

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 100100 / May 10, 2024

ADMINISTRATIVE PROCEEDING
File No. 3-20906

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In the Matter of	:	ORDER APPROVING
	:	PLAN OF DISTRIBUTION
	:	
Geluk Capital Management Ltd	:	
and Douglas Gerald Fathers,	:	
	:	
	:	
Respondents.	:	
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On June 24, 2022, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940, and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the “Order”)¹ against Geluk Capital Management Ltd (“Geluk Capital”) and Douglas Gerald Fathers (“Fathers”) (collectively, the “Respondents”). In the Order, the Commission found that from January through December 2018, Geluk Capital and Fathers represented to investors and prospective investors that the Geluk Global Fund Limited SAC (“Geluk Fund”) had its own proprietary trading strategy and risk controls that had resulted in a multi-year track record of positive performance. However, the Geluk Fund had none of these things and was instead sending investor money to a third-party manager. Further, the Commission found that Geluk Capital and Fathers also charged the Geluk Fund fees in a manner that was inconsistent with fund governing documents.

As a result of the conduct described in the Order, the Commission found that Geluk Capital and Fathers willfully violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, Section 17(a) of the Securities Act of 1933, and Sections 206(1), 206(2), and 206(4) of the Investment Advisers Act of 1940, and Rule 206(4)-8 thereunder.

The Commission ordered the Respondents to pay \$29,081.00 in disgorgement, \$3,607.00 in prejudgment interest, and a \$60,000.00 civil money penalty, for a total of \$92,688.00, to the Commission. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty collected, along with the disgorgement and prejudgment interest collected, can be distributed to harmed investors (the “Fair Fund”).

¹ Securities Act Rel. No. 11077 (June 24, 2022).

The Fair Fund includes the \$29,081.00 paid to date by the Respondents. Any additional funds collected, pursuant to the Order, will be added to the Fair Fund. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Fair Fund and has been deposited in a Commission-designated account at the U.S. Department of the Treasury, and any interest accrued will be added to the Fair Fund.

On March 12, 2024, the Division of Enforcement, pursuant to delegated authority, published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),² pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);³ and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the Proposed Plan from the Commission’s public website or by submitting a written request to Noel Gittens, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876. The Notice also advised that all persons desiring to comment on the Proposed Plan could submit their comments, in writing, within 30 days of the Notice. The Commission received no comments on the Proposed Plan during the comment period.

The Plan provides for the distribution of the Net Available Fair Fund⁴ to compensate investors harmed in connection with their payment of performance fees to the Respondents for the management of funds in the Geluk Global Fund Limited SAC, and related investment losses suffered as a result of the Respondents’ fraudulent conduct between January 1, 2018, and December 31, 2018, inclusive.

The Division of Enforcement now requests that the Commission approve the Proposed Plan.

Accordingly, it is hereby ORDERED, pursuant to Rule 1104 of the Commission’s Rules,⁵ that the Proposed Plan is approved, and the approved Plan of Distribution shall be posted simultaneously with this Order on the Commission’s website at www.sec.gov.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁶

Vanessa A. Countryman
Secretary

² Exchange Act Rel. No. 99720 (Mar. 12, 2024).

³ 17 C.F.R. § 201.1103.

⁴ All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

⁵ 17 C.F.R. § 201.1104.

⁶ 17 C.F.R. § 200.30-4(a)(21)(iv).