

- a. Respondent RRF was capitalized by an initial investment of ten million dollars (\$10,000,000);
 - b. Respondent RRF realized a quarterly profit of nearly thirty-seven billion dollars (\$37,000,000,000) in 2016;
 - c. Respondent Nathan was an accomplished billionaire;
 - d. Respondent RRF employed over fifteen thousand (15,000) employees as of December 31, 2016; and
 - e. Respondent RRF spent over \$9 billion on research and development in the fourth quarter of 2016.
8. In connection with soliciting investments, Respondent Nathan stated that the stock in Respondent RRF would be traded on the NASDAQ under the symbol RLTV.
 9. Respondent Nathan used a former member of the United States Marine Corps as an agent to help promote investments in Respondent RRF.
 10. Through this agent, Respondent Nathan targeted current and former members of the United States Marine Corps.
 11. Beginning in or around April 2016, at least sixty (60) investors nationwide (collectively, the "Investors"), including at least one (1) South Carolina resident, invested a collective total of at least two hundred thousand dollars (\$200,000) in Respondent RRF.
 12. Contrary to Respondent Nathan's representations, Respondent RRF was never capitalized by an investment of ten million dollars (\$10,000,000).
 13. Contrary to Respondent Nathan's representations, Respondent RRF has never realized a significant profit.
 14. Contrary to Respondent Nathan's representations, Respondent RRF does not employ and never has employed fifteen thousand (15,000) employees.
 15. Contrary to Respondent Nathan's representations, Respondent Nathan never made a substantial effort to register Respondent RRF on the NASDAQ.
 16. Contrary to Respondent Nathan's representations, Respondent RRF has not substantially developed next-generation technology that facilitates intergalactic space travel.
 17. Contrary to Respondent Nathan's representations, the Investors' investments were primarily used for the personal expenses of Respondent Nathan and members of Respondent Nathan's family.

18. In connection with effecting the securities transactions above, Respondent Nathan failed to disclose material information that a lawsuit was pending against him for his failure to provide certificates of ownership to investors in another business venture.
19. Respondent Nathan represented Respondent RRF in effecting the offers and sales of securities referenced above.
20. At no time relevant to the events stated herein was Respondent RRF registered as a broker-dealer, and no exemption has been claimed.
21. At no time relevant to the events stated herein was Respondent Nathan registered as an agent, and no exemption has been claimed.
22. At no time relevant to the events stated herein were the securities at issue registered with the Division or federal covered securities, and no exemption from registration has been claimed.

III. CONCLUSIONS OF LAW

23. The South Carolina Uniform Securities Act of 2005, S.C. Code Ann. § 35-1-101, *et seq.*, governs the offer and sale of securities in this State.
24. The investment opportunities offered and sold by the Respondents constitute securities as defined by the Act under S.C. Code Ann. § 35-1-102(29).
25. The investment opportunities offered and sold by the Respondents were offered and sold in violation of S.C. Code Ann. § 35-1-301.
26. In connection with the events above, Respondent RRF transacted business in this State as an unregistered broker-dealer in violation of S.C. Code Ann. § 35-1-401(a).
27. In connection with the events above, Respondent Nathan transacted business in this State as an unregistered agent in violation of S.C. Code Ann. § 35-1-402(a).
28. In connection with the events above, Respondent RRF employed or associated with an unregistered agent in violation of S.C. Code Ann. § 35-1-402(d).
29. In connection with the events above, the Respondents (1) employed a device, scheme, or artifice to defraud; (2) made one or more untrue statements of material fact or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (3) engaged in acts, practices, or courses of business that operated as a fraud or deceit upon the Investors, in violation of S.C. Code Ann. § 35-1-501.

30. It is in the public interest, for the protection of investors, and consistent with the purposes of the Act that the Respondents be ordered to cease and desist from engaging in the above-enumerated practices, which constitute violations of the Act, and pay an appropriate civil penalty for their wrongdoing.

IV. ORDER

NOW THEREFORE, pursuant to S.C. Code Ann. § 35-1-604(a)(1), it is hereby **ORDERED** that:

- a. Respondent Ramesh Kris Nathan (a/k/a Kris Nathan) and every agent, servant, and employee of Ramesh Kris Nathan and every entity owned, operated, or indirectly or directly controlled by or on behalf of Ramesh Kris Nathan **CEASE AND DESIST** from transacting business in this State in violation of the Act;
- b. Respondent Relativity Research Fund, Inc. and every successor, affiliate, control person, agent, servant, and employee of RRF and every entity owned, operated, or indirectly or directly controlled by or on behalf of RRF **CEASE AND DESIST** from transacting business in this State in violation of the Act;
- c. Respondent Relativity Research Fund, Inc. pay a civil penalty in the amount of forty thousand dollars (\$40,000) if this Order becomes effective by operation of law, or, if RRF seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed \$10,000 for each violation of the Act by RRF and the actual cost of investigation or proceeding; and
- d. Respondent Ramesh Kris Nathan (a/k/a Kris Nathan) pay a civil penalty in the amount of thirty thousand dollars (\$30,000) if this Order becomes effective by operation of law, or, if Nathan seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed \$10,000 for each violation of the Act by Nathan, and the actual cost of investigation or proceeding.

IT IS FURTHER ORDERED that, pursuant to S.C. Code Ann. §§ 35-1-604(a)(2) and (3), any exemption from registration with the Division upon which either Respondent may claim to rely under S.C. Code Ann. §§ 35-1-201(3)(C), (7), or (8); 35-1-202; 35-1-401(b)(1)(D) or (F); or 35-1-403(b)(1)(C), has been and is **PERMANENTLY REVOKED**.

V. REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING

The Respondents are hereby notified that they have the right to a hearing on the matters contained herein. To schedule such a hearing, a Respondent must file a written Answer specifically requesting a hearing with the Securities Division within thirty (30) days after the date of service of this Order to Cease and Desist. The written Answer must be addressed to:

The Office of the South Carolina Attorney General
Securities Division
Attn: Wanda Ealy
Post Office Box 11549
Columbia, South Carolina 29211-1549

In the written Answer, the Respondent, in addition to requesting a hearing, shall admit or deny each factual allegation in this Order, shall set forth specific facts on which the Respondent relies, and shall set forth concisely the matters of law and affirmative defenses upon which the Respondent relies. If a Respondent is without knowledge or information sufficient to form a belief as to the truth of an allegation, he shall so state.

If a Respondent requests a hearing, the Division, within fifteen (15) days after receipt of a request in a record from a Respondent, will schedule the hearing for that Respondent. Failure by a Respondent to file a written request for a hearing in this matter within the thirty-day (30) period stated above shall be deemed a waiver by that Respondent of the right to such a hearing. Failure by a Respondent to file an Answer, including a request for a hearing, shall result in this Order, including the stated civil penalty and any assessed costs, becoming final as to that Respondent by operation of law.

This Order does not prevent the Division or any law enforcement agency from seeking additional civil or criminal remedies as are available under the Act, including remedies related to the offers and sales of securities by the Respondents set forth above.

ENTERED, this the 22nd day of August, 2018.

ALAN WILSON
Securities Commissioner

By: 
TRACY A. MEYERS
Deputy Securities Commissioner

STATE OF SOUTH CAROLINA
OFFICE OF THE ATTORNEY GENERAL
SECURITIES DIVISION

CERTIFICATE OF SERVICE AND
AFFIDAVIT OF COMPLIANCE
File Number 20176050

I hereby certify that I served upon the individual/entity listed below a copy of the document indicated below and dated August 22, 2018, by serving a copy of said document upon the Securities Commissioner of the State of South Carolina and by placing a copy of said document in the United States mail, certified mail, return receipt requested, first class postage prepaid and addressed to:

Ramesh Kris Nathan (a/k/a Kris Nathan) and
Relativity Research Fund, Inc.
8517 Portage Ave.
Tampa, Florida 33467

Document(s): Order to Cease and Desist

Mailed August 22, 2018 from Columbia, South Carolina.

I further hereby certify, swear and affirm that, service of the above-listed entity is in compliance with Section 35-1-611, Code of Laws of South Carolina.

By: Wanda Ealy
Wanda Ealy
South Carolina Attorney General's Office
Securities Division
Post Office Box 11549
Columbia, SC 29211-1549
(803) 734-4731

Subscribed and sworn to before me on
this 22nd day of August, 2018.

James H. Ballington
Notary Public for South Carolina

My commission expires: 6-29-21

