

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 99720 / March 12, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20906**

<b>In the Matter of</b>	:	
	:	
<b>Geluk Capital Management Ltd.</b>	:	<b>NOTICE OF PROPOSED PLAN OF</b>
<b>and Douglas Gerald Fathers,</b>	:	<b>DISTRIBUTION AND</b>
	:	<b>OPPORTUNITY FOR COMMENT</b>
<b>Respondents.</b>	:	

Notice is hereby given, pursuant to Rule 1103 of the United States Securities and Exchange Commission’s (the “Commission”) Rules on Fair Fund and Disgorgement Plans (the “Commission’s Rules”), 17 C.F.R. § 201.1103, that the Division of Enforcement has submitted to the Commission a proposed plan of distribution (the “Proposed Plan”) for the distribution of monies paid in the above-captioned matter.

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

As a result of the conduct described therein, the Commission found Geluk Capital and Fathers willfully violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5

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<sup>1</sup> Securities Act Rel. No. 11077 (June 24, 2022).

thereunder, Section 17(a) of the Securities Act of 1933, and Sections 206(1), 206(2), and 206(4) of the Investment Advisers Act of 1940 and Rule 206(4)-8 thereunder.

The Commission ordered the Respondents to pay \$29,081.69 in disgorgement, \$3,607.23 in prejudgment interest, and a \$60,000 civil money penalty, for a total of \$92,688, to the Commission, pursuant to a payment plan detailed therein. The Commission also created a Fair Fund (the “Fair Fund”), pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty collected, along with the disgorgement and interest collected, can be distributed to harmed investors.

The Fair Fund includes the \$29,081.69 collected from the Respondents to date, and any additional funds collected, pursuant to the Order, will be added to the Fair Fund. The assets of the Fair Fund are subject to the continuing jurisdiction and control of the Commission. The Fair Fund has been deposited in a Commission-designed account at the U.S. Department of the Treasury, and any interest accrued will be added to the Fair Fund.

## **OPPORTUNITY FOR COMMENT**

Pursuant to this Notice, all interested persons are advised that they may obtain a copy of the Plan from the Commission’s public website at <http://www.sec.gov/litigation/fairfundlist.htm>. Interested persons may also obtain a written copy of the Proposed Plan by submitting a written request to Noel Gittens, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-5876. All persons who desire to comment on the Proposed Plan may submit their comments, in writing, no later than thirty (30) days from the date of this Notice:

1. to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090;
2. by using the Commission’s Internet comment form (<http://www.sec.gov/litigation/admin.shtml>); or
3. by sending an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov).

Comments submitted by email or via the Commission’s website should include “Administrative Proceeding File No. 3-20906” in the subject line. Comments received will be publicly available. Persons should submit only information they wish to make publicly available.

## **THE PROPOSED PLAN**

The Net Available Fair Fund<sup>2</sup> is comprised of the \$29,081.69 in disgorgement paid by the Respondents to date, plus any interest and income earned thereon, less taxes, fees, and expenses. Any additional funds collected pursuant to the Order will be added to the Fair Fund. The Proposed Plan seeks to compensate investors harmed in connection with their payment of performance fees to the Respondents for the management of funds in the Geluk Global Fund

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<sup>2</sup> All capitalized terms used herein but not defined shall have the same meanings ascribed to them in the Proposed Plan.

Limited SAC, and related investment losses suffered as a result of the Respondents' fraudulent conduct between January 1, 2018, and December 31, 2018, inclusive. Investors will be reimbursed the performance fees that they paid during the Relevant Period plus interest and then compensated for their related investment losses on a *pro rata* basis from the funds remaining after the allocation of funds for performance fees and interest.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.<sup>3</sup>

Vanessa A. Countryman  
Secretary

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<sup>3</sup> 17 C.F.R. § 200.30-4(a)(21)(iii).