

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-against-

SERGEI POLEVIKOV,

Defendant,

and

MARYNA ARYSTAVA,

Relief Defendant.

COMPLAINT

21 Civ. 7925 ()

ECF CASE

JURY TRIAL DEMANDED

Plaintiff Securities and Exchange Commission (“Commission”), for its Complaint against Defendant Sergei Polevikov (“Polevikov”) and Relief Defendant Maryna Arystava (“Arystava”), alleges as follows:

SUMMARY

1. Between at least January 2014 and October 2019 (the “Relevant Period”), Polevikov engaged in a scheme to violate the federal securities laws by using material non-public information to secretly trade ahead of (*i.e.*, front-run) large securities trades entered by his employers, two large registered investment advisers, while working as a quantitative analyst. Polevikov conducted his illegal trading in the brokerage account of his wife, Relief Defendant Maryna Arystava, and actively concealed both the trading and the existence of the account from his employers. Polevikov’s violations of the securities laws resulted in over \$8.5 million in trading profits.

2. Through his job at Advisery Firm 1 and Advisery Firm 2 (collectively, “the Advisery Firms”), Polevikov became privy to material, non-public information regarding the size

and timing of large securities trades the Advisery Firms intended to make for their clients, which included investment companies registered under the Investment Company Act of 1940 (“Registered Investment Companies”). Polevnikov defrauded his employers and their clients by using that material non-public information to trade on, and ahead of, thousands of the Advisery Firms’ trades.

3. Polevnikov’s illegal use of material non-public information also breached his duty of trust and confidence to the Advisery Firms and their clients.

4. In total, on about 3,000 occasions, Polevnikov used this material non-public information to execute trades in his wife’s brokerage account in the same securities and on the same day that the Advisery Firms executed large securities trades, front-running his employers’ trades for clients.

5. Polevnikov concealed his trading activity by not disclosing his trades and the existence of his wife’s brokerage account to the Advisery Firms as required by Commission Rules and his employers’ internal policies.

6. By engaging in the conduct alleged in this Complaint, Polevnikov violated and, unless restrained and enjoined, will violate again, Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)], Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rules 10b-5, 10b5-1, and 10b5-2 thereunder [17 C.F.R. § 240.10b-5]. Polevnikov also violated Section 17(j) of the Investment Company Act of 1940 (“Investment Company Act”) and Rules 17j-1(b)(1) and (3) and 17j-1(d) thereunder.

7. The Commission seeks entry of a final judgment enjoining Polevnikov from future violations of Section 17(a) the Securities Act, Section 10(b) of the Exchange Act, and Section 17(j) of the Investment Company Act; ordering Polevnikov to pay a civil monetary penalty; and

ordering Polevikov to disgorge all illicit trading profits he has received, plus prejudgment interest. The Commission also seeks disgorgement from Relief Defendant Arystava, who is in possession of funds derived from Polevikov's fraud and who has no legitimate claim to those assets.

JURISDICTION AND VENUE

8. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d), and 77v(a)] and Sections 21(d), 21(e), 21A, and 27 of the Exchange Act [15 U.S.C. §§ 78u(d)(1), 78u(e), and 78aa] and Section 44 of the Investment Company Act [15 U.S.C. §80a-43].

9. In connection with the conduct described herein, Polevikov directly or indirectly made use of the means or instrumentalities of interstate commerce, or of the mails, or of a facility of a national securities exchange. For example, Polevikov executed thousands of trades in securities listed on the New York Stock Exchange and the NASDAQ.

10. Venue in the Southern District of New York is proper pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)], Section 27(a) of the Exchange Act [15 U.S.C. § 78aa(a)], and Section 44 of the Investment Company Act [15 U.S.C. §80a-43], and 28 U.S.C. § 1391(b)(2). Certain of the acts, practices, and courses of business constituting the violations of law alleged in this Complaint occurred within this District. Specifically, Polevikov worked in this District, executed trades in this District, and offers and sales of securities took place in this District.

DEFENDANT AND RELIEF DEFENDANT

11. **Sergei Polevikov**, 48, is a resident of Port Washington, New York. From April 19, 2004 until May 2019, he worked at the New York, New York office of Advisery Firm 1.

During the Relevant Period, he held the title Associate Vice President Senior Quantitative Analyst. In May 2019, when Advisery Firm 2 purchased Polevikov's then employer, Polevikov became an employee of Advisery Firm 2 and held the same title.

12. **Maryna Arystava**, 48, is a resident of Port Washington, New York, and she is Polevikov's wife. A brokerage account held in Arystava's name generated millions of dollars in illicit profits as a result of Polevikov's fraud.

RELEVANT ENTITIES

13. **Advisery Firm 1**, is a Colorado corporation with a principal place of business in New York, New York and is registered as an investment adviser with the Commission.

14. **Advisery Firm 2**, is a Delaware corporation with a principal place of business in Atlanta, Georgia and is registered as an investment adviser with the Commission. During the relevant period, Advisery Firm 2 completed its acquisition of Advisery Firm 1's investment management business.

FACTUAL ALLEGATIONS

I. The Advisery Firms and Their Code of Ethics, Policies and Procedures

15. Both Advisery Firm 1 and Advisery Firm 2 are registered investment advisers that manage diversified portfolios of securities for their clients, which included Registered Investment Companies.

16. The Advisery Firms maintained various policies, procedures, and ethical codes (collectively, the "Ethics Rules") that governed ethical standards for their employees, including codes of ethics that prohibited employees from trading in the same securities as the Advisery Firms' clients. The Advisery Firms' Ethics Rules also prohibited employees from using their knowledge of contemplated transactions for personal gain, engaging in short-term trading

(closing a position within 60 calendar days of opening the position), short selling, and excessive trading.

17. For example Advisery Firm 1's 2018 Code of Ethics stated:

Employees are prohibited from profiting personally by using knowledge about contemplated or pending securities transactions or securities transactions currently under consideration for Client Accounts. Accordingly, an Employee may not purchase or sell a Security for their Personal Account when in possession of knowledge that an order to buy or sell the same Security has been made for a Client Account or is being considered for a Client Account.

18. All employees received a copy of each version of Advisery Firm 1's Code of Ethics and were required to review it, agree to abide by it, and sign a document acknowledging the same. Advisery Firm 2, after acquiring Advisery Firm 1, likewise required its employees to review, abide by, and acknowledge a Code of Ethics containing a similar prohibition.

19. The Advisery Firms also had policies and procedures in place to ensure that employees complied with the personal trading provisions of their Ethics Rules.

20. For example, employees were required to disclose to the Advisery Firms the existence of all personal accounts, including the personal accounts of spouses.

21. Employees were also required to seek from the Advisery Firms' compliance departments the preapproval of (or "pre-clear") all securities transactions in personal accounts, including the personal accounts of spouses and any other account the employee controlled. Once submitted using an online system, the Advisery Firms' pre-clearance system informed employees whether a particular proposed securities transaction was approved or denied. If approved, the employee was required to execute the transaction within a certain period of time. If denied, the employee was prohibited from executing the transaction.

22. For example, Advisery Firm 1's Code of Ethics from 2018 stated, in part:

Except as noted below, Employees shall pre-clear through [the preclearance

system] all Securities transactions in Personal Accounts.

.....

Employees are prohibited from executing a trade in a Personal Account until they are notified by the Compliance Department that the trade has been approved. Such approval remains in effect until the end of the business day after it is granted, unless otherwise specified by the Compliance Department. Any trades not executed by the end of the business day after approval is granted must be re-submitted through PTA for approval.

23. Advisery Firm 1's Code of Ethics for other years during the Relevant Period contained the same or similar language, as did Advisery Firm 2's Code of Ethics after the acquisition of Advisery Firm 1.

24. Additionally, on a quarterly and annual basis, employees were required to certify that (1) all securities transactions in their personal accounts were recorded accurately in the Advisery Firms' internal pre-clearance system and (2) that they were in compliance with the Code of Ethics.

II. Polevikov's Employment at the Advisery Firms and Knowledge of and Agreement to Abide by his Employers' Ethics Rules.

25. In April 2004, Polevikov was hired by Advisery Firm 1 as a Senior Research Analyst. Between January 2014 and May 2019, he held the title Associate Vice President Senior Quantitative Analyst. Following the acquisition, Polevikov worked for Advisery Firm 2 for a brief period, but he left Advisery Firm 2 on October 1, 2019.

26. In Polevikov's role as a quantitative analyst, he owed a duty of trust and confidence to his employers and their clients.

27. Throughout Polevikov's employment, he received training on the Advisery Firms' Codes of Ethics and the policies and procedures put in place to ensure that the Advisery Firms' employees complied with the personal trading provisions of the company's Ethics Rules.

28. During the Relevant Period, Polevikov received a copy of each version of his

employers' Codes of Ethics, and he acknowledged that he had reviewed and agreed to abide by them.

29. For example, on January 25, 2016, Polevikov signed the following Annual Compliance Policies Certification:

CODE OF ETHICS I hereby acknowledge and certify that, as of the date of this submission: (i) I have received the Code of Ethics of [Advisory Firm 1] ("Code") in effect as of the date of this submission; (ii) I have read and understand the Code; (iii) I have complied with the Code including each of the specific practices, policies and procedures discussed or referred to in the Code; (iv) I understand my designation under the Code and understand I am subject to the applicable requirements under the Code, and (v) I hereby acknowledge that failure to comply fully with the Code (including reporting requirements and each of the specific practices, policies and procedures discussed or referred to in the Code) may subject me to disciplinary action, and (vi) I hereby agree to act in accordance with the policies and procedures expressed in the Code. For your reference, the Code of Ethics policy has been attached to this certification.

30. Polevikov signed the same or a similar Annual Compliance Policies Certification on January 16, 2007, January 23, 2008, January 28, 2009, January 20, 2010, January 26, 2011, January 17, 2012, January 17, 2013, January 16, 2014, January 20, 2015, January 13, 2017, January 20, 2018, and January 25, 2019.

III. Polevikov's Access to Material Non-Public Information at the Advisory Firms

31. As a senior quantitative analyst, Polevikov had real-time access to material non-public information about the details of securities trades that his employers intended to execute on behalf of their clients, including information about those trades' size and timing.

32. Specifically, Polevikov had access to the Advisory Firms' internal, non-public, order and execution management system ("OEMS"), which the firms used to manage their securities orders and trades.

33. The information in OEMS was material because his employers manage large portfolios worth billions of dollars, and their trades were typically of a significant volume that

they impacted the price and demand for the security being traded.

34. Indeed, as detailed below, Polevnikov's illegal scheme depended upon the price impact of the Advisery Firms' large securities trades.

IV. Polevnikov's Front-Running Scheme

35. "Front-running" in the securities markets involves trading ahead of large, non-public orders of other market participants, so as to benefit from the market impact of those large orders.

36. From at least January 2014 through October 2019, Polevnikov engaged in a fraudulent front-running scheme by trading securities in his wife's account before large securities trades by the Advisery Firms. Polevnikov used material, non-public information, including his access to OEMS and his knowledge of the transactions that the Advisery Firms planned to execute, to place front-running trades before the Advisery Firms traded on behalf of their clients, including Registered Investment Companies.

37. Polevnikov's scheme followed a pattern: his employers' portfolio managers and traders would input, on behalf of clients, large orders to buy or sell securities of a particular company into the OEMS systems. These orders would then be sent to the Advisery Firms' trading desk to be executed. Because of his access to OEMS, Polevnikov could see orders that had been entered into the system and were pending, not yet executed. Polevnikov would then execute trades in an account in his wife's name held at Broker A in the same ticker and in the same direction as the trades by the Advisery Firms – *i.e.*, if Polevnikov saw a pending order to buy the securities of a particular company, he would also buy; and if he saw a pending order to sell, he would sell or short the stock. Polevnikov would typically close his position later the same day, after his employers' trade had been executed, capitalizing on the price movement caused by

his employers' large trades.

38. For example, if Polevikov learned that his employer planned to purchase a large amount of stock in a company, Polevikov would log into his wife's account and purchase the company's stock before, and sometimes during, the trading desk's handling of his employer's purchases. Once his employer's large purchases increased the price of the company's stock, Polevikov would then close out his position.

39. On over 3,000 occasions, and on the basis of the confidential information he obtained through his access as an employee of the Advisery Firms, including his access to OEMS, Polevikov used his wife's account to execute same-day trades in the same securities his employers traded in on behalf of their clients.

40. After his wife's account was opened in February 2011, internet protocol ("IP") data shows that the first 42 logins to the account came from IP addresses belonging to Polevikov's employer, Advisery Firm 1. During the scheme, Polevikov routinely accessed his wife's account using IP addresses associated with his employers and executed trades in that account during the work-day when he was physically located in the New York office of Advisery Firm 1 and Advisery Firm 2.

41. Examples of Polevikov's fraudulent trading activity are alleged in paragraphs 42 through 54 below:

November 2, 2018 Trading in Company A

42. On November 2, 2018, at 11:53 am ET, an order to purchase Company A common stock was entered into Advisery Firm 1's OEMS.

43. At 11:54 am ET, Advisery Firm 1's portfolio managers sent to Advisery Firm 1's trading desk the order to purchase Company A common stock.

44. At 11:55 am ET, Polevikov began purchasing Company A common stock in his wife's account.

45. Between 11:55 am ET and 12:21 pm ET, Polevikov purchased a total of 16,345 shares of Company A for an average price of \$98.50 per share.

46. Between 12:01 pm ET and 3:51 pm ET Advisery Firm 1 purchased 134,730 shares of Company A common stock for an average price of \$98.93 per share. Advisery Firm 1's first purchase was at a price of \$98.56 per share and its last purchase was at a price of \$99.92.

47. Between 2:47 pm ET and 3:10 pm ET, Polevikov sold all 16,345 shares of Company A common stock at \$99.37, realizing profits of \$14,145 on this trade.

July 25, 2019 trading in Company B

48. On July 25, 2019, at 11:48 am ET, an order to purchase Company B common stock was entered into Advisery Firm 2's OEMS.

49. At 11:50 am ET, Polevikov logged into his wife's account using an IP address associated with Advisery Firm 2.

50. At 12:02 pm ET, one of Advisery Firm 2's portfolio managers sent to the firm's trading desk orders to sell Company B common stock.

51. Also at 12:02 pm ET, Polevikov began selling short Company B common stock in his wife's account.

52. Between 12:02 pm ET and 12:23 pm ET, Polevikov sold short 37,189 shares of Company B common stock at an average price of \$14.64.

53. Between 12:13 pm ET and 3:59 pm ET, Advisery Firm 2 sold 741,534 shares of Company B common stock at an average price of \$14.31.

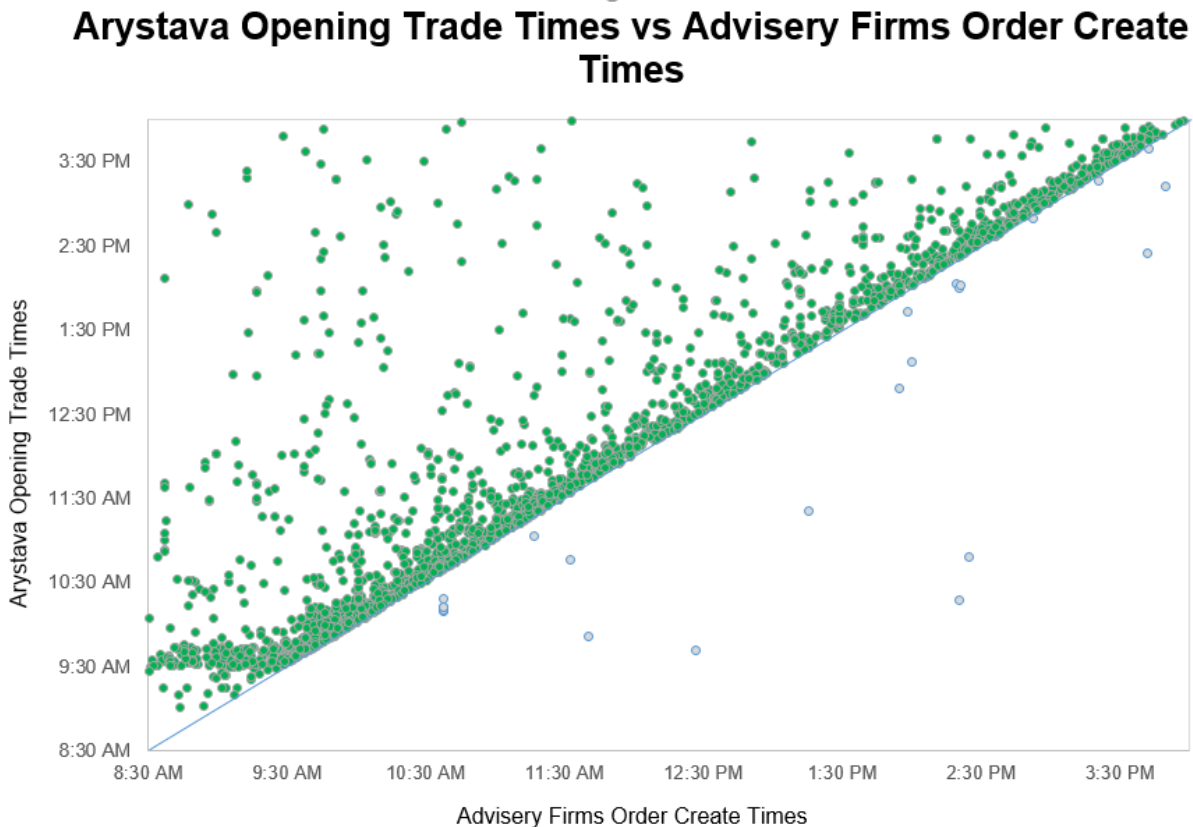
54. Between 3:36 pm ET and 3:52 pm ET, Polevikov purchased 37,189 shares of

Company B common stock to cover the short position in his wife's account at an average price of \$14.20. Polevikov realized a profit of \$16,396 on this trade.

Trading Correlation

55. Between January 1, 2014 and October 2, 2019, Polevikov used his wife's account to place 3,111 short-term trades in stocks and 2,874 (92.4%) of those short-term trades overlapped with trades by the Advisory Firms. Of Polevikov's 2,874 overlapping trades, 2,858 (99.4%) were in the same direction as the trades by the Advisory Firms.

56. The timing of Polevikov's trades in his wife's account also coincided with the Advisory Firms' trades. In particular, about 88% of the overlapping trades Polevikov executed from his wife's account occurred within 90 minutes of the Advisory Firms' trade order being created in OEMS. This significant correlation is displayed in the following chart:



57. In total, Polevikov's 2,858 overlapping, short-term trades resulted in profits of about \$8.5 million.

V. Polevikov Traded on Material Non-Public Information in Breach of His Duties of Trust and Confidence

58. Polevikov knew, or was reckless in not knowing, at the time he traded that he was in possession of material, non-public information about the Advisery Firms' trading activity.

59. Polevikov owed a duty of trust and confidence to his employers and their clients, and he knew or was reckless in not knowing of that duty. Polevikov also knew or was reckless in not knowing that his front-running in his wife's account violated his duties of trust and confidence to his employers and their clients.

60. The Advisery Firms' Ethics Rules expressly prohibited employees like Polevikov from using knowledge of the Advisery Firms' trades for personal gain. Polevikov knew that he was obligated to refrain from trading in the same securities his employers were buying or selling, or contemplating buying or selling, for their clients. And, because of his role as an individual with access to their confidential trading data, the Advisery Firms and their clients would have wanted to know that Polevikov was misappropriating their confidential order information for the purpose of personally benefitting by trading on, and ahead of, those trades.

61. Polevikov misappropriated the Advisery Firms' confidential information concerning Advisery Firms' plans to buy or sell securities on behalf of their clients.

62. In violation of his duties of trust and confidence, Polevikov directly or indirectly received profits from his fraudulent front-running scheme in the amount of approximately \$8.5 million.

VI. Polevikov's Efforts to Conceal His Scheme

63. In furtherance of his scheme, Polevikov engaged in multiple deceptive and

manipulative acts, separate and apart from his trading.

64. Polevikov concealed his scheme from the Advisery Firms by knowingly or recklessly failing to disclose his wife's account to the Advisery Firms, which he was required to do under his employers' Ethics Rules.

65. Polevikov also knowingly or recklessly failed to pre-clear any of the trades he executed from his wife's account in violation of the Advisery Firms' Ethics Rules.

66. Polevikov also knowingly or recklessly falsely attested in his quarterly and annual certifications that (1) all securities transactions in his personal accounts were recorded accurately in his employers' internal tracking system and (2) that he was in compliance with his employers' Code of Ethics.

67. Polevikov's certifications were false because he did not record any of his trades from his wife's account in the Advisery Firms' internal tracking system. Polevikov's certifications were also false because he was in direct violation of the Advisery Firms' Ethics Rules for not disclosing his wife's account and engaging in the front-running scheme.

68. Polevikov knew that he was required to seek pre-clearance because he signed the quarterly and annual certifications acknowledging and certifying that he had read the Code of Ethics and was in compliance with it.

69. Polevikov also knew that he was required to seek pre-clearance for his trades in his wife's account because he disclosed to the Advisery Firms six other brokerage accounts. And, he sought, and obtained, pre-clearance for over 650 trades placed in those six accounts during the Relevant Period.

CLAIMS FOR RELIEF

COUNT I

**Violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder
(Defendant Sergei Polevikov)**

70. The Commission realleges and incorporates by reference each and every allegation in paragraphs 1 through 69 above, as if fully set forth herein.

71. By engaging in the conduct described above, Sergei Polevikov knowingly or recklessly, in connection with the purchase or sale of securities, directly or indirectly, by use the means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange:

- (a) employed devices, schemes or artifices to defraud;
- (b) made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) engaged in acts, practices or courses of business which operated or would have operated as a fraud or deceit upon persons.

72. By reason of the foregoing, Sergei Polevikov violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

COUNT II

**Violations of Section 17(a) of the Securities Act
(Defendant Sergei Polevikov)**

73. The SEC realleges and incorporates by reference each allegation in paragraphs 1 through 69, inclusive, as if they were fully set forth herein.

74. By engaging in the conduct that is described above, Sergei Polevikov knowingly, recklessly, or negligently in connection with the offer or sale of securities, by the use of the means or instruments of transportation, or communication in interstate commerce or by use of the mails, directly or indirectly:

- a. employed devices, schemes, or artifices to defraud;
- b. obtained money or property by means of untrue statements of material facts, or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and/or
- c. engaged in transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchaser.

75. By engaging in the foregoing conduct, Sergei Polevikov violated, and unless enjoined will continue to violate, Securities Act Section 17(a) [15 U.S.C. § 77q(a)].

COUNT III

Violations of Section 17(j) of the Investment Company Act [15 U.S.C. § 80a-17] and Rule 17j-1(b)(1) and (3) [17 C.F.R. § 270.17j-1(b)(1) and (3)] thereunder (Defendant Sergei Polevikov)

76. The SEC realleges and incorporates by reference each allegation in paragraphs 1 through 69, inclusive, as if they were fully set forth herein.

77. By engaging in the conduct described above, Sergei Polevikov, an affiliated person of an investment adviser, that is, Advisery Firm 1 and Advisery Firm 2, of certain registered investment companies, in connection with the purchase or sale, directly and indirectly, of a security held or to be acquired by registered investment companies advised by those registered investment companies, has: (a) employed devices, schemes and artifices to defraud

those registered investment companies; and (b) engaged in acts, practices or courses of business that operates or would operate as a fraud and deceit on those registered investment companies.

78. By reason of the foregoing acts and practices, Sergei Polevnikov violated and, unless enjoined, will continue to violate Section 17(j) of the Investment Company Act [15 U.S.C. § 80a-17] and Rule 17j-1(b)(1) and (3) [17 C.F.R. § 270.17j-1(b)(1) and (3)] thereunder.

COUNT IV

Violations of Section 17(j) of the Investment Company Act [15 U.S.C. § 80a-17] and Rule 17j-1(d) [17 C.F.R. § 270.17j-1(d)] thereunder (Defendant Sergei Polevnikov)

79. The SEC realleges and incorporates by reference each allegation in paragraphs 1 through 69, inclusive, as if they were fully set forth herein.

80. Rule 17j-1(d) under the Investment Company Act [17 C.F.R. § 270.17j-1(d)] mandates that every access person of an investment adviser of a fund, must initially, quarterly, and annually report to the investment adviser information regarding any transaction in any covered security in which the access person had any direct or indirect beneficial ownership, and information regarding any account established by the access person in which any securities were held during the period of the report for the direct or indirect benefit of the access person.

81. At all times during the relevant period, Sergei Polevnikov, an access person at Advisery Firm 1 and Advisery Firm 2, failed to report to Advisery Firm 1 and Advisery Firm 2 the existence of the brokerage account held in his wife's name, for which he had a direct or indirect beneficial ownership, and any details about the account. He also failed to report to Advisery Firm 1 and Advisery Firm 2 any information about any of the securities transactions that were made in his wife's brokerage account.

82. By reason of the foregoing acts and practices, Sergei Polevikov violated and, unless enjoined, will continue to violate Section 17(j) of the Investment Company Act [15 U.S.C. § 80a-17] and Rule 17j-1(d) [17 C.F.R. § 270.17j-1(d)] thereunder.

COUNT V
Unjust Enrichment Liability
(Relief Defendant Maryna Arystava)

83. The SEC realleges and incorporates by reference each allegation in paragraphs 1 through 69, inclusive, as if they were fully set forth herein.

84. Relief Defendant Maryna Arystava has obtained funds as part, and in furtherance of the securities violations alleged above, and under circumstances in which it is not just, equitable, or conscionable for her to retain the funds. Maryna Arystava has no claim to these funds and did not receive these funds for any legitimate or business purpose. As a consequence, Maryna Arystava has been unjustly enriched.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that this Court enter a final judgment:

I.

Permanently restraining and enjoining Defendant Sergei Polevikov from directly or indirectly violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];

II.

Permanently restraining and enjoining Defendant Sergei Polevikov from, directly or indirectly, engaging in conduct in violation of Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)];

III.

Permanently restraining and enjoining Defendant Sergei Polevikov from, directly or indirectly, engaging in conduct in violation of Section 17(j) of the Investment Company Act [15 U.S.C. § 80a-17] and Rules 17j-1(b)(1) and (3) and 17j-1(d) [17 C.F.R. §§ 270.17j-1(b)(1) and (3) and 270.17j1(d)] thereunder;

IV.

Ordering Defendant Sergei Polevikov and Relief Defendant Maryna Arystava to disgorge all illicit gains, with prejudgment interest;

V.

Ordering Defendant Sergei Polevikov to pay appropriate civil penalties under Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Sections 21(d)(3) and 21A of the Exchange Act [15 U.S.C. §§ 78u(d)(3), 78u-1];

VI.

Retaining jurisdiction over this action to implement and carry out the terms of all orders and decrees that may be entered; and

VII.

Granting such other and further relief as this Court may deem just and appropriate for the protection of investors pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)].

JURY TRIAL DEMANDED

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, the Commission hereby demands a trial by jury.

Dated: September 23, 2021

Respectfully submitted,

S/David Mislér

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