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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

-against-

WILLIAM E. MILLER,

Defendant.

COMPLAINT

23 Civ. 8261

JURY TRIAL DEMANDED

Plaintiff Securities and Exchange Commission (“Commission”), for its Complaint against Defendant William E. Miller (“Miller” or “Defendant”) alleges as follows:

SUMMARY

1. Miller made material misstatements to the only two investors in Woodstock Capital Partners, LP (“Woodstock Partners”)—a limited partnership “feeder fund” that was managed by an unregistered investment adviser, Woodstock Capital, LLC (“Woodstock Capital”), and that invested all of its assets into a “master fund,” Woodstock Master Capital (the “Woodstock Fund”).

2. Miller had a revenue-sharing agreement with Woodstock Capital through a limited liability company that he controlled, collected management fees from Woodstock Capital, and communicated with investors on behalf of Woodstock Capital.

3. Between August and November 2019 (the “Relevant Period”), Miller made material misstatements to two entities that would each invest \$5 million in Woodstock Partners, a charter school in Minnesota (the “Charter School”) and a real estate fund in Michigan (the “Real Estate Fund”).

4. Miller made misstatements about the Woodstock Fund’s investment strategy and performance, and Woodstock Capital’s status as a registered investment adviser. For example, Miller told investors that the Woodstock Fund would invest in government bonds and short-term interest rate debt securities. It did not.

5. The Woodstock Fund executed a strategy far different from what Miller described to the investors, and each of the two investors ultimately lost more than \$4 million—or 80%—of their respective initial capital contributions.

VIOLATIONS

6. By virtue of the foregoing conduct and as alleged further herein, Miller violated Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)], Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and Section 206(4) of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. § 80b-6(4)] and Rule 206(4)-8 thereunder [17 C.F.R. 275.206(4)-8].

7. Unless Defendant is restrained and enjoined, he 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

8. 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)], Exchange Act Section 21(d) [15 U.S.C. § 78u(d)], and Advisers Act Sections 209(d) and 209(e) [15 U.S.C. §§ 80b-9(d) and 80b-9(e)].

9. The Commission seeks a final judgment: (a) permanently enjoining Defendant from violating the federal securities laws and rules this Complaint alleges he has violated; (b) ordering Defendant to disgorge all ill-gotten gains he received as a result of the violations alleged here 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)]; (c) ordering Defendant to pay civil money penalties pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)], Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)], and Advisers Act Section 209(e) [15 U.S.C. § 80b-9(e)]; and (d) ordering any other and further relief the Court may deem just and proper.

JURISDICTION AND VENUE

10. This Court has jurisdiction over this action pursuant to Securities Act Section 22(a) [15 U.S.C. § 77v(a)], Exchange Act Section 27 [15 U.S.C. § 78aa], and Advisers Act Section 214 [15 U.S.C. § 80b-14].

11. 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.

12. Venue lies in this District under Securities Act Section 22(a) [15 U.S.C. § 77v(a)], Exchange Act Section 27 [15 U.S.C. § 78aa], and Advisers Act Section 214 [15 U.S.C. § 80b-14]. Certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred within this District, including Miller sending key communications concerning the two

investors to Woodstock Capital's manager, who during the Relevant Period was located in this District.

DEFENDANT

13. **Miller**, age 64, was last known to reside in Charlotte, North Carolina. Miller had a revenue-sharing agreement with Woodstock Capital through a limited liability company that he controlled. Miller introduced Woodstock Capital to investors and communicated with investors on behalf of Woodstock Capital extensively. Miller frequently presented himself in communications with investors as being affiliated with Woodstock Capital (*e.g.*, referencing "our fund" and "his partners").

OTHER RELEVANT INDIVIDUALS AND ENTITIES

14. **Woodstock Partners** is a Delaware limited liability partnership that operated as a "feeder" fund, investing all of its assets into the Woodstock Fund, at all relevant times. Woodstock Partners was managed by Woodstock Capital and is no longer operational.

15. The **Woodstock Fund** is a Cayman Islands exempted company that operated as the master fund in the master-feeder structure, at all relevant times. Woodstock Partners was the sole investor in the Woodstock Fund, which is no longer operational.

16. **Woodstock Capital** is a New Jersey limited liability company with its principal place of business in Watchung, New Jersey. At all relevant times, Woodstock Capital was the general partner of Woodstock Partners and was primarily responsible for managing Woodstock Partners and the Woodstock Fund. Woodstock Capital has never been registered with the Commission as an investment adviser and is no longer operational.

17. **Clark Reiner** ("Reiner") was principal and manager of Woodstock Capital. During the Relevant Period, Reiner resided in New York, New York. On September 19, 2023, Reiner consented to the entry of a Commission Order alleging that he violated Section 17(a) of the

Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(4) of the Advisers Act and Rule 206(4)-8 thereunder. The Order found that Reiner made material misrepresentations to the Charter School and Real Estate Fund. Reiner consented to the settlement, while neither admitting nor denying the factual findings contained in the Order, and agreed to, among other things, pay disgorgement of \$24,995 and a civil penalty of \$200,000.

18. The **Charter School** is a non-profit charter school in Minnesota. The Charter School invested \$5 million with Woodstock Partners in September 2019.

19. The **Charter School Official** was the Charter School's superintendent and communicated with Woodstock Capital and Miller concerning the Charter School's investment in Woodstock Partners.

20. The **Real Estate Fund** is a real estate investment fund managed by a general partner located in Michigan. The Real Estate Fund invested \$5 million with Woodstock Partners in December 2019.

21. The **Fund Official** was the senior managing partner of the Real Estate Fund's general partner and communicated with Woodstock Capital and Miller concerning the Real Estate Fund's investment in Woodstock Partners.

FACTS

I. BACKGROUND

22. Woodstock Capital was formed in July 2018, and Woodstock Partners was launched in approximately February 2019.

23. Woodstock Partners was a pooled investment vehicle with a "master-feeder" structure. Investors who invested money in Woodstock Partners became limited partners in Woodstock Partners, the "feeder" fund managed by Woodstock Capital. Woodstock Partners would in turn invest all of its assets into the Woodstock Fund, the "master" fund.

24. Woodstock Capital made the investment decisions on behalf of the Woodstock Fund.

25. The investors in Woodstock Partners exercised no managerial control themselves over Woodstock Partners, Woodstock Capital, or the Woodstock Fund (together, the “Woodstock Entities”).

26. Limited partnership interests in Woodstock Partners were securities.

27. The investors in Woodstock Partners paid to Woodstock Capital a monthly management fee of .1667% (or 2% annually) of their account balance at the end of each calendar month.

28. In addition to the management fee, Woodstock Capital also had the potential to earn certain performance fees depending on the returns for the Woodstock Partners investors.

29. Miller did not have an official title with any of the Woodstock Entities and had no direct ownership interest in any of them.

30. Instead, Miller had a revenue-sharing agreement with Woodstock Capital through a limited liability company that he controlled. The revenue-sharing agreement entitled Miller’s limited liability company to a percentage of the management and performance fees Woodstock Capital received.

31. In approximately February 2019, Woodstock Capital began to solicit potential investors who were primarily identified by Miller.

32. Prospective investors were provided with materials including a Private Placement Memorandum (“PPM”).

33. The PPM’s description of the Woodstock Fund’s investment focus was broad. It discussed an “implied volatility” strategy involving “opportunities that create single-day or multi-day volatility spikes for individual stocks, ETFs, and indexes.” The PPM also provided a list of

“investment instruments traded” including a wide range of securities.

34. Woodstock Capital subsequently decided that it would engage an entity in the United Kingdom (the “Offshore Traders”) to do the actual trading on behalf of the Woodstock Fund, and gave the Offshore Traders discretion over specific trading activity.

35. Miller was involved in the decision to engage the Offshore Traders and grant them discretion to trade on behalf of the Woodstock Fund.

36. Specifically, Miller, Reiner, and others affiliated with the Woodstock Entities reviewed information including the strategy and track record of the Offshore Traders and agreed that the Offshore Traders should trade on behalf of the Woodstock Fund.

37. Between February 2019 and August 2019, Woodstock Capital solicited dozens of investors, many of whom were initially introduced by Miller.

38. While some preliminary conversations occurred, including between potential investors and Miller, no investors committed funds to Woodstock Partners during that time period.

II. MILLER’S MATERIAL MISSTATEMENTS TO THE CHARTER SCHOOL

39. In August 2019, Miller engaged in discussions with the Charter School, through the Charter School Official, regarding the Charter School’s potential investment in Woodstock Partners.

40. These discussions involved multiple calls and emails between and among Miller, the Charter School Official, and others.

41. The Charter School received public funds and was subject to statutory restrictions on how it could deploy them, including through investment activity. The Charter School also maintained specific investment policies.

42. On August 8, 2019, Miller received via email an “addendum letter” drafted by the Charter School Official concerning the terms of a potential investment. Among other things, the letter stated: (a) that Woodstock Capital would adhere to a certain Minnesota statute that limited the

investment of public funds to specified (and traditionally low risk) assets, and (b) that the Charter School's capital would in fact be invested in government bonds, short term interest rate products, and debt securities.

43. In addition to receiving the draft addendum letter, on or about August 8, 2019, Miller also received via email a copy of the Charter School's board-approved investment policy and a summary of the same. These materials made clear the type of investment strategy the Charter School could pursue.

44. Miller emailed the Charter School's board-approved investment policy and the summary of it to Reiner on August 12, 2019.

45. On August 19, 2019, Miller sent an email directed to the Charter School Official attaching edits to this addendum. This email, which purports to memorialize a phone call, contained a number of material misstatements, as alleged below.

46. **First**, Miller said that "Woodstock's philosophy IS in accord with Minnesota statutes and the Charter School's guidelines you have provided" while noting that this could not be incorporated into the addendum.

47. Woodstock Capital's "philosophy," was not consistent with either the Minnesota statute or the Charter School's guidelines.

48. The relevant Minnesota statute limits investment of public funds to assets such as debt securities issued by federal, state, or local governments, commercial paper, fully-insured certificates of deposit, and money market mutual funds, and the Charter School's investment policy, among other things, required that any investment be consistent with that statute.

49. Woodstock Capital's "philosophy" was not consistent with these sources because it implemented a trading strategy that did not involve investment in any of these very conservative assets, and instead, as discussed below, primarily involved trading riskier derivative assets.

50. Miller knew or recklessly disregarded that the statement referenced in paragraph 46 was false and misleading, for at least the following reasons.

51. Miller was involved in the decision to select the Offshore Traders, and as a result knew, or recklessly disregarded, what their strategy was, and that it was not consistent with those sources.

52. Miller communicated with Reiner and others at the Woodstock Entities frequently, and had the ability and opportunity to determine what strategy Woodstock Capital was considering or implementing.

53. **Second**, Miller stated that the “historical returns” for the “traders (sic) activities adhering to exactly the strategy” outlined in the addendum “have returned north of 10-20% per annum on average over the last several years.”

54. In reality, the Offshore Traders working for Woodstock Capital did not, and would not, primarily trade government bonds, short-term interest rate products, and debt securities (either on behalf of the Woodstock Fund or otherwise), and whatever returns they achieved were not through “adhering to exactly the strategy” in the addendum.

55. Miller knew or recklessly disregarded that the statement referenced in paragraph 53 was false and misleading, because, at minimum, he reviewed trading records provided by the Offshore Traders and thus knew or recklessly disregarded that any “historical returns” were not achieved through the strategy set forth in the addendum.

56. **Third**, in his attached draft addendum, Miller outlined the Woodstock Fund’s investment strategy and how the Charter School’s investment would be deployed in a materially misleading manner. In pertinent part, Miller stated that:

- a. The Charter School’s funds would be “invested in US and European Government Bonds and Short-Term interest rate debt securities . . .”

- b. The Woodstock Fund would “concentrate on benchmark 10 year US bonds and European equivalents, as well as Short-Term Notes and interest rate products . . .”
- c. The Woodstock Fund “through its affiliations with liquidity providers, will also extend and provide liquidity to market makers and Broker Dealers in the debt markets and earn a percentage of the liquidity that it provides for this service.”

57. In reality, as alleged in greater detail in paragraphs 96-100, the Woodstock Fund primarily held and extensively traded derivative products. It did not invest in government bonds or short-term interest rate debt securities or “concentrate” on those products.

58. In addition, the Woodstock Fund did not have any “affiliations” with “liquidity providers” and never engaged in any activity related to providing liquidity in the “debt markets.”

59. Miller knew or recklessly disregarded that the statements referenced in paragraph 56 were false and misleading for at least the following reasons.

60. Miller was involved in the decision to select the Offshore Traders, and as a result knew or recklessly disregarded what kind of products would be traded.

61. Miller communicated with Reiner and others at the Woodstock Entities frequently, and had the ability and opportunity to determine what strategy Woodstock Capital was considering or implementing.

62. For example, as alleged in paragraph 13, Miller consistently held himself out as intricately involved with the Woodstock Fund, such that it was at minimum reckless to set forth what the Woodstock Fund’s strategy was if he was not actually aware of the strategy.

63. Miller purports not to understand much of what he wrote as referenced in paragraph 56. For example, he claimed that he did not know what a short-term interest rate debt security was. As such, Miller was at a minimum reckless for setting forth information that he did not understand and, as a result, could not have possibly been in a position to evaluate the veracity of.

64. Additionally, Miller was unable to identify any affiliations that Woodstock had with “liquidity providers,” indicating that Miller had no basis for making this representation.

65. On August 27, 2019, Miller sent an email to the Charter School Official that, among other things, listed the Woodstock Fund’s “service providers.” In this email, Miller stated that the “SEC is the regulator of our Registered Investment Adviser.”

66. In reality, Woodstock Capital was not, and has never been, an investment adviser registered with the Commission.

67. Miller knew or recklessly disregarded that the statement referenced in paragraph 65 was false, at minimum, because he took no steps to confirm whether it was true before making the statement, other than, according to Miller, reviewing Woodstock Partners’ Form D filing with the Commission, which has nothing to do with, and does not state whether, Woodstock Capital is an investment adviser registered with the Commission.

68. In the same email, Miller asked the Charter School Official for certain information, such as contact information, to facilitate preparation of a subscription agreement.

69. The Charter School Official provided responses, and Miller forwarded the response by email to Reiner. In this email to Reiner, Miller said that the Charter School Official “sent the answers back in like TWO minutes!!! She wants to MOVE fast!!! The addendum that was used is attached, so you need to figure out how to incorporate that language in some way” (emphasis in original).

70. On August 29, 2019, following Miller’s email imploring him to “figure out how to incorporate” the language from the addendum, Reiner sent the Charter School Official an email that, among other things, largely restated the description of investment strategy set out in the addendum and referenced in paragraph 56.

71. Woodstock Capital used similar language in an official “side letter” sent to the

Charter School on September 6, 2019.

72. The Charter School invested \$5 million with Woodstock Partners on or about September 10, 2019.

III. MILLER'S MATERIAL MISSTATEMENTS TO THE REAL ESTATE FUND

73. In October 2019, Miller engaged in discussions with the Real Estate Fund, through the Fund Official, regarding a potential investment in Woodstock Partners.

74. These discussions involved multiple calls and emails between and among Miller, the Fund Official, and others.

75. On October 23, 2019, Miller sent the Fund Official a lengthy email, referencing an earlier call and containing a number of material misstatements.

76. **First**, Miller described the Woodstock Fund's "opportunities in the bank debt markets," which he claimed made the Woodstock Fund "unique." While Miller's email does not describe what these transactions or investments actually were, he said that the Woodstock Fund's "allocations" to these transactions "will be accessed only by liquid cash that remains unpledged and unencumbered in the Woodstock bank accounts."

77. Whatever Miller was attempting to describe, there is no indication that any such transactions were available to the Woodstock Fund, and the Woodstock Fund never implemented any such strategy.

78. Miller knew or recklessly disregarded that the statements in paragraph 76 were materially false and misleading because, at minimum, he was involved in internal discussions concerning this purported bank debt market strategy, and knew that the strategy never materialized, but nevertheless portrayed it as an option available to the Woodstock Fund.

79. **Second**, Miller outlined for the Fund Official the same investment strategy described in paragraph 56, which would be applied to "Fund investors with less than \$100M only"

80. For the same reasons identified in paragraphs 57-64, these statements were materially false and misleading, and Miller knew or recklessly disregarded that they were false.

81. Miller also knew or recklessly disregarded that the statements referenced in paragraph 79 were false and misleading because, by October 2023, the Offshore Traders were actively trading on behalf of the Woodstock Fund such that there could be no doubt as to the actual investment strategy.

82. **Third**, Miller again said that the “SEC is the regulator of our Registered Investment Adviser.” For the same reasons identified in paragraph 67, Miller knew or recklessly disregarded that this was false.

83. On October 25, 2019, Miller emailed a third-party that had been involved in the referral of the Real Estate Fund to Miller and Woodstock Capital. Miller was reporting on the call he had with the Fund Official on October 23, 2019.

84. In the email, Miller directed the third-party not to “try explaining anything more to [the Fund Official] . . . because you may inadvertently start saying things that I INTENTIONALLY left out of the conversation because, as I say, I change my areas of emphasis depending on WHO I am talking with. Sometimes LESS is more . . . if you know what I mean” (emphasis in original). In addition, Miller said “the goal . . . is NOT to make sure a prospective investor understands what we are doing . . .” but rather “to make them feel comfortable enough to say ‘yes’” (emphasis in original). Miller added that he “[did not] really care if [prospective investors] understand what [Woodstock Capital] was doing,” because he was “confident we are going to make them very happy making them very nice returns very safely.”

85. As with the Charter School, Miller relayed information to Reiner as part of the solicitation process. For example, on November 1, 2019, Miller forwarded information from the Real Estate Fund to Reiner via email. While the Real Estate Fund indicated it intended to invest \$5

million, Miller noted for Reiner that the Real Estate Fund had “a LOT more than” that (emphasis in original).

86. On November 11, 2019, Miller sent an email to the Fund Official attaching “performance statements from the Woodstock traders” covering June through October 2019. Miller advised the Fund Official that “had [his] \$5M been in Woodstock during this period, these are the exact returns you would have realized.”

87. This was materially false and misleading in multiple respects.

88. For one thing, there were no “Woodstock traders,” as Woodstock Capital engaged the Offshore Traders to trade on behalf of the Fund.

89. Nor was there any trading on behalf of the Woodstock Fund until approximately October 2019, because the first investment was made by the Charter School in September 2019.

90. In addition, these statements did not reflect execution by the Offshore Traders of the strategy that Miller had described as operative.

91. Miller knew or recklessly disregarded that the statements referenced in paragraph 86 were false or misleading because he was involved in the decision to engage the Offshore Traders, has acknowledged his understanding that there were no “Woodstock Traders” and that trading was instead conducted by the Offshore Traders, and having been involved in every stage of the onboarding of the Charter School, knew that this was the first investment in Woodstock Partners such that any prior trading was not on behalf of the Woodstock Fund.

92. Furthermore, the October 2019 statement Miller sent shows a return of 5.5%.

93. By October 2019, the Woodstock Fund was actually trading using investor funds—the funds the Charter School had invested—but in October 2019, the Charter School’s actual return was -2.69%, a loss.

94. Miller knew or recklessly disregarded that his statement that the October 2019 return

reflected what the Real Estate Fund would have realized was false, because, at minimum, he had the ability to evaluate the October 2019 “performance statement” versus the return for an actual investor over the same time period, which would have revealed the inconsistency.

95. The Real Estate Fund invested \$5 million with Woodstock Partners on or about December 3, 2019.

IV. WOODSTOCK FUND TRADING AND SUBSEQUENT EVENTS

96. The Woodstock Fund did not trade debt securities such as government bonds, and instead traded more complex, riskier products—primarily derivatives.

97. For example, at the end of October 2019 (the first full month the Charter School was invested in Woodstock Partners), the Woodstock Fund held derivative products linked to interest rates, currencies, and domestic and foreign government bonds and, as noted above, the Woodstock Fund’s value had decreased by 2.69% for the month.

98. At the end of November 2019, the Woodstock Fund held a range of derivatives products linked to interest rates, currencies, and domestic and foreign government bonds, and the Woodstock Fund’s value had decreased by an additional 11.38% for the month.

99. The Woodstock Fund continued to hold and trade derivative products in the months following the respective investments, and the Woodstock Fund’s value continued to decrease.

100. Despite Miller’s representations, the Woodstock Fund at no point held government bonds. It did not invest in government bonds, or interest rate debt securities, or “concentrate” on those products.

101. In addition, the Woodstock Fund never implemented any strategy related to the “bank debt markets” or leverage any relationships with any “liquidity providers.”

102. By the time the Charter School redeemed its investment in approximately April 2021, the investment’s value had decreased from approximately \$5 million to approximately \$700,000.

103. By the time the Real Estate Fund redeemed its investment in approximately April 2021, the investment's value had decreased from approximately \$5 million to approximately \$761,000.

104. Between August 2019 and April 2021, the Charter School and Real Estate Fund paid management fees totaling approximately \$92,000 to Woodstock Capital.

105. Given the results, Miller did not receive certain performance-based fees contemplated by the revenue-sharing agreement between Woodstock Capital and the LLC he controlled. He did, however, receive management fees totaling \$24,995 between August 2019 and April 2021.

106. Woodstock Capital did not secure any other investment in Woodstock Partners.

107. Each of the Woodstock Entities is now inactive and non-operational.

FIRST CLAIM FOR RELIEF
Violations of Securities Act Section 17(a)

108. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 107.

109. 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, (1) knowingly or recklessly has employed one or more devices, schemes or artifices to defraud, (2) knowingly, recklessly, or negligently has obtained money or property by means of one or more untrue statements of a material fact or omissions of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and/or (3) 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.

110. By reason of the foregoing, Defendant, directly or indirectly, singly or in concert, has

violated and, unless enjoined, will again violate Securities Act Section 17(a) [15 U.S.C. § 77q(a)].

SECOND CLAIM FOR RELIEF
Violations of Exchange Act Section 10(b) and Rule 10b-5 Thereunder

111. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 107.

112. 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, (ii) made one or more untrue statements of a material fact or omitted to state one or more material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and/or (iii) engaged in one or more acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

113. 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 Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

THIRD CLAIM FOR RELIEF
Violations of Advisers Act Section 206(4) and Rule 206(4)-8(a) Thereunder

114. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 107.

115. At all relevant times, Miller was an investment adviser, under Advisers Act Section 202(11) [15 U.S.C. § 80b-2(11)], to a pooled investment vehicle, as defined in Rule 206(4)-8(b) [17 C.F.R. § 275.206(4)-8(b)].

116. Miller knowingly, recklessly, or negligently (i) made one or more untrue statements of a material fact or omitted to state one or more material facts necessary in order to make the

statements made, in light of the circumstances under which they were made, not misleading, to any investor or prospective investor in the pooled investment vehicle, and/or (ii) engaged in one or more acts, practices, or courses of business that were fraudulent, deceptive, or manipulative, with respect to any investor or prospective investor in the pooled investment vehicle.

117. By reason of the foregoing, Miller, directly or indirectly, singly or in concert, has violated and, unless enjoined, will again violate Advisers Act Section 206(4) [15 U.S.C. § 80b-6(4)] and Rule 206(4)-8(a)(2) thereunder [17 C.F.R. § 275.206(4)-8(a)(2)].

PRAYER FOR RELIEF

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

I.

Permanently enjoining Miller and his agents, servants, employees and attorneys and all persons in active concert or participation with any of them from violating, directly or indirectly, Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and Section 206(4) of the Advisers Act [15 U.S.C. § 80b-6(4)] and Rule 206(4)-8(a)(2) thereunder [17 C.F.R. § 275.206(4)-8(a)(2)];

II.

Ordering Defendant to disgorge all ill-gotten gains he received directly or indirectly, with pre-judgment 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 Defendants to pay civil monetary penalties under Securities Act Section 20(d) [15 U.S.C. § 77t(d)], Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)], and Advisers Act Section 209(e) [15 U.S.C. § 80b-9(e)]; and

