Period, co-owner and managing member of Venture Capital Firm A, and the sole owner and managing member of Venture Capital Firm B.

FACTS

I. Background on Polcari and Her Bank Account Access

A. Venture Capital Firm A

17. In or around late 2014, Polcari began working for Owner as a nanny for his two young children.

18. In or around November 2015, Owner hired Polcari to also serve as an executive assistant at Venture Capital Firm A, initially with limited responsibilities.

19. Over time, Polcari’s responsibilities at Venture Capital Firm A expanded to include, among other things, emailing offering documents and wire instructions to investors; communicating with investors regarding the status of their outstanding subscription agreements and capital commitments; responding to investor questions regarding investment terms; effectuating the Funds’ portfolio company investments by wiring money from the Funds’ bank accounts to the portfolio companies and their agents; and serving as the firm’s point of contact for its third-party administrator.

20. Beginning in or around November 2015, Polcari also became an authorized signatory on the bank accounts of Venture Capital Firm A and the Firm A Funds.

21. In April 2023, Polcari, at Owner's direction, opened a bank account for Fund 1 for purposes of receiving investor money and making investments in the Fund's designated portfolio company (the "Fund 1 Bank Account").

22. Polcari was the sole authorized signatory for the Fund 1 Bank Account.

23. Unbeknownst to Owner, on the account opening application for the Fund 1 Bank Account, Polcari falsely identified herself as a "Partner with Control of the Entity" and an 80% owner of Fund 1. She also listed her residential address as the Fund's mailing address.

24. Neither Owner nor the other co-owner of Venture Capital Firm A had access to or signatory authority on the Fund 1 Bank Account.

25. In March 2024, Venture Capital Firm A amended its Form ADV to identify Polcari as the firm's "Controller" and a "Regulatory Contact Person" "authorized to receive information and respond to questions about this Form ADV."

B. Venture Capital Firm B

26. Between June 2024 and August 2024, Owner, with Polcari's assistance, formed Venture Capital Firm B and the Firm B Funds.

27. At Owner's direction, Polcari worked with a third-party business formation service provider to file formation documents in Delaware for Venture Capital Firm B and the Firm B Funds. She also opened bank accounts for the Firm B Funds for purposes of receiving investor money and making investments in each Firm B Fund's designated portfolio company.

28. Fund 3's bank account was the only Firm B Fund bank account for which Owner had access and signatory authority.

29. Unbeknownst to Owner, Polcari had sole access to and signatory authority over the bank accounts for Funds 4-6.

30. In opening the bank accounts for Funds 4-6, Polcari falsely identified herself as the "100% Beneficial Owner" of Funds 4 and 5, and the "Controller" of Fund 6. She also listed her residential address as the primary and mailing address for Funds 4-6.

31. During the Relevant Period, Polcari and Owner were the only people who worked at Venture Capital Firm B.

32. By early 2025, the sole contact information that Venture Capital Firm B provided on its website was Polcari's email address.

33. Polcari's responsibilities at Venture Capital Firm B mirrored her responsibilities at Venture Capital Firm A, as described in paragraph 19 above, including in communicating with prospective and actual investors.

34. For example, in connection with the Fund 6 offering, Polcari sent prospective investors an email stating that she "attached the subscription booklet and operating agreement"; requesting that prospective investors "complete/sign the subscription booklet, and return [it] to [her]"; explaining that "[o]ur legal team will review all signature packets to ensure they are in good order, and will revert back with a fully executed package for your records, upon closing"; and inviting prospective investors to contact her by email or phone with any questions.

35. For prospective investors in the Fund 6 offering who did not respond to Polcari's initial email described in the preceding paragraph, Polcari sent a follow-up email "to confirm [whether they were] still interested in participating in" Fund 6 and directing interested parties to "please complete the documents and remit wire as soon as possible"; and she attached to the follow-up email wire instructions, advised that subscription documents "have been sent via Docusign," and again invited any questions.

II. Investors Sent Money to Fund 1 and the Firm B Funds

36. Fund 1 and the Firm B Funds offered investors "limited partnership interests" (Fund 1) or "membership interests" (Firm B Funds) in the Funds in exchange for a capital contribution.

37. Investors in the Funds were generally high net worth individuals and family offices.

38. Fund 1 and the Firm B Funds offered similar terms to investors, set forth in subscription booklets and limited partnership or operating agreements (the "offering documents").

39. Among other things, the operating agreement for each Firm B Fund stated that the primary purpose of the Fund was "to provide [investors] with the opportunity to realize long-term appreciation by pursuing a venture capital strategy of investing in the Securities of [the Fund's designated portfolio company]."

40. The limited partnership agreement for Fund 1 likewise stated that the primary purpose of the Fund was "to make a venture capital investment in the Securities of [the Fund's designated portfolio company]."

41. The subscription booklet for each Firm B Fund also stated that Venture Capital Firm B would have "sole and absolute discretion over the investment of the capital committed to the [Fund]"; "in managing the [Fund's] investment in the Portfolio Company"; and over "the ultimate realization of any profits." In this regard, investors would "not make decisions with respect to the management, disposition or other realization of the investment made by the [Fund], or other decisions regarding the [Fund's] business and affairs."

42. Similarly, the limited partnership agreement for Fund 1 stated that an affiliate of Venture Capital Firm A, also co-owned and managed by Owner, would have "the sole and exclusive right to manage, control, and conduct the affairs of the [Fund]," and that investors would "take no part in the control or management of the affairs of the [Fund]."

43. Further, per each Firm B Fund's operating agreement, any discretionary distributions would "be apportioned among all [investors in the Fund] *pro rata* in accordance with their respective aggregate Capital Contributions."

44. Per Fund 1's limited partnership agreement, any such discretionary distributions would be made "to all [investors in the Fund] in proportion to their respective Partnership Percentages" (*i.e.*, "the Capital Commitment associated with [an investor's investment] in the [Fund]" divided by "the aggregate Capital Commitments associated with all of the [investors' investments] in the [Fund]").

45. In addition, under the limited partnership agreement for Fund 1 and the operating agreements for Firm B Funds, Venture Capital Firm A (Fund 1) or Venture Capital Firm B (Firm B Funds) was entitled to a management fee equal to 2% of investors' aggregate capital contributions in the respective Fund.

46. The Firms linked Polcari's compensation to the management fee; Polcari was to receive a small portion (up to 25%) of the 2% management fee as a salary, subject to Owner's approval.

47. During the Relevant Period, Polcari received a total of approximately $117,000 in authorized compensation from the Firms.

48. As described in paragraphs 49 to 62 below, none of the money Polcari misappropriated was authorized compensation.

III. Polcari Misappropriated Money Invested in Fund 1 and the Firm B Funds

49. During the Relevant Period, Fund 1 and the Firm B Funds collectively raised a total of approximately $28.67 million from at least 85 investors (the "Investor Money").

50. Polcari misappropriated approximately $1.28 million of the Investor Money.

51. As detailed in the chart below, Polcari, without Owner's authorization, transferred approximately $1.13 million directly from the Funds' bank accounts to her own bank accounts (*i.e.*, a bank account in her name and a second bank account in the name of Forks Up). In addition, Polcari paid online gambling expenses totaling approximately $141,300 and personal credit card charges totaling approximately $9,120 directly from the Funds' bank accounts.

	Fund 1	Fund 3	Fund 4	Fund 5	Fund 6
Amount Raised from Investors	$10,520,000	$4,115,000	$5,394,749	$1,340,000	$7,300,000
Amount Invested in Portfolio Company	$10,000,000	$4,000,000	$5,302,749	$1,335,550	$7,072,902
Transfers to Polcari's Own Bank Accounts	$183,679	$22,408	$89,600	$628,300	$205,500
Online Gambling Expenses	$0	$0	~$2,500	~$131,300	~$7,500
Personal Credit Card Payments	$0	$0	$0	~$9,120	$0
Total Misappropriation	**$183,679**	**$22,408**	**~$92,100**	**~$768,720**	**~$213,000**

52. Polcari used the money she transferred to her own bank accounts for various personal expenditures, including, but not limited to, personal credit card and loan payments, online gambling expenses, and numerous purchases at restaurants, grocery stores, and other retailers.

53. Given her communications with investors, as set forth in paragraphs 19 and 33 to 35 above, and her familiarity with the Funds' offering documents and their investment purposes,

Polcari knew or recklessly disregarded that investor money was to be used for the Funds' portfolio company investments, management fees, and Fund expenses; and that she was not entitled to use that money for her own personal benefit.

54. Polcari's misappropriation of money from Fund 5 occurred as money came in from investors, before Fund 5 had invested in its designated portfolio company.

55. For example, on October 1, 2024, Fund 5 received its first investment, in the amount of $250,000, and within one day, Polcari transferred $28,000 of investor money to her own bank account.

56. Similarly, on October 3, 2024, Fund 5 received investments totaling $800,000, and over the next three weeks, Polcari transferred $97,500 of investor money to her own bank accounts.

57. By late December 2024, due to Polcari's misappropriation, Fund 5 had insufficient money to invest in its designated portfolio company. To make up for that shortfall, on or about December 31, 2024, Polcari transferred $997,555 from four Firm A Fund bank accounts to the Fund 5 bank account.

58. Polcari misappropriated money from Fund 6 both before and after Fund 6 made its portfolio company investments, typically by transferring investor money to her own bank accounts on the same day that the Fund received that money, or shortly thereafter.

59. For example, on September 20, 2024, Fund 6 received a $100,000 investment. That same day, Polcari transferred $33,500 of investor money to her own bank accounts and, the next business day, she transferred an additional $45,000 of investor money to her own bank account.

60. Similarly, on September 26, 2024, Fund 6 received a $50,000 investment. The next day, Polcari transferred $14,500 of investor money to her own bank account.

61. Polcari's misappropriation from Funds 1, 3, and 4 occurred largely after those Funds made their portfolio company investments, from additional investments in those Funds and money that remained in those Funds' bank accounts to pay Fund expenses and management fees.

62. As the person who controlled the bank accounts of Fund 1 and the Firm B Funds, Polcari knew or recklessly regarded that the money she misappropriated from those accounts had come from investors.

IV. Polcari Misappropriated Common Stock Shares Belonging to Fund 2

63. In addition to the misappropriation of cash described in paragraphs 49 to 62 above, on or about August 26, 2024, Polcari transferred to herself 2,273 shares of common stock that Fund 2 had received as a result of Fund 2's investment in the company that issued the common stock (the "Issuer").

64. To misappropriate the Issuer common stock, Polcari submitted a stock transfer agreement for the 2,273 shares of Issuer common stock (the "Stock Transfer Agreement") to the Issuer, which falsely stated that Fund 2 "desired to transfer" the Issuer stock shares to Polcari's entity, Forks Up.

65. Without Owner's consent or knowledge, Polcari signed the Stock Transfer Agreement on behalf of Fund 2, using Owner's Docusign e-signature.

66. At the time she submitted the Stock Transfer Agreement to the Issuer, Polcari knew or recklessly disregarded that neither she nor Forks Up was entitled to the requested 2,273 shares of Issuer common stock.

67. On or about August 30, 2024, Polcari entered into an agreement with a third party to sell 2,000 of the 2,273 Issuer shares that she had misappropriated for $56,000 (the "Stock Sale").

68. On or about November 6, 2024, the Stock Sale closed, and Polcari received $56,000 from the third-party purchaser.

69. In early 2025, Polcari attempted to transfer to herself an additional 15,333 shares of Issuer common stock that Fund 2 had received as a result of the Fund's investment in the Issuer.

70. On or about January 21, 2025, Polcari submitted a second stock transfer agreement (the "Second Stock Transfer Agreement") to the Issuer, this time falsely stating that Fund 2 desired to transfer the 15,333 Issuer shares to Forks Up, and again without Owner's consent or knowledge, Polcari signed the Second Stock Transfer Agreement on behalf of Fund 2 using Owner's Docusign e-signature.

71. At the time she submitted the Second Stock Transfer Agreement to the Issuer, Polcari knew or recklessly disregarded that neither she nor Forks Up was entitled to the 15,333 shares of Issuer common stock that she had requested.

72. The 15,333-share stock transfer was still in the Issuer's processing queue when Polcari's fraudulent scheme was uncovered in March 2025, allowing Owner to halt the stock transfer to Polcari.

V. The Collapse of Polcari's Fraudulent Scheme

73. In or around late February 2025, Polcari and Owner learned that Commission staff were conducting an investigation relating to the Firms and the Funds.

74. Approximately three weeks later, on or about March 21, 2025, Polcari's counsel informed the Firms that Polcari had misappropriated a significant amount of money from the Firms and the Funds.

75. Promptly thereafter, Owner terminated Polcari and discontinued her access to all bank accounts of the Firms and the Funds.

76. On or about March 30, 2025, Polcari called Owner and admitted to him that she had stolen at least some of the money described in paragraphs 49 to 62 above.

FIRST CLAIM FOR RELIEF
Violations of Securities Act Sections 17(a)(1) and (3)

77. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 76.

78. Defendant, directly or indirectly, singly or in concert, in the offer or sale of securities and by the use of the means or instruments of transportation or communication in interstate commerce or the mails, (i) knowingly or recklessly has employed one or more devices, schemes or artifices to defraud and/or (ii) knowingly, recklessly, or negligently has engaged in one or more transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchaser.

79. By reason of the foregoing, Defendant, directly or indirectly, singly or in concert, has violated and, unless enjoined, will again violate Securities Act Sections 17(a)(1) and (3) [15 U.S.C. §§ 77q(a)(1) and 77q(a)(3)].

SECOND CLAIM FOR RELIEF

Violations of Exchange Act Section 10(b) and Rules 10b-5(a) and (c) Thereunder

80. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 76.

81. Defendant, directly or indirectly, singly or in concert, in connection with the purchase or sale of securities and by the use of means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange, knowingly or recklessly has

(i) employed one or more devices, schemes, or artifices to defraud and/or (ii) engaged in one or more acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

82. By reason of the foregoing, Defendant, directly or indirectly, singly or in concert, has violated and, unless enjoined, will again violate Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and 240.10b-5(c)].

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court enter a Final Judgment:

I.

Permanently enjoining Defendant and her agents, servants, employees and attorneys and all persons in active concert or participation with any of them from violating, directly or indirectly, Securities Act Section 17(a) [15 U.S.C. § 77q(a)] and Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];

II.

Ordering Defendant to disgorge all ill-gotten gains she received directly or indirectly, with prejudgment interest thereon, as a result of the alleged violations pursuant to Exchange Act Sections 21(d)(3), 21(d)(5), and 21(d)(7) [15 U.S.C. §§ 78u(d)(3), 78u(d)(5), and 78u(d)(7)];

III.

Ordering Defendant to pay civil monetary penalties pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)];

IV.

Permanently enjoining Defendant from directly or indirectly, including, but not limited to, through any entity owned or controlled by her, participating in the issuance, purchase, offer, or sale of any security; provided, however, that such injunction shall not prevent Defendant from purchasing or selling securities for her own personal accounts; and

V.

Granting any other and further relief this Court may deem just and proper.

JURY DEMAND

The Commission demands a trial by jury.

Dated: New York, New York
September 18, 2026

/s/ Paul G. Gizzi

Thomas P. Smith, Jr.*
Lindsay Moilanen*
Paul G. Gizzi
Benjamin Mishkin*
Attorneys for Plaintiff
Securities and Exchange Commission
New York Regional Office
100 Pearl Street, Suite 20-100
New York, NY 10004-2616
(212) 336-0077 (Gizzi)
Email: gizzip@sec.gov

*Not admitted in the District of New Jersey

LOCAL RULE 11.2 CERTIFICATION

Pursuant to Local Civil Rule 11.2, I certify that the matter in controversy alleged against the Defendant in the foregoing Complaint is not the subject of any other civil action pending in any court, or of any pending arbitration or administrative proceeding.

Dated: September 18, 2026

/s/ Paul G. Gizzi
Paul G. Gizzi
Attorney for Plaintiff
Securities and Exchange Commission
New York Regional Office
100 Pearl Street, Suite 20-100
New York, NY 10004-2616

DESIGNATION OF AGENT FOR SERVICE

Pursuant to Local Civil Rule 101.1(f), the undersigned hereby designates the United States Attorney's Office for the District of New Jersey to receive service of all notices or papers in this action at the following address:

David E. Dauenheimer
Deputy Chief, Health Care Fraud and Opioids Enforcement Unit
United States Attorney's Office
District of New Jersey
970 Broad Street, Suite 700
Newark, NJ 07102
(973) 645-2925
Email: david.dauenheimer2@usdoj.gov

Dated: September 18, 2026

/s/ Paul G. Gizzi
Paul G. Gizzi
Attorneys for Plaintiff
Securities and Exchange Commission
New York Regional Office
100 Pearl Street, Suite 20-100
New York, NY 10004-2616