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 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against Stefan Qin ("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 III.2 and III.4 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. Qin was the sole owner and control person of Virgil Technologies LLC ("Virgil") and the sole control person of Virgil’s wholly-owned subsidiary Montgomery Technologies LLC ("Montgomery"), which made certain filings with the Commission as an exempt reporting adviser under the Advisers Act during the period of relevant conduct. Qin was also the sole control person and managing member of Virgil Capital LLC, a wholly-owned subsidiary of Montgomery, through which Qin exercised sole investment authority over the Virgil Sigma Fund LP. During the relevant period, Qin was an investment adviser to the Virgil Sigma Fund as defined in the Advisers Act because he was engaged in the business of providing advice regarding securities for compensation. Qin, 25 years old, is a citizen and resident of Australia and a part-time resident of New York, New York, who is currently incarcerated at FCI Fort Dix.

2. On March 2, 2022, a final judgment was entered by consent against Qin, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, in the civil action entitled United States Securities and Exchange Commission v. Stefan Qin, et al., Civil Action Number 20-CV-10849 (LGS), in the United States District Court for the Southern District of New York.

3. The Commission’s complaint in that action alleged that Qin engaged in a deceptive course of conduct, misused and misappropriated investor assets, and made materially false and misleading statements in connection with his management of the Virgil Sigma Fund, in violation of the federal securities laws.

4. Defendant pleaded guilty to, and was sentenced for, criminal conduct relating to certain matters alleged in the complaint in this case. Specifically, in United States v. Stefan Qin, Case No. 21-CR-00075 (VEC) (S.D.N.Y.), Defendant pleaded guilty to one count of securities fraud in violation of 15 U.S.C. § 78j(b), and on September 15, 2021, a judgment was entered against him, ordering a term of 7.5 years’ imprisonment and 3 years’ supervised release, as well as forfeiture of $54,793,532.14.

5. The count of the criminal information to which Qin pled guilty alleged, inter alia, that Qin defrauded investors by (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons. In connection with that plea, Respondent stipulated to an offense-level enhancement for sentencing purposes because he was an investment adviser, or a person associated with an investment adviser, at the time of the offense.
IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Qin 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.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and 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