UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION, **Plaintiff,** **v.** **ABRAAJ INVESTMENT MANAGEMENT LIMITED, and ARIF NAQVI,** **Defendants.**	**No. 19-cv-3244-AJN** **AMENDED COMPLAINT** **JURY TRIAL DEMANDED**

Plaintiff Securities and Exchange Commission (the "Commission"), for its Amended Complaint against Abraaj Investment Management Limited ("AIML") and Arif Naqvi ("Naqvi") (collectively "Defendants"), alleges as follows:

SUMMARY OF ALLEGATIONS

1. AIML, an investment adviser operating in Dubai, United Arab Emirates ("UAE"), and its founder, Naqvi, defrauded two private funds they advised – Abraaj Private Equity Fund IV ("APEF IV") and the Abraaj Growth Markets Health Fund ("Abraaj Health Fund") (collectively "the Funds") – and their United States-based limited partners-investors, by misappropriating over $400 million of the Funds' money from at least June 2015 until at least June 2018 ("Relevant Period"). While AIML and Naqvi falsely reported to APEF IV, the Abraaj Health Fund, and their United States-based limited partners-investors that their money would be invested in the securities of portfolio companies over a range of industries in emerging markets, AIML and Naqvi misappropriated the money to cover cash shortfalls and remediate insolvency

at AIML and its parent company, Abraaj Holdings, a separate entity that Naqvi largely owned and controlled.

2. During the Relevant Period, AIML sent drawdown notices totaling hundreds of millions of dollars to, among others, the Funds' United States-based limited partners-investors that identified specific investments that AIML was going to make on behalf of the Funds. In response to the notices, the United States-based limited partners-investors of APEF IV and the Abraaj Health Fund transferred cash to foreign bank accounts in the name of entities owned and controlled by the Funds.

3. Under Naqvi's observation, supervision, direction, and authorization, AIML transferred these cash deposits to the accounts of AIML and Abraaj Holdings and commingled the cash from both Funds with cash from other Abraaj Group funds, AIML, and Abraaj Holdings. Under Naqvi's observation, supervision, direction, and authorization, AIML then used these accounts, and the large pool of cash they held, as a central treasury to make some investments for the funds, but frequently to pay the expenses of AIML and Abraaj Holdings to keep those entities from collapsing. AIML also transferred large sums of money from its accounts to Naqvi and entities that he controlled for his personal use in excess of compensation to which he was entitled.

4. Similarly during the Relevant Period, under Naqvi's observation, supervision, direction, and authorization, AIML sold the security interests of certain portfolio companies of APEF IV, but delayed payment to the fund's United States-based limited partners-investors so it could use the proceeds of these sales to cover the mounting expenses at AIML and Abraaj Holdings, keeping them solvent at the expense of the Funds and their limited partners-investors. Naqvi also improperly used these misappropriated funds for his personal use.

5. AIML and Naqvi, assisted by other Abraaj Group executives acting at Naqvi's direction, concealed the misappropriation from APEF IV, the Abraaj Health Fund, and United States-based limited partners-investors. Naqvi and others designed, approved, and falsified fund financial statements and, among other things, used short-term loans to increase cash balances for year-end accounting purposes to hide the massive, ongoing misappropriation they were running to keep AIML and Abraaj Holdings solvent.

6. Finally, Naqvi and other AIML employees working under Naqvi's observation, supervision, authorization, and direction, made materially misleading statements to APEF IV, the Abraaj Health Fund, and United States-based limited partners-investors about the use of the Funds' money to cover up their misappropriations of hundreds of millions of dollars that belonged to the Funds and their limited partners-investors.

7. Defendants' misappropriations, materially false statements, omissions, and related deceptive acts violated the anti-fraud provisions of the Investment Advisers Act of 1940 ("Advisers Act"), 15 U.S.C. §§ 80b-1-21, and Rule 206(4)-8(b), 17 C.F.R. § 275.206(4)-8(b). The Commission respectfully requests, among other things, that the Court enjoin Defendants from committing further violations of the Federal securities laws alleged in this Amended Complaint, and order Defendants to pay disgorgement, plus prejudgment interest, and a monetary penalty based upon these violations.

JURISDICTION AND VENUE

8. The Court possesses jurisdiction over this action pursuant to Sections 209(d)-(e), and 214(b) of the Advisers Act, 15 U.S.C. §§ 80b-9(d)-(e), & 80b-14(b).

9. Venue lies in this District pursuant to Section 214 of the Advisers Act, 15 U.S.C. § 80b-14, because certain of the acts and transactions constituting the violations alleged herein

occurred within the Southern District of New York and because Defendants transacted business in this District. Among other things, the Investor Relations Office that supported AIML, APEF IV, and the Abraaj Health Fund activities in the United States was located in this District, as well as at least five limited partners-investors.

10. In connection with the unlawful conduct alleged in this Amended Complaint, Defendants solicited and sold limited partnership interests in APEF IV and the Abraaj Health Fund to United States investors with whom Defendants maintained regular communication by providing, for example, false or materially misleading audited financial statements and Quarterly Reports. United States investors were limited partners in the Funds. These United States-based limited partners-investors transmitted capital contributions to foreign bank accounts of APEF IV and the Abraaj Health Fund from bank accounts they had in the United States and/or through correspondent banks in the United States, including banks in this District. For the Abraaj Health Fund, United States-based limited partners-investors were members of the Limited Partner Advisory Committee ("LPAC") and attended committee meetings during the Relevant Period, including at least one LPAC meeting that occurred in this District. Defendants' unlawful conduct had a foreseeable substantial effect within the United States because the deceptive acts involved substantial sums of money contributed by United States-based limited partners-investors, and Defendants transmitted misleading information to limited partners-investors in the United States. Further, Defendants made use of the means or instrumentalities of interstate commerce, and made use of the means or instruments of transportation or communication in interstate commerce, and of the mails.

11. Naqvi and others at AIML working at Naqvi's observation, supervision, authorization, and direction, frequently solicited and sold limited partnership interests to APEF

IV, the Abraaj Health Fund, and other Abraaj Group private funds to numerous investors located in the United States, including in this District.

12. For example, in or around June 2014, AIML sold a portion of Abraaj Holdings' limited partnership interests in APEF IV to a United States investor who was represented by an advisory firm located in this District ("U.S. Advisory Firm"). The U.S. Advisory Firm signed the transactional documents for this limited partner interest in this District.

13. A United States governmental entity committed an additional $150 million debt investment ("U.S. Governmental Entity") to the Abraaj Health Fund in August 2017. The Finance Agreement between the U.S. Governmental Entity and the Abraaj Health Fund General Partner was governed by the laws of New York. It further provided the U.S. Governmental Entity with the right to enforce the Finance Agreement in, among other United States jurisdictions, any state or Federal court in New York, and the Abraaj Health Fund General Partner and AIML agreed to waive any defenses to venue and to consent to jurisdiction of those courts. The Finance Agreement also required Abraaj Health Fund General Partner and AIML to designate an agent for service of process in New York, among other United States jurisdictions.

14. In addition, Naqvi attended several meetings in this District to discuss the Abraaj Group's investment activities and to meet with investors. Naqvi and the Abraaj Group hosted many of these meetings. For example, in December 2016, the Abraaj Group held an "Abraaj Growth Markets Forum" in this District, in which Naqvi and other AIML employees attended and discussed emerging markets opportunities. Numerous United States investors attended, including one limited partner-investor in APEF IV. In addition, in September 2017, the Abraaj Group hosted a "Scaling Impact Investing" forum in this District in which Naqvi participated. During that forum, the Abraaj Group signed a memorandum of understanding with an

international charitable federation with an office in this District ("Charitable Federation") that established a partnership between the Abraaj Health Fund and the Charitable Federation to provide health care-related education and to establish methods for increased patient access to hospitals owned by the Abraaj Health Fund. AIML advertised this partnership in its Quarterly Reports that it sent to its limited partners-investors in the Abraaj Health Fund.

15. In 2017 and 2018, Naqvi and AIML also held numerous due diligence meetings with potential U.S. investors in this District to pitch its latest private fund, called the Abraaj Private Equity Fund VI ("APEF VI"), and they received commitments from numerous United States-based investors, including investors located in this District.

16. Naqvi also made numerous telephone calls and sent emails to United States investors, including those in this District, in furtherance of Naqvi's and AIML's investment adviser activities. In April 2017, for example, Naqvi exchanged emails with the representative of a large financial services firm located in this District ("U.S. Financial Services Firm") concerning their work together on APEF VI, and Naqvi stated, "thank you so much for all your support as well, and the partnership you have shown. We value our relationship, and I will make sure the whole Firm is there to support your team's efforts; let[']s have a massive success!"

DEFENDANTS

17. **AIML**, an exempt reporting investment adviser with the Commission, is a UAE-based and Cayman Islands-incorporated exempted, limited liability company, and wholly owned subsidiary of Abraaj Holdings. During the Relevant Period, AIML was the Investment Adviser and Manager to, among other private funds, APEF IV and the Abraaj Health Fund. Until at least April 2018, Naqvi was a member of its Board of Directors. During the Relevant Period, AIML received substantial compensation for its investment adviser services to APEF IV and the Abraaj

Health Fund. AIML voluntarily declared bankruptcy and entered liquidation proceedings in or around June 2018, in the Grand Court of the Cayman Islands.

18. **Naqvi**, age 59, is a Pakistani national. He is the founder and largest owner of Abraaj Holdings, which is the sole owner of AIML. Naqvi headed, ran, and operated Abraaj Holdings, AIML, APEF IV, and the Abraaj Health Fund. During the Relevant Period, he was an investment adviser to, among other funds, APEF IV and the Abraaj Health Fund. During the Relevant Period, Naqvi received substantial compensation for his investment adviser services to APEF IV and the Abraaj Health Fund.

RELEVANT ENTITIES

19. **Abraaj Group** was the informal name for a large group of related entities consisting of private funds, their general partners, investment advisers, and other entities that Naqvi founded in 2002, and included Abraaj Holdings and AIML. As of 2018, the Abraaj Group reportedly managed over $13 billion in numerous funds that were typically structured as limited partnerships.

20. **Abraaj Holdings** is a UAE-based, Cayman Islands-incorporated exempted limited liability company that Naqvi founded in 2002. Naqvi was its largest owner, CEO, and a member of its Board of Directors. Furthermore, Abraaj Holdings' Memorandum and Articles of Association provided that Naqvi had "full power and authority in operating [Abraaj Holdings] and shall have full authority to take all day-to-day decisions for the running and operation of [Abraaj Holdings]." Abraaj Holdings served as the Abraaj Group's top-level holding company and owned numerous entities, including AIML, other investment adviser entities, and certain private funds' general partners. Abraaj Holdings also held limited partnership interests in Abraaj Group-managed funds, and portions of some of the funds' investment portfolio companies.

Abraaj Holdings voluntarily declared bankruptcy and entered liquidation proceedings in or around June 2018, in the Grand Court of the Cayman Islands.

21. **APEF IV** is a private fund formed in 2008 as an exempt limited partnership in the Cayman Islands under the name Abraaj Buyout Fund IV, which was changed to APEF IV in 2012. The fund was organized to invest in the securities of portfolio companies across a variety of industries primarily in the Middle East, North Africa, and South Asia, also known as the MENASA region. APEF IV's first investor closing date was on October 1, 2008, with a total commitment of $1.59 billion from investors who became limited partners of the fund. By September 2015, APEF IV had at least four United States investors who had become limited partners of the fund, including one investment management company based in this District. APEF IV also added additional United States investors as limited partners in 2016. AIML owned and controlled the fund's general partner ("APEF IV General Partner"). AIML and Naqvi served as the fund's investment advisers during the Relevant Period.

22. **Abraaj Health Fund** is a private fund formed in 2015 as an exempt limited partnership in the Cayman Islands. The fund was organized to invest in businesses operating in the healthcare and related sectors in emerging markets The Abraaj Health Fund's first investor closing date was on September 30, 2015, and its final close was on July 31, 2016, with a total commitment of $850 million from investors who became limited partners in the fund. The Abraaj Health Fund's largest investor was based in this District, and other United States-based investors were among the limited partners, including a large charitable foundation ("U.S. Charitable Foundation") and several other charitable organizations. On August 18, 2017, the U.S. Governmental Entity committed an additional $150 million debt investment through a Finance Agreement. AIML owned and controlled the fund's general partner ("Abraaj Health

Fund General Partner"). AIML and Naqvi served as the Abraaj Health Fund's investment advisers during the Relevant Period. In Form D filings with the Commission, the Abraaj Health Fund claimed it was exempted from registration with the Commission because it was a pooled investment vehicle excluded from the definition of an "investment company" in the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1-64, pursuant to Sections 3(c)(1) and 3(c)(7) of the Act, 15 U.S.C. § 80a-3(c)(1) & (7).

FACTUAL ALLEGATIONS

I. AIML And Naqvi Were Investment Advisers Who Owed Fiduciary Duties To APEF IV And The Abraaj Health Fund

23. APEF IV and the Abraaj Health Fund were primarily engaged in, and held themselves out as being primarily engaged in, and proposed to engage themselves primarily in the business of investing, reinvesting, and/or trading in securities.

24. According to the APEF IV private placement memorandum ("APEF IV PPM"), APEF IV would "make investments in buy-outs, growth capital opportunities, greenfield projects and privatisations," and it expected to structure investments "through various means, including but not limited to the acquisition, sale and disposal of shares, debentures, warrants and other securities or interests." Similarly, the APEF IV limited partnership deed ("APEF IV LPD") stated that APEF IV investments "will be in the nature of buy-outs (whether or not such buyouts result in a controlling interest), growth capital opportunities, greenfield projects and privatisations. Investments may be made in the securities of listed companies where a strategic minority stake is being acquired."

25. APEF IV had an investment period of eight years from the first closing date, subject to early termination and extensions under certain circumstances. Upon termination, the fund's assets were to be realized and distributed in accordance with the APEF IV LPD.

26. According to the Abraaj Heath Fund private placement memorandum ("Abraaj Health Fund PPM"), the fund would "make a combination of control and minority investments in a mix of existing and new businesses in healthcare and related sectors." Similarly, the Abraaj Health Fund limited partnership agreement ("HFLPA") stated that the "purpose of [the Abraaj Health Fund] is to carry on the business of an investor investing in a combination of control and minority investments in existing businesses and new businesses in the healthcare and related sectors and in particular but without limitation to identify, research, negotiate, make and monitor the progress of and sell, realize, exchange or distribute investments which shall include but shall not be limited to the purchase, subscription, acquisition, sale and disposal of shares, debentures, convertible loan stock and other securities, and the making of loans whether secured or unsecured to such companies in connection with equity and equity equivalent or related investments."

27. The Abraaj Health Fund had an investment period of 10 years from the first closing date, subject to early termination and extensions under certain circumstances. Upon termination, the fund's assets were to be realized and distributed in accordance with the HFLPA.

28. AIML and Naqvi were the managers and investment advisers to APEF IV and the Abraaj Health Fund. AIML and Naqvi advised the Funds as to the securities of the specific portfolio companies to target, the value of those securities, and the advisability of investing in, purchasing, and selling the securities of such portfolio companies. AIML and Naqvi controlled the purchase and sale of the securities of the portfolio companies held by APEF IV and the Abraaj Health Fund.

29. The APEF IV LPD identified Naqvi as one of 10 "Key Investment Executives," and provided that, if less than 50 percent of the Key Investment Executives did not devote

"substantially all their business time to the business of" AIML, it could trigger a suspension of the fund's investment period.

30. Similarly, the HFLPA identified Naqvi as a "Key Person," and provided that a suspension of the fund's investment period would automatically occur if, among other things, Naqvi and one of three other AIML executives did not "devote substantially all of their business time . . . to the affairs of the Partnership," or, alternatively, if Naqvi "ceas[ed] to oversee the Fund's strategy, investments and divestments," along with one other fund executive. In addition, the Abraaj Health PPM stated that Naqvi was the "Head of the Fund" who "led the design of the [Fund] concept and the strategy and business plan," and was one of two senior executives responsible for "overseeing the Fund's activities."

31. Throughout the Relevant Period, AIML and Naqvi made investment decisions for both APEF IV and the Abraaj Heath Fund through a committee called the Global Investment Committee ("GIC"). The GIC evaluated and recommended securities investment opportunities to the Abraaj Group's private funds, including APEF IV and the Abraaj Health Fund, made the decision on behalf of the funds as to whether and when to invest in securities, monitored the performance of their investments, and, when appropriate, developed and recommended disposition strategies for the sales of the funds' securities. The GIC was a committee of up to seven members, five of which were permanent. Naqvi was the GIC's Chairman throughout the Relevant Period. The GIC's investment decisions required a unanimous vote, but Naqvi, as Chairman, had veto power and also could override one dissenting vote.

32. AIML and Naqvi received compensation for their investment adviser services to, among other funds, APEF IV and the Abraaj Heath Fund. For example, in 2015, Naqvi received

$3.75 million as a base salary and an over $50 million bonus, and in 2016, Naqvi received a base salary of $5.5 million and an over $14 million bonus for his investment adviser services.

33. As APEF IV's and the Abraaj Health Fund's investment advisers, AIML and Naqvi owed fiduciary duties to the Funds.

II. AIML And Naqvi Misappropriated The Funds' Assets To Manage Insolvency At AIML And Abraaj Holdings

34. By at least June 2015 and continuing until Abraaj Holdings and AIML entered into liquidation proceedings in the Cayman Islands in 2018, the entities were insolvent, lacking the legitimate income to cover basic business expenses such as employee salaries and other operating costs. During this time, Naqvi and others at AIML working under Naqvi's observation, supervision, authorization, and direction, transferred and used hundreds of millions of dollars of investor money from at least two private funds under their management – APEF IV and the Abraaj Health Fund – to meet these cash shortfalls and temporarily remediate the insolvency.

35. By at least June 2015, high-ranking executives of the Abraaj Group that were loyal to and supported Naqvi provided at least monthly updates to him by email regarding AIML's and Abraaj Holding's cash balance deficits.

36. For example, on June 5, 2015, an Abraaj Group executive emailed Naqvi the Abraaj Group's cash requirements, and projected that the Abraaj Group would have a cash shortfall of $168 million by the end of June.

37. During the Relevant Period, AIML sent several drawdown notices totaling hundreds of millions of dollars to APEF IV's and the Abraaj Health Fund's limited partners-investors that identified specific securities investments that AIML was going to make on behalf of the Funds. In response to the notices, the United States-based limited partners-investors of

APEF IV and the Abraaj Health Fund transferred cash from United States bank accounts and/or through correspondent bank accounts, including in this District, to foreign bank accounts in the name of entities owned and controlled by the Funds.

38. Under Naqvi's observation, supervision, direction, and authorization, AIML transferred these limited partners-investors' cash deposits to accounts in the name of AIML and Abraaj Holdings and commingled the cash from both Funds with its own cash and with cash from other Abraaj Group funds and third-party sources. Under Naqvi's observation, supervision, direction, and authorization, AIML then used AIML's and Abraaj Holding's accounts, and the large, commingled pool of cash they held, as a central treasury to make some investments for the Funds, but frequently to pay the expenses of AIML and Abraaj Holdings to keep those entities from collapsing. AIML also transferred large sums of money from its accounts to Naqvi and entities that he controlled, in excess of the compensation to which he was entitled. Since at least June 2015 – as a result of these practices – AIML and Abraaj Holdings were in constant debt to the Funds that AIML and Naqvi managed – often totaling in the hundreds of millions of dollars.

39. Similarly during the Relevant Period, under Naqvi's observation, supervision, direction, and authorization, AIML sold the security interests of certain portfolio companies of APEF IV, but delayed payment to the fund's limited partners-investors so it could use the proceeds of these sales to cover the mounting expenses at AIML and Abraaj Holdings, thereby keeping them solvent.

40. At each fiscal year-end, Naqvi, assisted by other Abraaj Group executives working under his observation, supervision, authorization, and direction, worked to conceal that Naqvi and AIML were misappropriating large amounts of cash from the limited partners-investors of APEF IV and the Abraaj Health Fund to cover business expenses and debt

obligations for AIML and Abraaj Holdings, as well as the transfers that went to Naqvi and entities that he controlled. Naqvi and others designed, approved, and falsified fund financial statements and quarterly reports, and used short-term loans to increase cash balances for year-end accounting purposes to make it appear as though the funds' cash had been used appropriately and hide the massive, ongoing misappropriations to keep AIML and Abraaj Holdings solvent.

41. Finally, Naqvi and others at AIML working under his observation, supervision, authorization, and direction, lied to APEF IV, the Abraaj Health Fund, and the Funds' limited partners-investors about their use of the Funds' money, making materially misleading statements about their use of funds to cover-up the fact that they had misappropriated hundreds of millions of dollars from the Funds.

A. AIML And Naqvi Misappropriated At Least $250 Million From APEF IV

42. APEF IV was a private fund formed in 2008, under the name Abraaj Buyout Fund IV, as a limited partnership managed by AIML and Naqvi.

43. According to the APEF IV Private Placement Memorandum ("PPM"), the fund was formed to make investments primarily in the securities of portfolio companies in the Middle East, North Africa, and South Asia, also known as the MENASA region. These portfolio companies operated primarily in, among other industries, the construction, infrastructure, oil and gas, power, and pharmaceutical sectors, which were areas that Naqvi believed were most likely to experience significant growth in the emerging markets of MENASA.

44. The APEF IV PPM and LPD provided that the fund sought "to make investments in buy-outs, growth capital opportunities, greenfield projects and privatisations" and it expected to structure investments "through various means, including but not limited to the acquisition, sale and disposal of shares, debentures, warrants and other securities or interests." The APEF IV

PPM further stated that it expected the fund to make 10 to 15 investments that would be realized in three to five years.

45. According to the APEF IV Management Agreement between the APEF IV General Partner and AIML, AIML was authorized to manage the business, affairs, and assets of the partnership, but it was required to comply with the terms of the PPM and LPD and was prohibited from taking any action that "might be reasonably considered likely to prejudice" the business or reputation of APEF IV. AIML was strictly prohibited from holding "the money of [APEF IV] in its own account," and was required to pay distributions "as soon as practicable direct[ly] to [APEF IV's] bank accounts without passing through any account in the name of" AIML. In accordance with these directives, AIML was only entitled to (i) draw down limited partner capital commitments to make specific investments for the fund; and (ii) receive an adviser or management fee not to exceed 2% of investor commitments to the fund until the end of the Commitment period, followed by 2% of the acquisition cost of the fund's investments.

46. A team of investment and operating professionals led by Naqvi were responsible for overseeing all stages of APEF IV's investments, including, but not limited to, "deal origination," deal "structuring," "ensuring the attainment of the business plan during the life of the investments," and "exit management."

47. Naqvi had signatory authority on all APEF IV and AIML bank accounts. Pursuant to this authority, Naqvi was a required signatory on all transfers in excess of $25 million from APEF IV bank accounts until February 2017, when it was increased to $75 million. Naqvi was a signatory for AIML bank accounts for transfers in excess of $25 million or $75 million, depending on the account, until March 2017, when it was increased to $75 million for all AIML bank accounts.

1. In 2015, AIML And Naqvi Misappropriated Over $94 Million From APEF IV, Including For Naqvi's Personal Use

48. On September 21, 2015, AIML issued a drawdown notice to the APEF IV limited partners-investors requesting $238.5 million to be paid no later than October 5, 2015. According to the drawdown notice, AIML claimed that it would use the money to purchase security interests in two new investments, and four follow-on investments.

49. AIML issued the drawdown notice to several United States-based limited partner-investors, including the U.S. Advisory Firm and another that was managed by an investment management firm ("U.S. Management Firm") located in this District. On October 5, 2015, the U.S. Advisory Firm and the U.S. Management Firm transferred the requested funds from bank accounts located in this District to a foreign APEF IV bank account.

50. In total, from September through December 2015, the APEF IV limited partners-investors that received the drawdown notice deposited approximately $150 million into an APEF IV bank account.

51. AIML commingled these APEF IV funds with other Abraaj Group money into a central treasury that it used, among other things, to cover cash shortfalls at AIML and Abraaj Holdings.

52. Naqvi knew, authorized, and directed this use of funds. For example, on October 26, 2015, an Abraaj Group finance employee ("Finance Employee") emailed Naqvi concerning the Abraaj Group's existing cash positions and its use of APEF IV drawdown funds. The Finance Employee noted, among other things, that AIML had already transferred $67.75 million of the APEF IV drawdown proceeds to itself, and used another $27.18 million for APEF IV deals. He also projected that AIML would take another $23 million from APEF IV by the end of the month.

53. In all, bank records reflect that, between September and December 14, 2015, AIML transferred approximately $94.7 million, almost 40 percent of the total amount requested in the drawdown notice, in several transmissions, from an APEF IV bank account to its own bank account.

54. Of this money, AIML transferred $48.9 million to six other Abraaj Group private funds, including the Infrastructure & Growth Capital Fund ("IGCF"), $28 million to pay Abraaj Group expenses not related to APEF IV (including loan repayments and payroll), $12.4 million to different satellite Abraaj Group offices for unknown purposes (but not returned to APEF IV), and $5.4 million directly to Naqvi and an entity he owned and controlled, Silverline Holdings Limited ("Silverline").

55. None of the transfers of APEF IV investor funds alleged above were authorized by APEF IV's LPD, or otherwise consisted of legitimate compensation that APEF IV owed to AIML or Naqvi.

56. In addition, AIML did not disclose to the fund or its limited partner-investors that the $94.7 million was not used to purchase securities in the portfolio companies identified in the drawdown notice, but was transferred to AIML to cover the Abraaj Group's liquidity needs. Rather, in APEF IV's Report of the General Partner for the quarter ending December 31, 2015, AIML claimed to have received only $6 million in fees and no expenses during that quarter.

2. Starting In December 2015, AIML And Naqvi Misappropriated Proceeds From The Sale Of An APEF IV Portfolio Company

57. In late 2015, AIML arranged to sell its securities in one of APEF IV's existing portfolio companies ("APEF IV Company A") for approximately $330 million.

58. On December 30, 2015, an APEF IV bank account received approximately $135 million as an initial payment of the proceeds from the sale of the securities of APEF IV

Company A, of which APEF IV was entitled to $116.9 million, after payment owed to a co-investor. AIML did not maintain those funds for the benefit of APEF IV or its limited partners-investors. Rather, the same day, AIML transferred the entire $135 million from an APEF IV bank account to an AIML bank account, and, by the next day, transferred $97.5 million of those funds to an IGCF bank account in several transfers, one of which was for over $92 million.

59. As a required signatory for the APEF IV and AIML bank accounts for transfers of at least $25 and $75 million, respectively, at that time, Naqvi approved the $135 million and $92 million transfers alleged in the preceding paragraph.

60. Between December 31, 2015, and January 4, 2016, AIML used approximately $64.9 million of the APEF IV investor funds to repay IGCF limited partners-investors for an outstanding distribution AIML had not yet paid to IGCF from the sale of an IGCF portfolio company that occurred by May 2015. AIML then transferred the remaining APEF IV funds, totaling $29.5 million, from an IGCF bank account back to an AIML bank account.

61. On February 11, 2016, the buyer of the securities of APEF IV Company A transferred the remaining proceeds from the sale of the securities of APEF IV Company A to an APEF IV bank account. The fund was entitled to approximately $195 million of these proceeds.

62. Despite having received more than $300 million from the sale of the securities of APEF IV Company A by February 11, 2016, Abraaj Group employees informed Naqvi that the Abraaj Group did not have the money to fund upcoming obligations for APEF IV investments. On February 14, 2016, the Abraaj Group's Director of Finance ("Finance Director") emailed Naqvi, copying the Abraaj Group's Head of Finance and Operations ("Finance Head"), the AIML's CEO of Private Equity ("Private Equity CEO"), and the Finance Employee regarding the Abraaj Group's cash flow positions. Among the Finance Director's "key points" was that the

Abraaj Group was expected to have a $104.74 million negative cash balance at the end of February "mainly due to projected payments" for APEF IV investments, and that additional APEF IV investments in March 2016 would increase this negative balance to more than $297 million. He then stated, "We will not have funds in March to meet various day to day obligation[s] in the absence of any receipts." The Finance Director further noted, "We are not currently in a position to fund all of the above APEF IV deals," and asked for Naqvi's advice on how to proceed, as Naqvi had already approved the outstanding APEF IV investments.

63. In his February 14, 2016 email, the Finance Director further noted that Abraaj Holdings owed APEF IV *another* almost $30 million because Abraaj Holdings – also an APEF IV limited partner – had not paid its share of the October 2015 drawdown, and because certain proceeds from the sale of the securities of APEF IV Company A were "transferred to AIML."

64. On February 24, 2016, the Finance Director emailed Naqvi, copying the Finance Head, Private Equity CEO, and the Finance Employee, to update them on Abraaj Group's cash flow situation. The Finance Director stated that Abraaj Group is "barely managing to cover February payroll and will not have funds in March to meet ongoing expenses in the absence of any receipts." As for APEF IV, the Finance Director noted that they had received a request that day from AIML employees to fund $50 million for APEF IV investments, and that, in total, Abraaj Holdings would need $85 million to fund APEF IV investments in the near future, but "with current balance available [it] is not possible."

65. Naqvi also directed AIML to use APEF IV money to pay his personal expenses, despite the fact that APEF IV was already short on cash to fund its investments. On February 27, 2016, the Finance Director emailed Naqvi concerning the funding of $2.4 million for Naqvi's charitable organization, the Aman Foundation, and two other entities Naqvi owned and

controlled, noting that the Abraaj Group's central treasury had $4.5 million available, but needed the money for other Abraaj Group expenses. The Finance Director then said, "Please advise." Naqvi responded, "We can't pull some cash from APEF [IV]?" The Finance Director responded that, after making payments related to two APEF IV portfolio companies, APEF IV would have about $22 million in its bank accounts. He further reminded to Naqvi that the GIC had approved the use of that money to pay for APEF IV portfolio companies, but that they could use that money for Naqvi's personal expenses "[i]f we can delay" sending those approved funds to the portfolio companies.

66. On March 3, 2016, the Finance Director again emailed Naqvi, copying the Finance Head, Private Equity CEO, and the Finance Employee, concerning Abraaj Group's cash position. He projected that the Abraaj Group would have an over $23 million negative cash balance at the end of the month, and noted that they had "borrowed an additional $8 million from APEF IV."

67. Four days after Naqvi suggested it, on March 6, 2016, AIML transferred $8 million from an APEF IV bank account to an AIML bank account. This transfer was in addition to the management fees and expense reimbursements to which AIML was entitled.

68. On March 13, 2016, the Finance Director further updated Naqvi, copying the Finance Head, Private Equity CEO, and the Finance Employee, concerning the Abraaj Group's cash flow. He projected they would have a negative balance of $18.15 million by the end of the month, and that "[w]e are barely managing to cover expenses and various obligations till 18 March." He also emailed an updated chart of APEF IV's cash flow, which noted that they had transferred $219 million to AIML.

69. On March 3 and 22, 2016, Silverline received a total of $2.25 million from AIML's bank account, using APEF IV cash commingled with other Abraaj Group money. These funds did not consist of compensation to which Naqvi was entitled.

70. On March 28, 2016, the Finance Director sent an updated cash flow analysis to Naqvi, copying the Finance Head, Private Equity CEO, and the Finance Employee, noting that the Abraaj Group would have an almost $20 million negative cash balance at the end of March, and cautioned, "[w]e will be able to survive the month only[] if we borrow $16m from APEF IV to cover" the non-APEF IV-related expenses, including Abraaj Group insurance payments and payments for a private jet.

71. In accordance with this email, on March 31, 2016, AIML transferred another $16 million to its own bank account from an APEF IV account.

72. None of the transfers of APEF IV investor funds alleged above were authorized by APEF IV's LPD or otherwise consisted of legitimate compensation APEF IV owed to AIML or Naqvi.

73. In addition, none these transfers of APEF IV were reported to, or approved by, the fund or its limited-partner investors. The Report of the General Partner for the quarter ending March 31, 2016, reported to APEF IV and its limited partners-investors that AIML received only $6 million in management fees and had no expenses during that quarter.

3. Naqvi Directed AIML To Delay Paying Distributions To APEF IV Limited Partners And Approved A $47 Million Transfer Of APEF IV Cash To Cover Expenses Of AIML And Abraaj Holdings

74. Between March 7 and 10, 2016, AIML sold the securities of another APEF IV portfolio company ("APEF IV Company B"), and the fund received $184.9 million from the sale.

75. In total, by March 11, 2016, AIML had received approximately $497 million in distributions from the sales of securities in APEF IV Companies A and B. According to the APEF IV LPD, fund distributions had to be repaid "as soon as reasonably practicable after the relevant amounts become available for distribution, provided that the General Partner shall use reasonable efforts to distribute such Capital within 45 days after such amounts become available for distribution."

76. Despite this obligation, AIML, at Naqvi's direction, delayed paying those distributions because the Abraaj Group needed the cash to cover its liquidity shortfalls.

77. Certain APEF IV limited partners-investors, however, were aware of the recent sales at least due to public reporting on the transactions, and made several inquiries about the timing of their distributions. For example, on March 17, 2016, a representative of the U.S. Advisory Firm based in this District emailed Naqvi for an update on when APEF IV would pay the distributions. On March 20, 2016, Naqvi forwarded the U.S. Advisory Firm's email to the Private Equity CEO, the Finance Director, and other Abraaj Group employees, noting, "I think we should start paying selectively to ward off noise."

78. Naqvi then devised a plan to delay APEF IV distribution payments to its limited partners-investors to enable AIML to maintain the funds for its own purposes. On April 1, 2016, for example, Naqvi sent the Private Equity CEO, the Finance Director, and other AIML employees a proposed schedule drafted by the Finance Director detailing a plan to selectively pay limited partners-investors over the next three months, and Naqvi explained:

> [p]lease see [the Finance Director's] earlier schedule, with attached payment schedule for payments in order of importance, noise makers and those that will come back, with the latest being legacy investors and passive voices. Will need to be managed quietly internally, and will probably have to have a small team comprising those here, [and others], with everything tightly controlled and nobody outside the loop knowing what is going on; as far as the rest of the Firm is concerned, all payments have been made. Idea is to get up to date immediately with the first lot, then payments at end of April, [M]ay, June. Do I have the allocation correct?

79. Later that day, Naqvi again emailed the Private Equity CEO regarding Naqvi's plan, requesting that the Private Equity CEO "focus on this." The Private Equity CEO responded, "[b]een following the trail and will do as it says but very difficult to keep it tight. No choice though. We have to do it." Naqvi then asked if his proposed breakdown of investor payments was correct, to which the Private Equity CEO responded, "Seems ok. But the more we narrow the gap between first and last the less the chance of noise."

80. On April 4, 2016, Naqvi responded to the U.S. Advisory Firm's question about APEF IV distributions, stating it would receive its distributions "April 15 latest; hence imminent. Cash all pretty much in, doing final tax and corporate sign offs." Naqvi failed to disclose, however, that he had already devised a plan to delay distributions to investors.

81. In accordance with Naqvi's plan, on April 15, 2016, AIML issued a distribution notice to certain APEF IV limited partners-investors, including several United States-based limited partners-investors, informing them that the fund had sold its security interests in APEF IV Companies A and B and was issuing a distribution. However, pursuant to section 4.2(d) of the APEF IV LPD, AIML claimed that the fund would re-invest about $200 million for fees and expenses and to pay for several new investments. Although it owed its limited partners-investors approximately $261 million in distributions, AIML, at Naqvi's direction, distributed only approximately $91 million to select limited partners-investors in April 2016.

82. By May 2016, however, AIML and Abraaj Holdings faced increasing liquidity problems that jeopardized its ability to repay APEF IV limited partners-investors even on Naqvi's delayed schedule. In a May 3, 2016 email, the Finance Head told Naqvi that, after "pushing all non-critical payments to June," the Abraaj Group had a $27.39 million shortfall at the end of May, and if they used cash from APEF IV, "there will be only US $24m left for [APEF IV Company A and B] distribution against US $81m needed to pay the planned May tranche – a gap of US$57m." The Finance Head further noted that the Abraaj Group needed to make an additional $194 million in payments by June 2016, including another $59 million for that month's planned distribution payments. He stated that "[o]bviously, this must be on your mind but highlighting the critical timeline," and suggested that they meet to discuss.

83. On May 10, 2016, the Finance Director informed Naqvi, the Private Equity CEO, and the Finance Head that Abraaj Holdings' cash requirements for that month were $46.7 million for various non-APEF IV-related expenses including payroll and loan repayments. The Finance Director requested that Naqvi authorize a transfer of $47 million from APEF IV to cover those expenses.

84. On May 11, 2016, Naqvi authorized the transfer of $47 million from an APEF IV bank account to an AIML bank account, and it was transferred the next day. This consisted of funds AIML owed to APEF IV limited partners-investors as distributions, but Naqvi chose instead to use the money for the Abraaj Group.

85. This transfer was not reported to the fund or its limited partner-investors. In its Report of the General Partner for the quarter ending June 30, 2016, AIML reported to its limited partners-investors that it had received only $6 million in management fees and had no expenses during that quarter.

86. Ultimately, in May 2016, AIML made only approximately $10 million in distributions to a second wave of APEF IV's limited partners-investors, including one based on the United States. It still owed approximately $134 million in distributions to non-Abraaj Group-affiliated limited partners-investors, including over $9 million to a limited partner-investor located in this District.

4. AIML And Naqvi Concealed Their 2015 and 2016 Misappropriations From APEF IV Investors

87. By the end of APEF IV's fiscal year, June 30, 2016, AIML had misappropriated at least $197.6 million of the fund's money and owed at least that amount to the fund by the fiscal year-end.

88. APEF IV's audited financial statements for the fiscal year ending June 30, 2016, ("2016 APEF IV Financials") that were distributed to its limited partners-investors, including those based in the United States, did not report any receivable or other liability that Abraaj Holdings, AIML, or any other Abraaj Group entity owed to the fund, as a related party transaction or otherwise. Rather, the 2016 APEF IV Financials reported that the fund had over $195 million in cash and cash equivalents in "call accounts with banks." In addition, the 2016 APEF IV Financials noted that the fund faced some credit risk due to these call accounts, but stated that it was "limited because the counterparties are reputed banks with good credit ratings." It also noted that there was little "concentration risk as the [$195 million in call accounts] are . . . with local branches of international banks."

89. The 2016 APEF IV Financials were false and misleading. The over $195 million consisted of money that AIML had borrowed on a short-term basis from a non-United States publicly traded airline ("Airline") – an IGCF portfolio company of which Naqvi was a board member. AIML deposited this money in APEF IV's account to mislead APEF IV's auditor in

connection with the fund's year-end audit, but had no intention of leaving it there, because it was owed back to the Airline in short order. In fact, AIML returned the borrowed money to the Airline on July 5, 2016.

90. As a required signatory for APEF IV bank accounts for transfers of at least $25 million at that time, Naqvi approved the return of the more than $195 million from an APEF IV bank account to the Airline on July 5, 2016.

91. Further, contrary to the disclosures in the 2016 APEF IV Financials, APEF IV faced substantial credit and concentration risk because the true nature of the $195 million that the fund was owed was a receivable from Abraaj Group entities, and the Abraaj Group had been experiencing a liquidity crisis for at least a year.

5. AIML And Naqvi Continued To Misappropriate From APEF IV And Deceive Investors Regarding Distributions And Drawdowns Throughout 2016 And 2017

92. At the start of the next fiscal year, July 1, 2016, AIML remained unable to pay its outstanding distributions to APEF IV, and AIML and Abraaj Holdings continued to experience cash shortfalls that Defendants remediated with misappropriated APEF IV limited partner-investor funds. On July 31, 2016, the Finance Director emailed Naqvi, the Private Equity CEO, Managing Partner, and other AIML employees another cash update. He noted that the Abraaj Group would have a negative cash balance of $22.6 million on August 31, 2016, due to, in part, still-outstanding distributions owed to APEF IV and IGCF. He stated that another Abraaj Group employee ("Abraaj Group Employee A") was asking about these distributions because he "wants to communicate the date of distribution. I suggest we tell him end October for both [distributions]?" He further noted that almost $20 million in APEF IV distributions remained outstanding.

93. The Private Equity CEO responded later that day, "[i]f end of October is realistic date to communicate then we can try and manage accordingly. Better to have a date we can meet even if stretched out then to delay again." Four minutes later, Naqvi replied, "Yes, Professor. While you are at it, it would be nice if you could pitch in and help with the various crises we have been dealing with non-stop."

94. Nonetheless, AIML's Report of the General Partner for APEF IV for the quarter ending September 30, 2016, reported to the fund's limited partner-investors, including several United States-based limited partners-investors, that APEF IV had received a total of $459.4 million in distributions, including $261.2 million that AIML had distributed in accordance with the fund's LPD. It further noted that, among other things, AIML had made almost $168 million in distributions to limited partner-investors in June 2016.

95. These statements were false. AIML made only $2 million in distributions in June 2016, and another $8.7 million in August 2016. In total, by September 30, 2016, it had made only approximately $111 million in distributions.

96. AIML continued to pay these distributions to APEF IV limited partners-investors throughout 2016. In November and December 2016, Abraaj paid another $75 million to APEF IV's limited partners-investors, including over $9 million to a limited partner-investor located in this District. Even by the end of 2016, however, AIML owed APEF IV's limited partners-investors approximately $45 million in distributions.

97. In addition, to further deceive APEF IV's limited partners-investors, AIML intentionally withheld the fund's Quarterly Reports to investors who had not receive the distributions to which they were entitled, to hide that AIML owed them distribution payments.

By October 2016, for example, AIML had still withheld two Quarterly Reports from at least 19 APEF IV limited partners-investors.

98. By early 2017, the Abraaj Group was still facing serious cash flow and liquidity problems, and AIML and Naqvi continued to remediate these issues by drawing down investor funds from APEF IV and using them to meet cash demands.

99. On January 25, 2017, the Finance Director emailed Naqvi and another Abraaj Group Employee ("Abraaj Group Employee B") regarding a proposed new APEF IV drawdown, stating "Boss, As discussed with you previously re APEF IV drawdown currently we have $320 million undrawn, we can only drawdown $110" million, based on his assessment that three APEF IV investments would require the remaining $210 million. And in analyzing APEF IV's total needs, the Finance Director concluded that APEF IV would "have a cash shortfall of $22.8 million," which it could fund using income from another APEF IV investment, but that "unless deal size [is] reduce[d] there is no cash for [AIML's management] fee in 2018. Naqvi later replied that he didn't "understand this working," and then Abraaj Group Employee B suggested that they all talk over the phone or in person.

100. On February 21, 2017, AIML issued a drawdown notice to APEF IV limited partner-investors, including several United States-based limited partners-investors, including the U.S. Advisory Firm, for $110 million to fund a new investment in the securities of a North African telecom operating company that it gave the codename "Project Dido." AIML claimed it was "in the final stages of due diligence with the company, which we believe will allow the fund to be fully deployed by the end of the first quarter of 2017." An APEF IV bank account received the proceeds of the drawdown by March 27, 2017.

101. This drawdown notice was false. By February 21, 2017, AIML was not in the final stages of due diligence for Project Dido, and still had numerous conditions precedent that were outstanding before AIML could justify issuing a drawdown notice. In fact, these conditions remained unsatisfied for more than a year after AIML issued the drawdown notice.

102. Just three days after requesting money for Project Dido, AIML had already spent it for other purposes. On March 30, 2017, the Finance Director sent Naqvi, copying the Finance Head, a cash update asking them to "note and [a]dvise" and then stated, among other things, that the "cash balance in APEF IV is Nil ($73m net drawdown received, paid $58.1m for [another APEF IV portfolio company], $10.7 for [APEF IV Portfolio Companies A and B] distribution, balance [transferred] to [Abraaj Holdings]."

103. Consistent with the Finance Director's March 30, 2017 email, bank records confirm that AIML misappropriated $5.3 million of APEF IV investor funds that were sent to Abraaj Holdings. In addition, bank records reflect that AIML used at least $10 million of this drawdown money to repay certain limited partners-investors for the APEF IV Portfolio Companies A and B distributions they were owed for over a year.

104. AIML did not inform the APEF IV limited partners-investors about these misappropriated funds, and that it did not use drawn down cash for Project Dido as stated in the drawdown notice. Rather, in its Report of the General Partner for the quarter ending March 31, 2017, AIML reported to limited partners-investors that it had taken just $3 million in management fees and expenses during that quarter.

105. In addition, in June 2017, AIML, at Naqvi's direction, changed APEF IV's fiscal year-end from June 30 to December 31 for the sole purpose of hiding their misappropriation from APEF IV and its limited partners-investors, specifically a $201 million hole in APEF IV's

financial statements. On June 3, 2017, the Finance Director emailed Naqvi, copying the Finance Head, to note issues relating to the upcoming fiscal year-end, including that the Abraaj Group's "[p]ayable balance to APEF IV at 30 June 20017 will be $201 million," and that they will have to "settle this balance," or risk reporting it on APEF IV's June 2017 financial statement. In response, Naqvi said he was "serious about changing the accounting date," to which the Finance Director agreed, and then suggested to Naqvi a pretextual "operational rationale" to sell the change to investors, who would need to be notified. Naqvi replied, "[y]our logic of changing APEF 4 year end is sell[]able and compelling; we should go ahead and do so; bring [the Private Equity CEO and two other Abraaj Group employees] into the loop, tell them first, get the argument properly articulated … and action it."

106. As Naqvi directed, on June 19, 2017, the Private Equity CEO sent a letter to all APEF IV limited partners-investors informing them that APEF IV's accounting period was being changed from a June to December year-end.

107. By conduct including, but not necessarily limited to that described above, Naqvi knew, authorized, directed, and permitted the Finance Director and others to go forward with keeping his businesses – Abraaj Holdings and AIML – afloat when he knew, was reckless in not knowing, or should have known that APEF IV money was used and would be used to fund the cash shortfalls at Abraaj Holdings and AIML, and for Naqvi's personal use. AIML's and Naqvi's misappropriations of fund money were not in the best interests of the fund because, among other things, fund investments were delayed due to the misappropriations, limited partners-investors were deprived the use of distribution proceeds to which they were entitled, and the misappropriations created investment risks not disclosed to the fund or its investors. In addition, AIML's and Naqvi's misappropriations of fund money constituted conflicts of interest

and related party transactions between themselves and their client, the fund, which they failed to disclose to the fund or its investors in violation of the APEF IV LPD. By these actions and omissions, AIML and Naqvi breached their fiduciary duties to the fund.

108. In addition, AIML and Naqvi lied to at least one United States-based limited partner-investor about their misappropriations of APEF IV funds. In or around September 2017, an anonymous person sent an email to several Abraaj Group limited partners-investors to warn them of misconduct within the Abraaj Group. Among the claims in the email was that Abraaj Group private funds' "[c]ash is used to fund the working capital of Abraaj . . . [APEF IV] is the biggest sufferer and has funded the Abraaj Holdings balance[ ]sheet for years."

109. After receiving this email, one APEF IV United States-based limited partner-investor ("United States Investor A") asked Naqvi and another Abraaj Group employee to respond to the allegations. On September 27, 2017, Naqvi sent a long written response to Investor A, and stated as follows in response to the allegations that Abraaj Holdings used APEF IV and other fund money for working capital:

> We categorically reject this slanderous assertion. Given the fact that the paid-in capital of Abraaj Holdings is $1.5 billion, and the group has access to $700 million of long term financial facilities from global financial institutions at the group level, as well as drawdown facilities and warehousing lines in our current generation funds, it is bizarre and frankly unintelligible for anyone to insinuate that the group would be using [limited partner] money for working capital.

110. These statements were false, and Naqvi knew it. By September 2017, AIML – at Naqvi's observation, supervision, direction, and authorization – had been flagrantly misappropriating limited partner-investor funds from APEF IV for AIML's and Abraaj Holding's working capital, as well as for Naqvi's personal use.

111. AIML and Naqvi never fully repaid APEF IV. In the Cayman Island's liquidation proceedings, AIML estimated that it owed APEF IV almost $100 million as of July 2018.

112. Naqvi knew, was reckless in not knowing, or should have known that using APEF IV money to fund cash shortfalls at Abraaj Holdings, AIML and for his personal use, and failing to disclose these cash transfers and the conflicts of interest that they created in AIML's 2015, 2016, and 2017 Quarterly Reports, the fund's audited financial statements, or otherwise, deceived and defrauded the fund and its limited partners-investors. By reason of Naqvi's knowledge, or his reckless or negligent disregard of the transfers of APEF IV money to cover Abraaj Holdings' and AIML's cash flow shortfalls and for Naqvi's personal use, and Defendants' failure to disclose such transfers in AIML's 2015, 2016, and 2017 Quarterly Reports, the fund's audited financial statements, or otherwise, AIML and Naqvi knowingly, recklessly, or negligently breached their fiduciary duties to APEF IV and deceived and defrauded the fund and its limited partners-investors.

113. Defendants' knowledge, or reckless or negligent disregard of their transfers of APEF IV money to cover Abraaj Holdings' and AIML's cash flow shortfalls and for Naqvi's personal use, and failure to disclose the transfers and the conflicts of interest they created were materially deceptive acts to the fund and its limited partners-investors, and Defendants' failure to disclose such transfers in the AIML's 2015, 2016, and 2017 Quarterly Reports, the fund's audited financial statements, or otherwise, constituted material omissions to the fund and its limited partners-investors.

B. AIML And Naqvi Misappropriated Over $230 Million From The Abraaj Health Fund

114. The Abraaj Health Fund was a private fund formed as a limited partnership in 2015, and managed and advised by AIML and Naqvi. The fund's largest investor was based in

this District, and other United States-based investors were among the limited partners, including the U.S. Charitable Foundation and several other charitable organizations. The fund was formed to primarily make investments in the securities of health care-related businesses such as hospitals and treatment centers in emerging markets.

115. According to the HFLPA, AIML was authorized to take all necessary or desirable actions in connection with the operation of the fund, the management of the fund's investment portfolio or otherwise in the furtherance of the fund's business. In accordance with these directives, AIML was entitled to (i) draw down limited partner capital commitments to make specific investments for the fund; (ii) collect fund expenses not to exceed $2.5 million; and (iii) receive an adviser or management fee equal to two per cent per annum of the commitment of each such investor. The HFLPA also required that AIML refer all actual or potential conflicts of interest to the fund's LPAC.

116. Naqvi had signatory authority on all Abraaj Health Fund and AIML bank accounts. Pursuant to this authority, Naqvi was a required signatory on all transfers in excess of $75 million from Health Fund bank accounts. Naqvi was also a signatory for AIML bank accounts for transfers in excess of $25 million or $75 million, depending on the account, until March 2017, when it was increased to $75 million for all AIML bank accounts.

117. Similar to their plundering of APEF IV, AIML and Naqvi did not use the Abraaj Health Fund's money as required by the HFLPA, as described in the fund's written disclosures to limited partners-investors, and in the investor drawdown notices. Instead, AIML and Naqvi knew that Abraaj Holdings and AIML were suffering significant cash shortfalls, and misappropriated substantial amounts from the new large pot of money available at the Abraaj Health Fund to cover the shortfalls and pay for items such as Abraaj Holdings' debt obligations

and for Naqvi's personal use. These material facts were not disclosed to the fund, its limited partners-investors, or the LPAC in AIML's Quarterly Reports, the fund's audited financial statements, or otherwise.

1. By December 2016, AIML And Naqvi Began To Misappropriate Money From The Abraaj Health Fund

118. By December 2016, AIML had sent two drawdown notices to Abraaj Health Fund investors that sought a total of $430.9 million, of which it claimed $398 million would be used for several Abraaj Health Fund investments. At least eight United States-based investors-limited partners received these drawdown notices, and they sent the requested funds from bank accounts and through correspondent banks in the United States, including in this District, to Abraaj Health Fund's bank accounts.

119. In December 2016, AIML transferred $100 million of Abraaj Health Fund money that had been drawn down from fund limited partners-investors from an Abraaj Health Fund bank account to an Abraaj Holdings bank account, and $40 million to an AIML bank account. These transfers were in addition to the management fees and expense reimbursements to which AIML was entitled. As a required signatory for all bank transfers over $75 million, Naqvi approved the $100 million transfer from an Abraaj Health Fund bank account to Abraaj Holdings.

120. On January 3, 2017, the Finance Director informed Naqvi and the Finance Head by email that Abraaj Holdings was expected to have a cash shortfall of $85 million by the end of March 2017. The Finance Director noted that this cash shortfall would occur despite the $140 million recently taken from the Abraaj Health Fund, which he described in the email as $128.5 million "borrowed" from the Abraaj Health Fund, and an $11.5 million "receivable" involving Abraaj Holdings. Neither the loan nor the receivable were disclosed to the fund, its limited

partners-investors, or the LPAC on AIML's Quarterly Report to Abraaj Health Fund limited partners-investors for the fourth quarter of 2016, the fund's audited financial statements for the period ending June 30, 2017, or otherwise.

121. The Finance Director further noted in his January 3, 2017 email that the Abraaj Health Fund's cash requirements for the first quarter of 2017 were approximately $173 million if it included all investments identified in AIML's prior drawdown notices to limited partners-investors. The Finance Director, however, noted that the Abraaj Health Fund only had an available balance of $111.5 million. Despite this approximately $62 million shortfall, the Finance Director did not recommend that they return the $140 million that AIML and Abraaj Holdings had already misappropriated from the Abraaj Health Fund.

122. On January 19, 2017, Naqvi responded that he had not had time to review the Finance Director's analysis, but he authorized the Finance Director and the Finance Head to use "their common sense to process and just don't shut down the business!" Naqvi also promised to discuss later when he became available.

123. On February 16, 2017, the Finance Director emailed Naqvi and the Finance Head a portion of Abraaj Holdings' cash balance spreadsheet, and he concluded that the Abraaj Group would have a cash shortfall of $4.2 million that month and so they would draw $5 million from the Abraaj Health Fund to cover it. The email also included a capital contribution drawdown chart for the Abraaj Health Fund demonstrating that the $140 million that had been transferred from the Abraaj Health Fund to AIML and Abraaj Holdings in December 2016 remained outstanding. The Finance Director further noted that the next Abraaj Health Fund investor drawdown would occur around the end of the first quarter of 2017.

124. On or about March 15, 2017, the Abraaj Health Fund General Partner, at the direction of AIML, sent limited partners-investors a drawdown notice requesting an additional $115 million, claiming the money would fund the purchase of security interests in five portfolio companies – even though AIML had already misappropriated well in excess of that amount. Furthermore, the drawdown notice named these investments as "follow-on investments," but internal Abraaj Group financial documents and bank records reflect that, by March 15, 2017, AIML had, in fact, only funded the purchase of securities in two of these five portfolio companies. In response, the Abraaj Health Fund's limited partners-investors sent the requested funds from their bank accounts to Abraaj Health Fund's bank accounts. United States-based limited partners-investors sent the funds from their bank accounts and through correspondent banks in the United States, including in this District.

125. In addition, on or about March 15, 2017, AIML transferred another $8 million of Abraaj Health Fund investor money from an Abraaj Health Fund bank account to an AIML bank account. These funds did not constitute AIML's fees or expenses to which it was entitled.

126. Nor did Abraaj Holdings or AIML return the previously misappropriated money to the Abraaj Health Fund. Rather, between March 21 and March 30, 2017, AIML transferred another $16 million from an Abraaj Health Fund bank account to an AIML bank account. These funds did not constitute AIML's fees or expenses to which it was entitled.

127. AIML's March 2017 transfers totaling $24 million in Abraaj Health Fund money were not disclosed to the fund, its limited partners-investors, or the LPAC in AIML's Quarterly Reports to limited partners-investors for the first quarter of 2017, the fund's audited financial statements for the fiscal year ending June 30, 2017, or otherwise. AIML's Quarterly Report for

the first quarter of 2017, reported that it received only $4.2 million in management fees and had no fund expenses during that quarter.

128. On April 4, 2017, the Finance Director sent a cash update email to Naqvi, copying the Finance Head, that consolidated Abraaj Holdings' and the Abraaj Health Fund's cash requirements. He noted that, together, Abraaj Holdings and the Abraaj Health Fund had $34 million available, but that Abraaj Holdings had $36 million in expenses in April 2017, which included payroll, taxes, and loan interest. As for the Abraaj Health Fund drawdown, the Finance Director stated that they expected $98 million from limited partners-investors, not including the Abraaj Group's limited partner obligations by the first week of April, but he noted that the Abraaj Health Fund needed $127 million in April to fund investments, "and therefore there will be a shortfall of $29m." The Finance Director then requested Naqvi's guidance on how they should handle the shortfall.

129. On April 22, 2017, the Finance Director sent Naqvi, copying the Finance Head, another cash update email to note numerous liquidity issues, and he concluded, "The cash situation is out of control and I don't know how do I manage cash."

130. Despite this cash crisis at the Abraaj Group, Naqvi directed that AIML misappropriate Abraaj Health Fund money for his personal use that did not constitute his legitimate compensation. On April 24, 2017, AIML transferred $25 million from an Abraaj Health Fund bank account to an AIML bank account that was commingled with money from other Abraaj Group sources. On May 2, 2017, the Finance Director emailed Naqvi, copying the Finance Head, to note, among other things, that upcoming Abraaj Group payments included $1.5 million for Naqvi's "personal requirement," which included funds for the Aman Foundation and two other entities he owned or controlled.

131. Consistent with the Finance Director's email, the next day, AIML transferred $1.5 million from its account to Silverline.

132. On May 23, 2017, AIML transferred another $10 million from an Abraaj Health Fund account to its own account and comingled it with other Abraaj Group money.

133. On May 25, 2017, the Finance Director emailed Naqvi, copying the Finance Head, to note that Naqvi needed $1.67 million for his personal expenses, including an estimated $750,000 for the Aman Foundation, and he asked "Can I pay this from Abraaj?" Naqvi responded, "Thank you." The Finance Head later noted that the Aman Foundation's requirements for that month had increased to $1 million.

134. On May 31, 2017, AIML transferred $1.6 million from its account to Silverline.

135. That same day, Naqvi requested that the Finance Director send another $600,000 to his son and a company in which Naqvi was the sole shareholder called "The Modist." The Finance Director responded that he transferred those funds, and then said he is "taking the liberty to point out a few things," which included that Naqvi had "a current account balance" of $25.8 million with the Abraaj Group. He further stated, "As you are aware, I am under tremendous pressure re Abraaj cash as well, there is a serious cash crunch and currently I don't have the funds to pay essential payments like salaries for the month of June. You are fully aware of the situation." The Finance Director concluded, "I humbly and respectfully you request to please help me in this situation. The tension and stress is unbearable for me and it is affecting my health and my efficiency, and performance at work. I don't know what else to say." Naqvi then replied, "I will sort it out."

136. Bank records confirm that AIML transferred $600,000 to Naqvi's son and The Modist on May 31, 2017. These funds did not consist of compensation to which Naqvi was entitled.

137. On or about June 3, 2017, the Finance Director reported to Naqvi and the Finance Head that Abraaj Holdings and AIML expected to have a $225 million payable to the Abraaj Health Fund by the end of the fiscal period ending June 30, 2017.

138. On September 12, 2017, the Finance Director sent Naqvi and the Finance Head an Abraaj Group a cash flow update by email, noting that a $68 million drawdown of investor funds from the newly added debt investor, the U.S. Governmental Entity, which sent the money from its bank account in this District, would be available to cover Abraaj Holdings' and AIML's upcoming expenses, including Abraaj Holdings' debt obligations.

139. In his September 12, 2017 email, the Finance Director further informed Naqvi that the Abraaj Group's expenses that he identified did *not* include $58 million needed to fund investments in the securities of three portfolio companies for the Abraaj Health Fund in October 2017. Instead, the Finance Director asked Naqvi to assist him by "delaying these deals" so that the Abraaj Health Fund money could be used for non-Abraaj Health Fund expenses. Abraaj Group internal financial documents and bank statements reflect that the Abraaj Health Fund's investments in the securities of these three portfolio companies were, in fact, delayed past October 2017.

140. In total, from December 2016, through at least September 2017, AIML – with the knowledge and authorization of Naqvi – transferred at least $230 million from Abraaj Health Fund bank accounts to Abraaj Holdings and AIML that was comingled with other Abraaj Group

funds and used as needed for Abraaj Holdings' and AIML's corporate expenses or other non-Abraaj Health Fund purposes.

141. The HFLPA did not authorize these transfers from the Abraaj Health Fund to Abraaj Holdings and AIML. Rather, contrary to the HFLPA, AIML's undisclosed transfers of investor funds from the Abraaj Health Fund to itself and to Abraaj Holdings to cover their cash shortfalls were not related to the operation of the fund, the management of the fund's investment portfolio, or otherwise in the furtherance of the fund's business. Further, those transfers far exceeded the $37.6 million in management fees and $2.5 million in expenses that AIML disclosed to limited partners-investors in its Quarterly Manager's Report for the third quarter of 2017.

142. By conduct including, but not necessarily limited to that described above, Naqvi knew, authorized, directed, and permitted the Finance Director and others to go forward with keeping his businesses – Abraaj Holdings and AIML – afloat when he knew, was reckless in not knowing, or should have known that Abraaj Health Fund money was used and would be used to fund the cash shortfalls at Abraaj Holdings and AIML, and for Naqvi's personal use. AIML's and Naqvi's misappropriations of fund money were not in the best interests of the fund because, among other things, fund investments were delayed due to the misappropriations, and the misappropriations created investment risks not disclosed to the fund, its limited partners-investors, or the LPAC. In addition, AIML's and Naqvi's misappropriations of fund money constituted conflicts of interest and related party transactions between themselves and their client, the fund, which they failed to disclose to the fund, its limited partners-investors, or the LPAC in violation of the HFLPA. By these actions and omissions, AIML and Naqvi breached their fiduciary duties to the fund.

2. AIML And Naqvi Took Affirmative Steps To Conceal Their Misappropriations From The Abraaj Health Fund

143. AIML and Naqvi also took affirmative steps to conceal their misappropriations from the Abraaj Health Fund's limited partners-investors. One incident occurred in connection with the fund's initial audited financial statements for the fiscal year ending June 30, 2017. On June 3, 2017, the Finance Director emailed Naqvi and the Finance Head regarding the upcoming audit for the Abraaj Health Fund, Abraaj Holdings, and other related entities, and noted several "potential audit issues" to discuss in their upcoming meeting on June 10, 2017. Among other things, the Finance Director reported to Naqvi and the Finance Head that Abraaj Holdings and AIML expected to have a $225 million payable to the Abraaj Health Fund at fiscal period end and would have to "arrange for cash for . . . [the Abraaj Health Fund] audit." Naqvi and the Finance Director, copying the Finance Head, then considered, as an alternative, whether they could change the Abraaj Health Fund's fiscal period end to December 31, 2017, to avoid having to release audited financial statements for another six months. The Finance Director, however, concluded that they could not change the date because they had changed it once before.

144. Ultimately, the Abraaj Health Fund's audited financial statements for the fiscal year ending June 30, 2017, which were sent to all of the fund's limited partners-investors, reported that the fund had $167 million in cash in an Abraaj Health Fund bank account. The financial statements further reported that this amount consisted of the uninvested capital drawdowns from the fund's limited partners-investors.

145. The $167 million cash balance, however, was, in fact, part of a $196 million loan from the Airline. On June 24, 2017, the Airline made a short-term 30-day loan to the Abraaj Health Fund General Partner that was used to cover the hole in the fund's balance sheet left by

the transfer of fund money to Abraaj Holdings and AIML earlier in the year. Naqvi also signed the loan agreement because he personally guaranteed the repayment of the loan.

146. On July 19, 2017, which was shortly after the fund's June 30, 2017 period-end, AIML and Naqvi authorized the transfer of $196 million from an Abraaj Health Fund bank account back to the Airline, which left only about $28 million in the Abraaj Health Fund bank account. Naqvi authorized this transfer because he was a required signatory on all transfers over $75 million.

147. Defendants also made misleading statements directly to Abraaj Health Fund limited partners-investors. By October 2017, Abraaj Health Fund limited partners-investors were raising concerns with AIML about the whereabouts of their capital contributions, as they had contributed $544 million, but only approximately $265 million had actually been invested. For example, on October 15, 2017, the Chief Financial Officer of the Abraaj Health Fund ("Abraaj Health Fund CFO") emailed the Abraaj Health Fund's LPAC, which included the U.S. Charitable Foundation and other United States-based limited partners-investors, and represented that, at the time, the Abraaj Health Fund had "an available cash balance of USD 225.9 M which is held with" at a Dubai-based bank ("Dubai Bank") in Abraaj Health Fund bank accounts. To support his claim, the Abraaj Health Fund CFO attached a bank confirmation from the Dubai Bank that stated that Abraaj Health Fund bank accounts held $225.9 million on June 30, 2017.

148. The Abraaj Health Fund CFO's statements were false and misleading. As of October 15, 2017, there was only approximately $13 million in Abraaj Health Fund bank accounts at the Dubai Bank, and the Abraaj Health Fund CFO's reference to the June 30, 2017 balances failed to disclose the material facts that the vast majority of that money was from the short-term loan from the Airline.

149. On or around October 22, 2017, Naqvi emailed representatives of the U.S. Charitable Foundation who previously raised questions regarding the location of the Abraaj Health Fund's uninvested capital. Naqvi claimed that AIML had "decided to keep the uninvested amounts with us" and "keep[] the drawn funds in place" as they await to deploy capital to investments that Naqvi claimed were "slightly delayed for reasons beyond our control." Naqvi's statements were misleading because (1) the money was not in the Abraaj Health Fund bank accounts, but had been transferred to Abraaj Holdings and AIML; and (2) Naqvi had purposely delayed funding three Abraaj Health Fund investments rather than return the misappropriated fund money from Abraaj Holdings and AIML.

150. In or around February 2018, Naqvi admitted to the head of investments at one United States-based limited partner-investor that Abraaj Health Fund capital contributions were used for Abraaj Holdings' and AIML's general corporate purposes.

151. In or around February 2018, AIML falsely claimed to a consultant hired by Abraaj Health Fund limited partners-investors, including United States-based limited partners-investors, that the misappropriated money alleged in this Amended Complaint were "Temporary Investments" as permitted by the HFLPA. They were not. AIML and Naqvi transferred the fund money to Abraaj Holdings and AIML and used for non-Health Fund-related purposes without any regard for returning it to the fund when needed in furtherance of the fund's investments or otherwise return the money to its limited partners-investors. Indeed, AIML chose to either draw down additional investor funds or otherwise delay investments rather than repay monies owed to the fund. Further, neither AIML's Quarterly Reports nor the fund's audited financials disclosed any demand deposit accounts or any interest paid on such accounts. Abraaj Holdings' and AIML's internal financial records also did not track any interest that Abraaj Holdings was

purportedly paying on these accounts until on or around January 2018 – *after* limited partners-investors raised questions about AIML's use of fund money.

152. In late 2017 and early 2018, following months of limited partners-investors' demands with regard to the location of their cash capital contributions, AIML ultimately returned much of the money it misappropriated, as well as over $13 million in claimed "interest" to the Abraaj Health Fund limited partners-investors.

153. Naqvi knew, was reckless in not knowing, or should have known that using Abraaj Health Fund money to fund cash shortfalls at Abraaj Holdings and AIML, and for his personal use, and failing to disclose these cash transfers and the conflicts of interest that they created in AIML's 2016 and 2017 Quarterly Reports, the fund's audited financial statements, or otherwise, deceived and defrauded the fund and its limited partners-investors. By reason of Naqvi's knowledge, or his reckless or negligent disregard of the transfers of Abraaj Health Fund money to cover Abraaj Holdings' and AIML's cash flow shortfalls and for his personal use, and Defendants' failure to disclose such transfers in AIML's 2016 and 2017 Quarterly Reports, the fund's audited financial statements, or otherwise, AIML and Naqvi knowingly, recklessly, or negligently breached their fiduciary duties to the Abraaj Health Fund, and deceived and defrauded the fund and its limited partners-investors.

154. Defendants' knowledge, or reckless or negligent disregard of their transfers of Abraaj Health Fund money to cover Abraaj Holdings' and AIML's cash flow shortfalls and for Naqvi's personal use, and failure to disclose the transfers and the conflicts of interest they created were materially deceptive acts to the fund and its limited partners-investors, and Defendants' failure to disclose such transfers in the AIML's 2016 and 2017 Quarterly Reports,

the fund's audited financial statements, or otherwise, constituted material omissions to the fund and its limited partners-investors.

FIRST CLAIM FOR RELIEF

Violations of Section 206(1) of the Advisers Act
(Against AIML and Naqvi)

155. The Commission realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 154 of this Amended Complaint as if fully set forth herein.

156. By engaging in the acts and conduct alleged in this Amended Complaint, during the Relevant Period, AIML and Naqvi were acting as investment advisers to APEF IV and the Abraaj Health Fund within the meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-2(a)(11), because they were persons who, for compensation, engaged in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities.

157. By engaging in the acts and conduct alleged in this Amended Complaint, AIML and Naqvi, directly or indirectly, singularly or in concert, by use of the mails or means and instrumentalities of interstate commerce, while acting as investment advisers, employed devices, schemes, or artifices to defraud any client or prospective client, with scienter.

158. As investment advisers, AIML and Naqvi owed APEF IV and the Abraaj Health Fund a fiduciary duty of utmost good faith and had an affirmative duty to make full and fair disclosure to them of all material facts, as well as the duty to act in APEF IV's and the Abraaj Health Fund's best interests, and not act in AIML's and Naqvi's own interests to the detriment of APEF IV and the Abraaj Health Fund.

159. AIML and Naqvi breached their fiduciary duties to APEF IV and the Abraaj Health Fund and engaged in fraudulent conduct that violated Section 206(1) of the Advisers Act, 15 U.S.C. § 80b-6(1), by knowingly or recklessly misappropriating millions of dollars of the Funds' money, failing to disclose to the Funds that the money had been transferred to AIML and Abraaj Holdings, and failing to disclose the conflicts of interests they created.

160. By reason of the foregoing, AIML and Naqvi have violated, and unless enjoined will again violate, Section 206(1) of the Advisers Act, 15 U.S.C. § 80b-6(1).

SECOND CLAIM FOR RELIEF

Violations of Section 206(2) of the Advisers Act
(Against AIML and Naqvi)

161. The Commission realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 154 of this Amended Complaint as if fully set forth herein.

162. By engaging in the acts and conduct alleged in this Amended Complaint, during the Relevant Period, AIML and Naqvi were acting as investment advisers to APEF IV and the Abraaj Health Fund within the meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-2(a)(11), because they were persons who, for compensation, engaged in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities.

163. By engaging in the acts and conduct alleged in this Amended Complaint, AIML and Naqvi, directly or indirectly, singularly or in concert, by use of the mails or means and instrumentalities of interstate commerce, while acting as investment advisers, engaged in transactions, practices, or courses of business which operated as a fraud or deceit upon any client or prospective client.

164. As investment advisers, AIML and Naqvi owed APEF IV and the Abraaj Health Fund a fiduciary duty of utmost good faith and had an affirmative duty to make full and fair disclosure to them of all material facts, as well as the duty to act in APEF IV's and the Abraaj Health Fund's best interests, and not act in AIML's and Naqvi's own interests to the detriment of APEF IV and the Abraaj Health Fund.

165. AIML and Naqvi breached their fiduciary duties to APEF IV and the Abraaj Health Fund and limited partners-investors and engaged in transactions, practices, or courses of business which operated as a fraud or deceit upon any client or prospective client that violated Section 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(2), by misappropriating millions of dollars of the Funds' money, failing to disclose to the Funds that the money had been transferred to AIML and Abraaj Holdings, and failing to disclose the conflicts of interests they created.

166. By reason of the foregoing, AIML and Naqvi have violated, and unless enjoined will again violate, Section 206(2) of the Advisers Act, 15 U.S.C. § 80b-6(2).

THIRD CLAIM FOR RELIEF

Violations of Section 206(4) of the Advisers Act and Rule 206(4)-8 Thereunder
(Against AIML and Naqvi)

167. The Commission realleges and incorporates by reference each and every allegation contained in Paragraphs 1 through 154 of this Amended Complaint as if fully set forth herein.

168. By engaging in the acts and conduct alleged in this Amended Complaint, during the Relevant Period, AIML and Naqvi were acting as investment advisers to APEF IV and the Abraaj Health Fund within the meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-2(a)(11), because they were persons who, for compensation, engaged in the business of

advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities.

169. APEF IV and the Abraaj Health Fund were pooled investment vehicles within the meaning of Rule 206(4)-8(b) of the Advisers Act, 17 C.F.R. § 275.206(4)-8(b). They were engaged in, held themselves out as being engaged primarily, and proposed to engage itself primarily in the business of investing, reinvesting, and/or trading in securities, and thus were investment companies as defined in Section 3(a) of the Investment Company Act of 1940, 15 U.S.C. § 80a-3(a), or would have been an investment company under that provision but for the exclusion provided from that definition under either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act of 1940, 15 U.S.C. § 80a-3(c)(1) & (7).

170. By engaging in the acts and conduct alleged in this Amended Complaint, AIML and Naqvi, while acting as investment advisers to APEF IV and the Abraaj Health Fund, which were pooled investment vehicles, by use of the means and instrumentalities of interstate commerce and of the mails, (1) made untrue statements of material fact and omitted to state material facts necessary to make statements made, in the light of the circumstances under which they were made, not misleading, to investors and prospective investors in the pooled investment vehicles; and (2) engaged in acts, practices, and courses of business that were fraudulent, deceptive, and manipulative with respect to investors and prospective investors in pooled investment vehicles.

171. By reason of the foregoing, AIML and Naqvi have violated, and unless enjoined will again violate, Section 206(4) of the Advisers Act, 15 U.S.C. § 80b-6(4), and Rule 206(4)-8(a) thereunder, 17 C.F.R. § 275.206(4)-8(a).

PRAYER FOR RELIEF

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

I.

Finding that Defendants each violated the Federal securities laws and rules promulgated thereunder as alleged against them in this Amended Complaint.

II.

Permanently enjoining Defendants and their agents, servants, employees and attorneys and all persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise, and each of them, directly or indirectly, from committing future violations of Section 206(1), (2), and (4) of the Advisers Act, 15 U.S.C. §§ 80b-6(1), (2), & (4), and Rule 206(4)-8(b) thereunder, 17 C.F.R. § 275.206(4)-8(b).

III.

Ordering Defendants to disgorge all ill-gotten gains, with prejudgment interest, as a result of the conduct alleged in this Amended Complaint.

IV.

Ordering Defendants to pay civil monetary penalties pursuant to Section 209(e) o the Advisers Act, 5 U.S.C. § 80b-209(e).

V.

Granting such other and further relief as the Court may deem just and proper.

Dated: August 16, 2019

Respectfully submitted,

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