

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.:

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**KRONUS FINANCIAL CORPORATION,
FINSER INTERNATIONAL CORPORATION,
AND ANDREW H. JACOBUS,**

Defendants.

**COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF
AND DEMAND FOR JURY TRIAL**

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

I. INTRODUCTION

1. Between at least May 2015 and April 2024 (the “Relevant Period”), Defendants Andrew H. Jacobus (“Jacobus”), Finser International Corporation (“Finser”), and Kronus Financial Corporation (“Kronus”) misappropriated approximately \$17.3 million from 40 advisory clients (“Clients”), most of whom are Venezuelan nationals and include Catholic dioceses and elderly individuals.

2. During the Relevant Period, Jacobus advised Clients to invest in investment funds he purportedly managed, as well as other securities. He abused his position of trust based on his fiduciary duty as an investment adviser to several Clients by duping them into depositing approximately \$39.7 million into various bank and brokerage accounts he controlled, from which he misappropriated Client funds and made \$7.8 million in Ponzi-like payments to certain Clients and other investors.

3. As a result of the conduct described in this Complaint, Defendants violated 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 Rule 10b-5 [17 C.F.R. §240.10b-5] thereunder; and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. § 80b-6(1) and (2)].

4. Unless enjoined, Defendants will continue to violate the federal securities laws. The Commission seeks injunctive relief, as well as disgorgement with prejudgment interest, and civil penalties against Defendants. The Commission also seeks an order imposing a permanent conduct-based injunction against Jacobus.

II. DEFENDANTS

5. Kronus was a Florida corporation with its principal place of business in Miami, Florida from February 2017 through its administrative dissolution on September 27, 2024. Kronus served as a holding company for assets and offered consulting services. Jacobus was the sole owner, president, and director of Kronus.

6. Finser was a Florida corporation located in Coral Gables, Florida from April 2010 through its administrative dissolution on September 27, 2024. Jacobus was the director, president, and sole owner of Finser. Finser was registered with the Commission as an investment adviser between June 2010 and January 2021, when it filed a Form ADV-W to withdraw its registration. Finser offered discretionary and non-discretionary management and portfolio recommendation services. On September 24, 2020, Finser and Jacobus agreed to the entry of an administrative order without admitting or denying allegations that they, among other things, charged performance fees to an investment fund Finser managed, the Corfiser SIMI Fund, S.V. (“Corfiser SIMI Fund”), that were contrary to disclosures, and made misrepresentations regarding custody and safekeeping of

client assets. In the Matter of Finser International Corporation, Release No. 5593, Admin. Proc. File No. 3-20068 (Sept. 24, 2020) (the “Commission Order”).

7. Jacobus, age 62, resides in Ft. Lauderdale, Florida. He at all times has been Finser’s sole owner, president, and chief compliance officer and Kronus’s sole owner, president, and director. Jacobus has been in the global asset management business for over 30 years and has held a Series 65 license. In June 2024, Jacobus was charged in Broward County, Florida with one count of first-degree grand theft and has pleaded not guilty. (Florida v. Jacobus, Case No. 24006502CF10A, 17th Cir. Ct. Broward County, FL).

III. 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)]; Sections 21(d), 21(e), and 27(a) of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa(a)]; and Sections 209(d), 209(e)(1), and 214(a) of the Advisers Act [15 U.S.C. §§ 80b-9(d), 80b-9(e)(1), and 90b-14(a)].

9. This Court has personal jurisdiction over the Defendants and venue is proper in the Southern District of Florida because many of the Defendants’ actions and transactions constituting violations of the Securities Act, Exchange Act, and Advisers Act occurred in this district, Jacobus resides in this district, and Finser’s and Kronus’s principal place of business was in this district.

10. In connection with the conduct alleged in this Complaint, Defendants, directly and indirectly, singly or in concert with others, made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation and communication in interstate commerce, and the mails.

IV. FACTUAL ALLEGATIONS

A. BACKGROUND

11. In 2001, Jacobus established and became the sole owner of a currency exchange provider in Venezuela. In June 2010, Jacobus established Finser, an SEC-registered investment adviser, and began offering advisory services to the currency exchange provider's clientele. From June 2010 through at least 2016, Finser charged its clients a one percent management fee. From at least January 2014, Jacobus also paid himself a salary. Through Finser and the currency exchange provider, Jacobus provided currency exchange services to over 1,000 individuals and entities until Jacobus largely exited the currency exchange business in 2017. Although Finser had filed its SEC Form ADV-W and withdrawn its registration with the Commission in January 2021, Finser and Jacobus continued to accept advisory clients through October 2021.

12. Throughout the Relevant Period, Jacobus primarily directed clients to deposit their money into one of several Jacobus-controlled U.S. bank and brokerage accounts, most of which were held in the name of Finser and later Kronus, promising to invest and manage their money. Jacobus directed other clients to open individual brokerage accounts at a U.S.-based broker-dealer, with Finser and/or Jacobus listed as the investment adviser on the accounts or Jacobus as having trading authorization.

13. Jacobus initially established Kronus in 2017 to serve as a holding company for certain assets, including ownership stakes in a U.S.-based coffee company and a real estate project in Chile. In August 2018, Jacobus sought to rebrand the Finser advisory business and introduced Kronus to his current clients via email. All advisory services formerly provided by the various entities Jacobus managed and operated, including the Corfiser SIMI Fund, would now be managed under the Kronus name.

B. DEFENDANTS' ACTS IN VIOLATION OF THE SECURITIES LAWS

14. Throughout the Relevant Period, Jacobus, through Finser and Kronus, raised approximately \$39.7 million from Clients who believed they were investing in securities including the Corfiser SIMI Fund and Initial Public Offering (“IPO”) stocks. Through emails and in conversations, Jacobus made various misrepresentations to Clients, many with whom he had longstanding relationships.

i. Defendants' Fraud Regarding Corfiser SIMI Fund, Kronus Fund, and Other Investments

15. Primarily, from as early as 2013 and at least through May 2018, Jacobus, through Finser and Kronus, offered and sold limited partnership interests in the Corfiser SIMI Fund to many Clients. He informed them that some or all of their funds would be invested in the Corfiser SIMI Fund, which purportedly invested in IPOs. During the Relevant Period, Jacobus provided at least one Client with the private placement memorandum (“PPM”) for the Corfiser SIMI Fund, and several others with subscription agreements for the fund. Per the PPM, Finser charged the Corfiser SIMI Fund a 2% management fee and a 20% performance fee. Jacobus misrepresented to at least two Clients that the Corfiser SIMI Fund would yield annual returns of 12%.

16. Periodic newsletters sent to Clients by Jacobus on behalf of Finser during this time, including the Relevant Period, falsely reflected monthly returns ranging from 0.84% to over 4.13%. Representations made by Finser and Jacobus about the Corfiser SIMI Fund almost always reflected a purported positive return. Throughout the Relevant Period, Clients received monthly statements from Finser, which were fabricated by Jacobus, reflecting the Clients' purported investment balances in the Corfiser SIMI Fund. They could also log onto the Web-based Finser platform and see the same fictitious balances.

17. In September 2018, Jacobus announced to Clients via email that the Corfiser SIMI Fund would begin operating under the name “Kronus High Yield Fund” a/k/a Kronus Financial Fund (“Kronus Fund”). Jacobus informed Clients that redemption requests from the Kronus Fund would have a one-year waiting period from the date of investment. In June 2019, Jacobus also sent an email to Clients with restrictions and instructions on redemptions from the Kronus Fund. Until at least January 2022, Clients continued to receive email newsletters from Jacobus and Kronus reflecting the purported activity of the Kronus Fund, including IPO holdings, transactions, and market information. As with the Corfiser SIMI Fund, the newsletters continually reflected fictitious positive returns for the Kronus Fund. Certain Clients made additional investments with Finser, Kronus, and Jacobus after receiving a newsletter during the Relevant Period that contained material misrepresentations about the Corfiser SIMI Fund’s performance.

18. In addition to the purported Corfiser SIMI Fund and Kronus Fund investments, Jacobus also lied to several Clients about the legitimacy of and returns on their investments, as well as their access to their money. Specifically, he misrepresented to some Clients that their assets would be invested in fixed interest portfolios or variable interest portfolios. Jacobus falsely told others that they would have access to their money at all times. Finally, Jacobus falsely told at least one Client that the Client’s investment would yield a 6.5% annual gain minus a one percent fee for Jacobus’s services.

19. In reality, Jacobus did not invest any of these Clients’ funds in the Corfiser SIMI Fund, Kronus Fund, in any fixed or variable portfolio, or in any investment that yielded the promised returns. Instead, Jacobus directed Clients to deposit their money in one of several bank and brokerage accounts he or his related entities controlled, then used the funds, among other things, to invest in securities for Finser’s and Kronus’s benefit, to repay a loan in Finser’s name,

and to fund Jacobus's personal bank accounts. During the Relevant Period, Clients deposited approximately \$39.7 million in Jacobus-controlled bank and brokerage accounts. Clients did not receive the promised returns and did not have access to their money.

20. Defendants attempted to conceal their misrepresentations, misuse, and misappropriation of Clients' funds by providing certain Clients with documents from Finser and Kronus that reflected fictitious account balances and holdings.

ii. Brokerage Account Fraud

21. Jacobus also misrepresented to Clients the nature and balance of their investments held in brokerage accounts that he, through Finser and Kronus, managed and controlled. During the Relevant Period, through independent financial advisory arrangements, Jacobus opened or assisted some Clients in opening brokerage accounts at various U.S.-based broker-dealers. Through this arrangement, Jacobus managed the brokerage accounts for these Clients. While some of the funds deposited in these accounts were invested in securities, unbeknownst to the Clients, approximately \$10.8 million from these brokerage accounts were diverted to Finser and Kronus-controlled bank and brokerage accounts between 2019 and 2023.

22. Jacobus again attempted to conceal from these Clients the true securities holdings and balances they had in their brokerage accounts by sending periodic account statements that contained fictitious holdings and balances. For example, in September 2021, Jacobus provided a Client with a brokerage statement corresponding to that Client's brokerage account for the month of August 2021, which reflected an ending balance of over \$3.8 million, comprised of cash and securities positions. The true account statement for that period reflects that the account had a zero balance, no trading activity, and no securities positions for or during the month of August 2021.

23. During the Relevant Period, Jacobus also recommended that 18 Clients open brokerage accounts at a certain U.S.-based broker-dealer. With Jacobus's assistance, each opened

an account at that broker-dealer and listed Finser and/or Jacobus as the investment adviser for the account, for which service Jacobus received a monthly management fee. During the account-opening process, Jacobus was able to create usernames and passwords for, or otherwise manipulate access to, accounts belonging to several of these Clients. When certain Clients inquired about their brokerage account holdings and balances, Jacobus sent them doctored statements that appeared to be from the broker-dealer, via email or message applications. During the Relevant Period, Clients received over 50 altered statements that contained inflated balances totaling approximately \$2.9 million over the true collective amount.

24. Between 2022 and 2023, Jacobus misappropriated approximately \$3.5 million out of the brokerage accounts of these unsuspecting Clients.

iii. Fraud Regarding Client Redemptions

25. Sometime no later than 2021, Jacobus stopped paying certain Clients their promised returns on investment or honoring their requests for return of their principal. Several Clients attempted to contact Jacobus about missing returns or unanswered redemption requests during 2022 and each received unsubstantiated excuses for the delay including, among others, liquidity issues and regulatory restrictions. Jacobus made partial payments to some Clients in order to continue to conceal his misappropriation of their funds.

26. Between January 2022 and April 2022, several Clients received emails purporting to be from an entity which Jacobus testified was Kronus's offshore law firm. The emails (which contained evident typos) explained that requests for account closures would not be honored for a 12-month period. In fact, the law firm had not sent the email and it had never used the particular email address from which the emails were sent. The domain name used in the purported offshore law firm's emails was registered to Jacobus.

27. Eventually, by mid-2023, return of any Client funds ceased and Jacobus stopped communicating with Clients.

iv. Misappropriation of Client Funds

28. Instead of investing Clients' funds as promised, Jacobus, Finser, and Kronus collectively misappropriated at least \$17.3 million from Clients during the Relevant Period. This includes misappropriating approximately \$3.2 million from Catholic Church clergy in Venezuela and various Venezuelan Catholic dioceses and approximately \$3.5 million from certain Clients' brokerage accounts. Jacobus, Finser, and Kronus did so by directing Client deposits into 11 U.S.-based bank and brokerage accounts and two U.K.-based bank accounts over which they had sole control and by accessing certain Client brokerage accounts to which, unbeknownst to the Clients, Jacobus had login access.

29. From the misappropriated amounts, Jacobus directed, often through Finser and Kronus, payments of approximately \$11.7 million to various U.S.-based and foreign individuals and entities largely unrelated to the advisory business. Of the remaining \$5.6 million, Jacobus misappropriated Client funds to pay for, among other things, his mortgage, property taxes, educational institutions, real estate purchases, designer and high-end shopping, jewelry, travel, and luxury vehicles.

30. In addition to the misappropriated amounts, Jacobus, through Finser and Kronus, made approximately \$7.8 million in Ponzi-like payments to at least 25 Clients and other investors during the Relevant Period. Jacobus made these payments from Client funds that had been deposited in accounts he, Finser, and Kronus controlled. Several Clients received one Ponzi-like payment, but many received several such payments during the Relevant Period. Finally, during the Relevant Period, Jacobus paid himself a salary of approximately \$4.1 million, which he did not disclose to Clients.

V. **CLAIMS FOR RELIEF**

COUNT I

Violation of Section 17(a)(1) of the Securities Act

31. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

32. From at least May 2015 through approximately April 2024, Jacobus, Finser, and Kronus, in the offer or sale of securities by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, knowingly or recklessly employed devices, schemes or artifices to defraud.

33. By reason of the foregoing, Jacobus, Finser, and Kronus, directly and indirectly, have violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

COUNT II

Violation of Section 17(a)(2) of the Securities Act

34. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

35. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, in the offer or sale of securities by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, directly and indirectly, negligently obtained money or property by means of untrue statements of material facts or omissions to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading.

36. By reason of the foregoing, Jacobus, Finser, and Kronus, directly and indirectly, have violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(2) of the Securities Act [15 U.S.C. § 77(q)(a)(2)].

COUNT III

Violation of Section 17(a)(3) of the Securities Act

37. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

38. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, in the offer or sale of securities by use of the means or instruments of transportation or communication in interstate commerce or by the use of the mails, directly and indirectly, negligently engaged in transactions, practices and courses of business which operated as a fraud or deceit upon the purchasers.

39. By reason of the foregoing, Jacobus, Finser, and Kronus, directly and indirectly, have violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(3) of the Securities Act [15 U.S.C. § 77(q)(a)(3)].

COUNT IV

Violation of Section 10(b) of the Exchange Act and Rule 10b-5(a)

40. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

41. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, directly or indirectly, by use of the means and instrumentalities of interstate commerce, or of the mails, knowingly or recklessly employed devices, schemes or artifices to defraud in connection with the purchase or sale of securities.

42. By reason of the foregoing, Jacobus, Finser, and Kronus directly or indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rules 10b-5(a) [17 C.F.R. § 240.10b-5(a)].

COUNT V

Violation of Section 10(b) of the Exchange Act and Rule 10b-5(b)

43. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

44. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, directly or indirectly, by use of the means and instrumentalities of interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly or recklessly made untrue statements of material facts or omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading.

45. By reason of the foregoing, Jacobus, Finser, and Kronus directly or indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5(b) [17 C.F.R. § 240.10b-5(b)].

COUNT VI

Violation of Section 10(b) of the Exchange Act and Rule 10b-5(c)

46. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

47. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, directly or indirectly, by use of the means and instrumentalities of interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly or recklessly engaged in acts, practices, and courses of business which operated as a fraud upon the purchasers of such securities.

48. By reason of the foregoing, Jacobus, Finser, and Kronus directly or indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5(c) [17 C.F.R. § 240.10b-5(c)].

COUNT VII

Violation of Section 206(1) of the Advisers Act

49. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

50. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, for compensation, engaged in the business of directly advising others as to the value of securities or as to the advisability of investing in, purchasing, or selling securities. Defendants were therefore “investment advisers” within the meaning of Section 202(a)(11) of the Advisers Act [15 U.S.C. § 80b-2(a)(11)].

51. Jacobus, Finser and Kronus, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, knowingly or recklessly employed a device, scheme, or artifice to defraud one or more clients or prospective clients.

52. By reason of the foregoing, Jacobus, Finser, and Kronus violated and, unless enjoined, are reasonably likely to continue to violate Section 206(1) of the Advisers Act [15 U.S.C. § 80b-6(1)].

COUNT VIII

Violation of Section 206(2) of the Advisers Act

53. The Commission realleges and incorporates Paragraphs 1 through 30 of this Complaint.

54. From at least May 2015 until approximately April 2024, Jacobus, Finser, and Kronus, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, negligently engaged in transactions, practices, or courses of business which operated as a fraud or deceit upon one or more clients or prospective clients.

55. By reason of the foregoing, Jacobus, Finser, and Kronus each violated, and unless enjoined, are reasonably likely to continue to violate Section 206(2) of the Advisers Act [15 U.S.C. § 80b-6(2)].

VI. RELIEF REQUESTED

The Commission respectfully requests that the Court find that Jacobus, Finser, and Kronus committed the violations alleged and:

A. Permanent Injunction

Issue a Permanent Injunction restraining and enjoining Jacobus, Finser, and Kronus and their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them and each of them, from violating Sections 17(a) of the Securities Act [15 U.S.C. §77q(a)], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder, and Sections 206(1) and 206(2) of the Advisers Act [15 U.S.C. §§ 80b-6(1) and (2)].

B. Conduct-Based Injunction Against Jacobus

Issue a Conduct-Based Injunction restraining and enjoining Jacobus from (i) directly or indirectly, including, but not limited to, through any entity owned or controlled by Jacobus, participating in the issuance, purchase, offer, or sale of any security provided, however, that such injunction shall not prevent Jacobus from purchasing or selling securities for his own personal account, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)] and (ii) directly or indirectly acting as or being associated with any investment adviser provided, however, that such injunction shall not prevent Jacobus from being a customer or client of an investment adviser, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)].

C. Disgorgement with Prejudgment Interest

Issue an Order directing Jacobus, Finser, and Kronus to disgorge all ill-gotten gains or proceeds received within the applicable statute of limitations, with prejudgment interest thereon, resulting from the acts and/or courses of conduct alleged in this Complaint and finding (i) Defendants Kronus and Jacobus and (ii) Defendants Finser and Jacobus, jointly and severally liable for disgorgement ordered against each of them, respectively.

D. Civil Monetary Penalties

Issue an Order directing Jacobus, Finser, and Kronus to pay a civil money penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)], and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)].

E. Further Relief

Grant such other and further relief as may be necessary and appropriate.

F. Retention of Jurisdiction

Further, the Commission respectfully requests the Court retain jurisdiction over this action and over Defendants in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

DEMAND FOR JURY TRIAL

The Commission hereby demands a trial by jury on any and all issues in this action so triable.

Respectfully submitted,

May 28, 2025

s/Christine Nestor

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