

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO.**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**BROTHERS INVESTMENT GROUP  
INTERNATIONAL, INC. N/K/A BROTHERS  
INTERNATIONAL GROUP INC., AND ANSON  
JEAN-PIERRE,**

**Defendants.**

**COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF**

Plaintiff Securities and Exchange Commission alleges:

**I. INTRODUCTION**

1. From at least August 2017 through November 2018, Brothers Investment Group International, Inc. n/k/a Brothers International Group, Inc. (“Brothers”) and its president and chief executive officer, Anson Jean-Pierre (“Jean-Pierre”), raised approximately \$794,000 from at least 208 mainly Haitian-American investors through a fraudulent offering of securities in the form of “membership interests” in Brothers. Through Jean-Pierre, Brothers represented to investors that their money would fund the development of projects in Haiti in the areas of agriculture, renewable energy, and E-commerce, among others. Investors were required to pay a “membership fee” in “seed money” which would go towards funding the projects, plus an administrative fee to cover Brothers’ overhead and other non-project related expenses. In

return, Brothers and Jean-Pierre told investors that investors would share in the company's profits from the projects. Jean-Pierre solicited investors primarily through word of mouth.

2. In reality, Jean-Pierre misused and misappropriated over one third of investors' seed money for non-project purposes, including an elaborate gala, retail purchases, restaurants, travel and hotel charges, cash withdrawals, and payments to himself and other individuals.

3. Through their conduct, Defendants have violated Section 17(a) of the Securities Act of 1933 ("Securities Act") 15 U.S.C. § 77q(a), and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5, 17 C.F.R. § 240.10b-5. Unless restrained and enjoined, Defendants are reasonably likely to engage in future violations of the federal securities laws.

## **II. DEFENDANTS**

4. **Brothers** is a Florida corporation established by Jean-Pierre in August 2017 with its principal place of business in Miami, Florida.

5. **Jean-Pierre**, age 58, resides in Hialeah, Florida. Jean-Pierre is president and chief executive officer of Brothers. At all relevant times, Jean-Pierre controlled and exercised ultimate authority over Brothers.

## **III. JURISDICTION AND VENUE**

6. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1), and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(d)(1), and 77v(a), and Sections 21(d) and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d) and 78aa.

7. The Court has personal jurisdiction over Defendants, and venue is proper in this judicial district, because many of Defendants' acts and transactions constituting violations of

the Securities Act and the Exchange Act occurred in this district. In addition, Brothers' principal place of business is in this district, and Jean-Pierre resides in this district.

8. In connection with the conduct alleged in this Complaint, Defendants, directly and indirectly, singly or in concert with others, have made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation and communication in interstate commerce, and the mails.

#### **IV. DEFENDANTS' ACTS IN VIOLATION OF THE SECURITIES LAWS**

##### **A. The Securities Transaction**

9. Defendants solicited investors, mostly Haitian Americans, to invest in "membership interests" in Brothers. They told investors that Brothers would identify and oversee development projects in Haiti in which to invest the funds at a profit.

10. Brothers' offering materials consisted of a two-page subscription agreement, which included a "Certificate of Guarantee" (the "guarantee") that investors were required to sign if they decided to invest. This guarantee identified the specific amounts and purpose of the investor's contribution. Each investor was required to invest \$3,800, which was broken down into two amounts with different purposes: (i) an "initial amount" or "seed money" of \$3,650 and (ii) an "admission fee" or "administrative fee" of \$150. The guarantee further stated that "each and every member" would share in Brothers' "net revenue/profit percentage annually and evenly." The role of the investors was limited to investing money into the venture. Investors had no control over Brothers or the development of the projects. They relied solely on Defendants to generate profits.

11. The subscription agreement is an investment contract, and therefore a security, within the meaning of the Securities Act and the Exchange Act.

**B. Defendants' Material Misrepresentations**

12. Brothers, through Jean-Pierre, represented to investors both orally and in marketing materials that the money raised from the offering would be used to develop projects in Haiti in the “specific sectors of Agro-Business Industry, CRM [Customer Relationship Management] and E-commerce Platform, Real Estate/Eco-Tourism, and Energy.” Brothers’ purported mission was to “eradicate poverty and promote prosperity and financial security among the Haitian community by ... boosting intra-Haitian trade and investments in these specific sectors.” Brothers’ supposed projects related to agriculture, renewable energy, E-commerce, real estate, and banking.

13. Jean-Pierre orally told investors and prospective investors that (i) the \$3,650 in seed money (which equaled about 96% of the \$3,800 investment amount) would only be used to fund the actual projects, and (ii) the \$150 administrative fee (which equaled about 4% of the \$3,800 investment amount) would be used to cover Brothers’ overhead expenses, such as rent and other non-project expenses.

14. The offering materials did not contain any disclosure about the use of investor seed money to pay non-project expenses. Nor were the investors ever told that their seed money could be used for non-project purposes.

15. Investor money was deposited directly into Brothers’ bank accounts and Jean-Pierre controlled the only ATM/debit card issued on those accounts. After receiving investors’ money, Jean-Pierre updated investors on the specific projects in two newsletters and in meetings held at Brothers’ office. In most instances, the updates painted a promising picture of investors’ potential to share in the profits from the projects.

**C. Defendants' Misuse and Misappropriation of Investor Funds**

16. Contrary to the representations made to investors, Brothers, through Jean-Pierre, spent a significant portion of the investor seed money on purposes unrelated to the development of the projects. Specifically, Brothers raised approximately \$762,000 in investor seed money designated for projects, and no more than approximately \$32,000 in administrative fees to put towards its non-project expenditures.

17. Jean-Pierre misused nearly \$125,000 for non-project related expenditures such as an elaborate membership gala and payments to various individuals for administrative work. Furthermore, Jean-Pierre misappropriated approximately an additional \$159,000 of the investor funds for personal use such as restaurants, travel and hotel charges, cash withdrawals, retail purchases, and payments to himself. Thus, in total, about \$284,000, or approximately 37%, of the investors' seed money were misused and misappropriated by Jean-Pierre for non-project purposes.

18. Only around \$423,000, or about 55%, of the investors' seed money went towards Brothers' projects. With less than two-thirds of the investors' seed money going into the development of the projects, the likelihood that any of the projects would be successful diminished significantly. Indeed, none of the projects were successful and investors lost their money.

**V. CLAIMS FOR RELIEF**

**COUNT I**

**Fraud in Violation of Section 17(a)(1) of the Securities Act**

19. The Commission repeats and realleges paragraphs 1 through 18 of this Complaint.

20. Starting no later than August 2017 through at least November 2018, Defendants, in the offer or sale of securities by use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, knowingly or recklessly, directly or indirectly, employed devices, schemes, or artifices to defraud.

21. By reason of the foregoing, Defendants have violated and, unless enjoined, are reasonably likely to continue to violate Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

## **COUNT II**

### **Fraud in Violation of Section 17(a)(2) of the Securities Act**

22. The Commission repeats and realleges paragraphs 1 through 18 of this Complaint.

23. Starting no later than August 2017 through at least November 2018, Defendants, in the offer or sale of securities by use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, negligently obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

24. By reason of the foregoing, Defendants have violated and, unless enjoined, are reasonably likely to continue to violate Section 17(a)(2) of the Securities Act, 15 U.S.C. § 77q(a)(2).

**COUNT III**

**Fraud in Violation of Section 17(a)(3) of the Securities Act**

25. The Commission repeats and realleges paragraphs 1 through 18 of this Complaint.

26. Starting no later than August 2017 through at least November 2018, Defendants, in the offer or sale of securities by use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, negligently engaged in transactions, practices, or courses of business which operated or would have operated as a fraud or deceit upon the purchasers.

27. By reason of the foregoing, Defendants have violated, and unless enjoined, are reasonably likely to continue to violate Section 17(a)(3) of the Securities Act, 15 U.S.C. § 77q(a)(3).

**COUNT IV**

**Fraud in Violation of Section 10(b) and Rule 10b-5(a) of the Exchange Act**

28. The Commission repeats and realleges paragraphs 1 through 18 of this Complaint.

29. Starting no later than August 2017 through at least November 2018, Defendants, directly and indirectly, by use of any means or instrumentality of interstate commerce, or of the mails, knowingly or recklessly employed devices, schemes or artifices to defraud in connection with the purchase or sale of any security.

30. By reason of the foregoing, Defendants have violated and, unless enjoined, are reasonably likely to continue to violate Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5(a), 17 C.F.R. § 240.10b-5(a).

**COUNT V**

**Fraud in Violation of Section 10(b) and Rule 10b-5(b) of the Exchange Act**

31. The Commission repeats and realleges paragraphs 1 through 18 of this Complaint.

32. Starting no later than August 2017 through at least November 2018, Defendants, directly and indirectly, by use of the means or instrumentalities of interstate commerce, or of the mails, knowingly or recklessly made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in connection with the purchase or sale of any security.

33. By reason of the foregoing, Defendants have violated and, unless enjoined, are reasonably likely to continue to violate Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5(b), 17 C.F.R. § 240.10b-5(b).

**COUNT VI**

**Fraud in Violation of Section 10(b) and Rule 10b-5(c) of the Exchange Act**

34. The Commission repeats and realleges paragraphs 1 through 18 of this Complaint.

35. Starting no later than August 2017 through at least November 2018, Defendants, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails, knowingly or recklessly engaged in acts, practices, and courses of business which have operated, are now operating and will operate as a fraud upon any person in connection with the purchase or sale of any security.

36. By reason of the foregoing, Defendants have violated, and unless enjoined, are reasonably likely to continue to violate Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5(c), 17 C.F.R. § 240.10b-5(c).

**VI. RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests that the Court find that Defendants committed the violations of the federal securities laws alleged herein and:

**I.**

**Permanent Injunction**

Issue a Permanent Injunction restraining and enjoining Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating the federal securities laws alleged in this Complaint.

**II.**

**Disgorgement and Prejudgment Interest**

Issue an Order directing Defendants to disgorge all ill-gotten gains received within the applicable statute of limitations, including prejudgment interest, resulting from the acts and/or courses of conduct alleged in this Complaint.

**III.**

**Civil Penalty**

Issue an Order directing Defendants to pay a civil money penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d).

IV.

**Further Relief**

Grant such other and further relief as may be necessary and appropriate.

V.

**Retention of Jurisdiction**

Further, the Commission respectfully requests that the Court retain jurisdiction over this action and Defendants in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

VI.

**Demand for Jury Trial**

The Commission hereby demands a trial by jury on any and all issues in this action so triable.

November 24, 2020

Respectfully submitted,

By: /s/ Stephanie N. Moot

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