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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
SEATTLE DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

SUMMIT ASSET STRATEGIES INVESTMENT
MANAGEMENT, LLC; SUMMIT ASSET
STRATEGIES WEALTH MANAGEMENT, LLC;
and CHRIS YOO,

Defendants.

Case No.

COMPLAINT

Plaintiff Securities and Exchange Commission (“Commission”) alleges as follows:

SUMMARY OF THE ACTION

1. This case involves misappropriation of assets by Summit Asset Strategies Investment Management, LLC (“Investment Management”) and its Chief Executive and Chief Investment Officer, Chris Yoo (“Yoo”), from Summit Stable Value Fund, LLC (“SSVF”), a private investment fund that they advised. From at least 2011 to 2015, Yoo, acting through Investment Management, improperly withdrew nearly \$900,000 in assets from SSVF based on Yoo’s manipulation of the value of certain fund assets.

2. As part of the fraudulent scheme, Yoo misled existing and prospective SSVF investors about the fund’s financial condition by, among other things, making materially false and misleading statements about the value of the fund’s investments, and the manner in which Yoo and Investment Management were withdrawing fees from the fund as compensation for their advisory services. Although Yoo claimed that SSVF had earned millions of dollars in

1 putative “unrealized” investment gains in fiscal year 2012 (“FY2012”) and fiscal year 2013
2 (“FY2013”), those profits were in fact illusory and premised on nonexistent investments.

3 3. During the ongoing misappropriation of assets from SSVF, Yoo engaged in
4 additional misconduct while funneling new investments to SSVF. First, Yoo arranged for
5 Investment Management’s affiliate, Summit Asset Strategies Wealth Management, LLC
6 (“Wealth Management”), an advisory business for individual retail clients, to refer its clients to
7 SSVF in exchange for a fee. But neither Yoo nor Wealth Management disclosed approximately
8 \$80,000 in such referral fees – or the resulting conflict of interest – to Wealth Management’s
9 clients who invested in SSVF. Second, Yoo directed a second fund he and Investment
10 Management advised to invest the majority of its assets in SSVF, which was contrary to the
11 disclosures he and Investment Management made to fund investors that they intended to limit
12 investments to 15% of the fund’s assets in any single position.

13 4. The Commission seeks an order enjoining Investment Management, Wealth
14 Management, and Yoo (collectively “Defendants”) from future violations of the securities laws
15 and requiring them to disgorge ill-gotten gains with prejudgment interest and to pay civil
16 monetary penalties.

17 **JURISDICTION, VENUE, AND INTRADISTRICT ASSIGNMENT**

18 5. The Commission brings this action pursuant to Sections 21(d) and 21(e) of the
19 Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78u(d) and 78u(e)], Sections
20 20(b) and 20(d) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77t(b) and 77t(d)],
21 and Sections 209 and 214 of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C.
22 §§ 80b-9 and 80b-14].

23 6. The Court has jurisdiction over this action pursuant to Sections 21(d), 21(e), and
24 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), 78aa], Sections 20(b) and 22(a) of the
25 Securities Act [15 U.S.C. §§ 77t(b) and 77v(a)], and Sections 209 and 214 of the Advisers Act
26 [15 U.S.C. §§ 80b-9 and 80b-14].

27 7. Venue in this District is proper under Section 27 of the Exchange Act [15 U.S.C.
28 §78aa], Section 22 of the Securities Act [15 U.S.C. § 77v], and Section 214 of the Advisers Act

1 [15 U.S.C. §80b-14], because Defendants reside in, and a substantial portion of the acts or
2 transactions constituting violations of the federal securities laws alleged in this complaint
3 occurred within, the Western District of Washington.

4 INTRADISTRICT ASSIGNMENT

5 8. Under Local Civil Rule 3(d), this civil action should be assigned to the Seattle
6 Division because a substantial part of the events or omissions that give rise to the claim occurred
7 in King County.

8 DEFENDANTS

9 9. **Chris Young Dong Yoo**, 42, resides in Medina, Washington. During the relevant
10 timeframe, Yoo was the majority owner of, and controlled the parent entity of, both Investment
11 Management and Wealth Management. Yoo, through the parent entity, controlled and wholly
12 owned Investment Management, which served as an unregistered investment adviser to two
13 private funds. Yoo, through the same parent entity, also owned the majority stake (87.5%) in
14 Wealth Management, an investment adviser registered with the Commission that operated a
15 separate retail client advisory business.

16 10. **Summit Asset Strategies Investment Management, LLC** is a Washington
17 limited liability company headquartered in Bellevue, Washington. During the relevant
18 timeframe, Investment Management, through its CEO/CIO Yoo, provided investment advice
19 regarding securities to two private funds: Summit Stable Value Fund, LLC (“SSVF”), and
20 Summit Stable Opportunities Fund I, LLC (“SSOP I”). As its compensation for advising these
21 funds, Investment Management was entitled to receive the net fund profits (defined as the fund’s
22 profits, minus principal, interest payments, and other fund expenses) from SSVF, and
23 management and performance fees from SSOP I. Yoo, as the CEO and CIO of Investment
24 Management, made all investment decisions on behalf of the funds and had sole control over and
25 access to Investment Management’s bank account.

26 11. **Summit Asset Strategies Wealth Management, LLC** is a Washington limited
27 liability company headquartered in Bellevue, Washington. Since 2008, Wealth Management has
28 been registered as an investment adviser with the Commission. Yoo served as Wealth

1 Management's Chief Compliance Officer, signed Wealth Management's Forms ADV, and was
2 entitled to receive profits from compensation paid to Wealth Management for its advisory
3 services during the relevant timeframe.

4 **RELEVANT ENTITIES**

5 12. **Summit Stable Value Fund, LLC** is a private pooled investment vehicle formed
6 by Yoo in 2010 and a Washington limited liability company. Yoo, through Investment
7 Management, controlled and advised SSVF. As of 2011, SSVF had issued \$7.5 million in
8 promissory notes to approximately 20 investors, who were entitled to fixed interest rate returns
9 on their notes. During the relevant timeframe, SSVF invested in a mix of domestic and
10 international debt and equity, including Korean stocks and notes.

11 13. **Summit Stable Opportunities Fund I, LLC** is a private pooled investment
12 vehicle formed by Yoo in 2008 and a Washington limited liability company. Yoo, through
13 Investment Management, controlled and advised SSOP I. As of 2011, SSOP I had sold a total of
14 \$2 million in LLC membership interests to 13 investors. According to its private placement
15 memorandum describing the investment to prospective investors, SSOP I was designed to invest
16 in equities and structured notes of foreign public and private companies during the relevant
17 timeframe. As discussed further below, however, most of SSOP I's assets were concentrated in
18 SSVF notes.

19 **FACTUAL ALLEGATIONS**

20 14. As investment advisers, Defendants Investment Management, Wealth
21 Management, and Yoo owed a fiduciary duty to their advisory clients. This means that
22 Defendants were required to act for the benefit of their clients and exercise the utmost good faith
23 in dealing with them. It also means that Defendants had a duty to disclose all material facts that
24 might influence their recommendations to their clients, to employ reasonable care to avoid
25 misleading clients, and to disclose conflicts of interest.

26 15. Here, Defendants breached their fiduciary duties owed to their advisory clients in
27 several respects. First, Yoo and Investment Management breached their fiduciary duties owed to
28 their fund client, SSVF, by misappropriating its assets. Second, Yoo and Wealth Management

1 breached their fiduciary duties owed to their individual advisory clients by recommending that
2 these clients invest in SSVF without also disclosing that they had an economic incentive to make
3 that recommendation.

4 16. Yoo and Investment Management also engaged in misconduct related to their
5 second private fund, SSOP I. In particular, Yoo and Investment Management misled investors in
6 SSOP I regarding the fund's stated portfolio concentration limits. Here, Yoo and Investment
7 Management directed SSOP I to invest nearly all of its assets in SSVF notes, which was
8 inconsistent with the fund's offering documents and not disclosed to investors.

9 **A. Yoo and Investment Management Misappropriated Assets from SSVF.**

10 17. Yoo, through Investment Management, controlled and made investment decisions
11 for SSVF at all relevant times. From 2011 through 2015, Yoo, as CEO and CIO of Investment
12 Management, solicited new investments for SSVF by providing prospective investors with a
13 private placement memorandum ("PPM"). Yoo, through Investment Management (which 100%
14 owned SSVF), had ultimate authority over the fund's PPM, approved the PPM, and was
15 responsible for the PPM's content.

16 18. SSVF's PPM offered investors the opportunity to purchase fixed interest rate
17 promissory notes in the fund. According to the PPM, Investment Management was entitled to
18 receive SSVF's "net fund profits" (defined as the profit less principal, interest payments and
19 fund expenses) as compensation for its work in advising SSVF. The PPM permitted Investment
20 Management to withdraw estimated "net fund profits" from the fund on a monthly basis, but also
21 contained a "true up" provision at fiscal year-end. The "true up" provision required Investment
22 Management to return to SSVF any distributions in excess of actual net fund profits reported in
23 SSVF's annual audit.

24 19. SSVF's PPM further noted that SSVF did not charge "administrative,
25 management, or other fees" to investors. Accordingly, it was important for Investment
26 Management to properly value SSVF's assets, as its compensation was specifically tied to the
27 unrealized gains and losses in those assets each year.

28

1 20. During the relevant timeframe, Yoo, through Investment Management,
2 misappropriated assets from SSVF, with no basis in the audited financial statements, and for his
3 personal gain. In addition, Yoo misled existing and prospective SSVF investors by
4 misrepresenting, among other things, how he was withdrawing fees from the fund and by
5 overstating the value of the fund's investments.

6 *Yoo and Investment Management Misappropriated SSVF Assets by Withdrawing "Net*
7 *Fund Profits" With No Basis in the Financial Statements.*

8 21. In or about fiscal year 2011 ("FY2011"), Yoo began withdrawing assets from
9 SSVF that exceeded the net fund profits reported in the fund's annual audited financial
10 statements. During the course of the fiscal year, Yoo wired \$401,761 from SSVF to Investment
11 Management as estimated "net fund profits." However, at fiscal year-end 2011, the audited
12 financial statements reported a net loss and thus required Yoo to return the excess profits to the
13 fund. Despite the absence of profits available for withdrawal as reflected in the audited financial
14 statements, Yoo did not return that money back to the fund, which was contrary to the PPM.

15 22. In FY2012 and FY2013, Yoo ramped up the misappropriation scheme by
16 fraudulently inflating SSVF's asset values in the fund's financial statements. Specifically, Yoo
17 falsely claimed that SSVF had purchased 500,000 shares of an entity called Prime Pacific Bank
18 in December 2012 when in reality, the fund did not own this security. Because the Prime Pacific
19 Bank security was purportedly illiquid, Yoo developed a financial model to value this asset. For
20 FY2012, this model showed that SSVF's interest in Prime Pacific Bank had more than tripled in
21 value from the shares' purchase price of \$1.00 per share on December 28, 2012, to \$3.81 per
22 share on December 31, 2012 (i.e., fiscal year-end 2012). For FY2013, Yoo revised the model to
23 reflect that Prime Pacific Bank had slightly decreased from its FY2012 value – but still
24 generated an overall gain from its initial purchase price – to \$3.22 per share as of fiscal year-end
25 2013. In both FY2012 and FY2013, Yoo relied on these supposed cumulative gains in the
26 purported Prime Pacific Bank investment to justify his wire transfers to Investment Management
27 of approximately \$2.58 million as estimated "net fund profits" from SSVF.

28

1 23. In truth, Yoo knew, at least by December 2012, that SSVF did not own any shares
2 of Prime Pacific Bank. Instead, Yoo knew that the fund owned 250,000 shares of a different
3 entity, Prime Pacific Financial Services, Inc. (“PPFS”), which was a publicly traded company
4 with a quoted stock price ranging between \$0.27 per share to \$0.70 per share in 2012 and 2013.
5 PPFS was Prime Pacific Bank’s parent corporation, but held different assets and liabilities,
6 including other subsidiaries and \$5 million in debt. Accordingly, PPFS and Prime Pacific Bank
7 were very different investments.

8 24. SSVF’s financial statements for FY2012 and FY2013, which were prepared by
9 Yoo and stated that they were presented in accordance with Generally Accepted Accounting
10 Principles (“GAAP”), reported the purported (nonexistent) Prime Pacific Bank investment, but
11 did not include the actual PPFS investment. Significantly, SSVF’s PPFS investment was worth
12 a fraction of the approximately \$2 million reported as the value of the purported Prime Pacific
13 Bank investment in the fund’s financial statements for FY2012 and FY2013. SSVF’s
14 investments were required to be held at “fair value,” which was “the price that would be received
15 to sell an asset or paid to transfer a liability in an orderly transaction between market
16 participants.” ASC 820-10-20. Under GAAP, the fair value of the fund’s PPFS investment
17 should have incorporated the quoted trading price (a range of \$0.27 per share to \$0.70 per share)
18 multiplied by the correct number of shares (250,000). This calculation meant that the value of
19 SSVF’s actual investment – PPFS – was well under \$200,000 in FY2012 and FY2013.

20 25. Accordingly, SSVF’s financial statements, which included the nonexistent Prime
21 Pacific Bank “investment,” materially overstated the fund’s actual asset values by more than
22 12% in FY2012 and 18% in FY2013. Per the correct fair values of the fund’s assets, Yoo was
23 entitled at most to withdraw a “net fund profit” of \$1.27 million during the period of FY2011-
24 FY2013. Moreover, in fiscal years 2014 and 2015, Yoo continued to withdraw additional “net
25 fund profits” from SSVF even though the fund did not report any investment gains and in fact
26 began to default on its obligations to investors. Although Yoo ultimately returned some of the
27 money he misappropriated from SSVF, he has failed to return \$889,301.

28

1 Yoo and Investment Management Made Materially False Statements to Existing and
2 Prospective SSVF Investors Through SSVF's PPM and Financial Statements.

3 26. From 2012 to 2015, Yoo, through Investment Management, misled prospective
4 and existing SSVF investors by, among other things, misrepresenting how he was withdrawing
5 fees from the fund and by overstating the fund's asset values. For instance, Yoo continuously
6 raised investments from new investors with SSVF's PPM even though he knew, or was reckless
7 in not knowing, that several statements in SSVF's PPM were materially false and/or misleading,
8 including:

- 9 a. That Investment Management determined and withdrew "net fund profits" from
10 SSVF in accordance with the annual audit. This statement was false and
11 misleading by at least December 2011 in light of Yoo's failure to return excess
12 profits to SSVF and later fraudulent inflation of asset values and ongoing
13 misappropriation without regard for the fund's audited financial statements;
- 14 b. That Yoo and Investment Management charged no other fees beyond "net fund
15 profits." This statement was false and misleading in light of Yoo's payment of
16 approximately \$80,000 in referral fees from the fund to Wealth Management;
- 17 c. That SSVF had financial controls, including an independent financial
18 representative to review all related party transactions. This statement was false
19 and misleading since SSVF's inception, as no independent financial
20 representative reviewed related party transactions – including the withdrawal of
21 management fees;
- 22 d. That Investment Management was registered with the Commission. This
23 statement was false and misleading from SSVF's inception, as Investment
24 Management never registered with the Commission; and
- 25 e. That Yoo graduated and earned a degree from Oregon State University. This
26 statement was false and misleading from SSVF's inception, as Yoo had not
27 graduated from college.
28

1 27. At the same time, Yoo and Investment Management misled existing SSVF
2 investors by mailing them materially false and misleading financial statements for FY2012 and
3 FY2013. Among other things, the financial statements for each fiscal year reported a \$2 million
4 asset (the purported Prime Pacific Bank security) and misrepresented that the fund held 500,000
5 shares of Prime Pacific Bank. In reality, the fund did not own this asset.

6 28. Each of the above misrepresentations and/or omissions was material to SSVF's
7 investors. Investors cared about whether Yoo was misappropriating assets from the fund,
8 overstating the fund's assets, misrepresenting the fund's financial controls, and lying about his
9 credentials.

10 **B. Yoo Recommended that Wealth Management Clients Invest in SSVF But**
11 **Did Not Disclose the Conflict of Interest Posed by the Referral Fees that**
12 **Wealth Management Received from SSVF.**

13 29. In addition to the misappropriation and material misrepresentations, Yoo engaged
14 in further misconduct related to SSVF. In particular, Yoo signed a referral agreement on behalf
15 of SSVF in 2011 to pay referral fees to Wealth Management in exchange for referring Wealth
16 Management clients to SSVF. Pursuant to the agreement, Yoo transferred \$81,729.14 to
17 Wealth Management as compensation for referring Wealth Management clients to SSVF. Yoo
18 recommended the SSVF investment to Wealth Management clients, but did not disclose the
19 referral fee agreement (or the resulting fees paid from SSVF to Wealth Management), to these
20 clients for at least two years.

21 30. Additionally, Wealth Management did not disclose the referral fee agreement in
22 its public filings with the Commission. As an investment adviser registered with the
23 Commission, Wealth Management was required to file a Form ADV with the Commission.
24 Form ADV requires registered investment advisers to provide various disclosures about
25 themselves, including compensation agreements that create any material conflicts of interest.
26 Specifically, the instructions to Item 11.B of Form ADV Part 2A require the adviser to describe
27 their practice and the conflict of interest posed if the adviser recommends to clients securities in
28 which the adviser has a material financial interest. In addition, the instructions to Item 14 of
Form ADV Part 2A require that an adviser who receives an economic benefit from a non-client

1 (in exchange for providing investment advice or other advisory services to its clients) must
 2 describe the arrangement, explain the conflicts of interest, and describe how it will address the
 3 conflicts of interest. Yoo, who signed Wealth Management’s Form ADV in 2012, did not
 4 disclose the referral fee agreement or resulting conflict of interest in this document and, to the
 5 contrary, falsely stated that Wealth Management had “not entered into any agreements with third
 6 parties to give or receive referrals for compensation.”

7 **C. Yoo and Investment Management Misled Investors in the Second Fund,**
 8 **SSOP I, Regarding the Fund’s Concentration of Investments.**

9 31. In addition to the misconduct related to SSVF, Yoo, through Investment
 10 Management, misled investors in their second private fund, SSOP I, regarding the fund’s
 11 portfolio concentration limits. Yoo, as CEO and CIO of Investment Management, had ultimate
 12 authority over SSOP I’s PPM, approved the PPM, and was responsible for the PPM’s content.
 13 The PPM stated that Investment Management “currently intends to limit its initial investments to
 14 15% of the Fund’s assets at cost in any single position.” In 2011, however, Yoo did not follow
 15 the PPM’s stated portfolio concentration limits and instead invested 40% of SSOP I’s assets in
 16 SSVF notes in June, and later, 80% of the fund’s assets in additional SSVF notes by the end of
 17 the year. Yoo did not correct the earlier disclosure regarding the fund’s stated portfolio
 18 concentration limits and did not disclose the fund’s portfolio concentration in an affiliated entity
 19 (SSVF) to SSOP I investors for several months.

20 **FIRST CLAIM FOR RELIEF**
 21 **(Violations of Section 10(b) of the Exchange Act and Rule 10b-5**
 22 **By Yoo and Investment Management)**
 23 **(Securities Fraud)**

24 32. The Commission realleges and incorporates by reference paragraphs 1 through
 25 31.

26 33. By engaging in the conduct described above, Yoo and Investment Management,
 27 directly or indirectly, in connection with the purchase or sale of securities, by the use of means
 28 or instrumentalities of interstate commerce, or the mails, or of a facility of a national security
 exchange, with scienter, (a) employed devices, schemes, or artifices to defraud; (b) made untrue

1 statements of material facts or omitted to state material facts necessary in order to make the
2 statements made, in light of the circumstances under which they were made, not misleading; and
3 (c) engaged in acts, practices, or courses of business which operated or would operate as a fraud
4 or deceit upon other persons, including purchasers and sellers of securities.

5 34. By reason of the foregoing, Yoo and Investment Management have violated and,
6 unless restrained and enjoined, will continue to violate Section 10(b) of the Exchange Act [15
7 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

8 **SECOND CLAIM FOR RELIEF**
9 **(Violations of Section 17(a) of the Securities Act**
10 **By Yoo and Investment Management)**
11 **(Securities Fraud)**

12 35. The Commission realleges and incorporates by reference the allegations in
13 paragraphs 1 through 31.

14 36. By engaging in the conduct described above, Yoo and Investment Management,
15 directly or indirectly, acting intentionally, knowingly, recklessly, in the offer or sale of securities
16 by the use of the means or instruments of transportation or communication in interstate
17 commerce or by the use of the mails: (a) have employed or are employing devices, schemes or
18 artifices to defraud; (b) have obtained or are obtaining money or property by means of untrue
19 statements of material fact or omissions to state material facts necessary in order to make the
20 statements made, in light of the circumstances under which they were made, not misleading; or
21 (c) have engaged or are engaging in transactions, practices or courses of business which operate
22 as a fraud or deceit upon purchasers of the securities.

23 37. By reason of the foregoing, Yoo and Investment Management have violated and,
24 unless restrained and enjoined, will continue to violate Section 17(a) of the Securities Act [15
25 U.S.C. §77q(a)].

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THIRD CLAIM FOR RELIEF
**(Violations of Sections 206(1) and 206(2) of the Advisers Act
by Investment Management, Wealth Management, and Yoo)**
(Investment Adviser Fraud)

38. The Commission realleges and incorporates by reference paragraphs 1 through 31.

39. By engaging in the acts and conduct alleged above, Defendants, directly or indirectly, through the use of the means or instruments of transportation or communication in interstate commerce or of the mails, and while engaged in the business of advising others for compensation as to the advisability of investing in, purchasing, or selling securities: (1) with scienter employed devices, schemes, and artifices to defraud clients or prospective clients; and (2) engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon clients or prospective clients.

40. By reason of the foregoing, Defendants have violated and, unless restrained and enjoined, will continue to violate Sections 206(1) and 206(2) of the Advisers Act [15 U.S.C. §§ 80b-6(1) and 80b-6(2)].

FOURTH CLAIM FOR RELIEF
**(Violations of Section 206(4) of the Advisers Act and Rule 206(4)-8
By Yoo and Investment Management)**
(Investment Adviser Fraud)

41. The Commission realleges and incorporates by reference paragraphs 1 through 31.

42. SSVF and SSOP I are each pooled investment vehicles, as defined in Rule 206(4)-8 of the Advisers Act, engaged primarily in the business of investing, directly or indirectly in securities.

43. By engaging in the acts and conduct alleged above, Yoo and Investment Management, while acting as investment advisers to a pooled investment vehicle, have made untrue statements of material fact or omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading, to an investor or prospective investor in the pooled investment vehicle or otherwise engaged in

1 acts, practices, or courses of business that are fraudulent, deceptive or manipulative with respect
2 to an investor or prospective investor in the pooled investment vehicle.

3 44. By reason of the foregoing, Yoo and Investment Management have violated and,
4 unless restrained and enjoined, will continue to violate Section 206(4) of the Advisers Act [15
5 U.S.C. § 80b-6(4)] and Rule 206(4)-8 thereunder [17 C.F.R. § 275.206(4)-8].

6 **FIFTH CLAIM FOR RELIEF**
7 **(Violations of Section 207 of the Advisers Act**
8 **By Yoo and Wealth Management)**
9 **(False ADV)**

10 45. The Commission realleges and incorporates by reference paragraphs 1 through
11 30.

12 46. Yoo and Wealth Management willfully made untrue statements of material fact in
13 Forms ADV filed with the Commission, or willfully omitted to state in such Forms ADV a
14 material fact which is required to be stated therein.

15 47. By reason of the foregoing, Yoo and Wealth Management have violated and,
16 unless restrained and enjoined, will continue to violate Section 207 of the Advisers Act [15
17 U.S.C. § 80b-7].

18 **PRAYER FOR RELIEF**

19 WHEREFORE, the Commission respectfully requests that this Court:

20 I.

21 Permanently enjoin Yoo from directly or indirectly violating Section 10(b) of the
22 Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], Section
23 17(a) of the Securities Act [15 U.S.C. § 77q(a)], and Sections 206(1), 206(2), 206(4), and 207 of
24 the Advisers Act [15 U.S.C. §§ 80b-6(1), 80b-6(2), 80b-6(4), 80b-7] and Rule 206(4)-8
25 thereunder [17 C.F.R. § 275.206(4)-8]; permanently enjoin Investment Management from
26 directly or indirectly violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule
27 10b-5 thereunder [17 C.F.R. § 240.10b-5], Section 17(a) of the Securities Act [15 U.S.C. §
28 77q(a)], and Sections 206(1), 206(2), and 206(4) of the Advisers Act [15 U.S.C. §§ 80b-6(1),
80b-6(2), 80b-6(4)] and Rule 206(4)-8 thereunder [17 C.F.R. § 275.206(4)-8]; and permanently

1 enjoin Wealth Management from directly or indirectly violating Sections 206(1), 206(2), and
2 207 of the Advisers Act [15 U.S.C. §§ 80b-6(1), 80b-6(2), and 80b-7];

3 II.

4 Order Defendants to disgorge any wrongfully obtained benefits, including prejudgment
5 interest;

6 III.

7 Order Yoo and Investment Management to pay civil penalties pursuant to Section
8 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], Section 20(d)(1) of the Securities Act [15
9 U.S.C. § 77t(d)(1), and Section 209 of the Advisers Act [15 U.S.C. § 80b-9], and order Wealth
10 Management to pay a civil penalty pursuant to Section 209 of the Advisers Act [15 U.S.C. §
11 80b-9];

12 IV.

13 Retain jurisdiction of this action in accordance with the principles of equity and the
14 Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and
15 decrees that may be entered, or to entertain any suitable application or motion for additional
16 relief within the jurisdiction of this Court; and

17 V.

18 Grant such other and further relief as this Court may determine to be just and necessary.

19 Submitted by:

20
21 /s/ Jennifer J. Lee
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pursuant to L.C.R. 83.1(c)(2))
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