

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN**

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

**NEIL S. CHANDRAN,
GARRY J. DAVIDSON,
MICHAEL T. GLASPIE,
LINDA C. KNOTT,
AMY S. MOSSEL,
AEO PUBLISHING INC.,
BANNER CO-OP, INC., and
BANNERSGO, LLC,**

Defendants.

Case No. 2:23-cv-10017

Hon.

JURY TRIAL DEMANDED

COMPLAINT

Plaintiff, the United States Securities and Exchange Commission (“SEC”),
alleges as follows:

SUMMARY OF ACTION

1. This case concerns a brazen and far-reaching unregistered offering fraud conducted between at least 2018 and 2022 by Defendants Neil Chandran, Garry Davidson, Michael Glaspie, Linda Knott, Amy Mossel, Banner Co-Op, Inc.

(“Banner Co-Op”), BannersGo, LLC (“BannersGo”), and AEO Publishing Inc. (“AEO Publishing”).

2. Chandran, a recidivist securities law violator and convicted felon, claimed to own a unique blockchain technology that was on the verge of being sold for trillions of dollars to a group of reputable billionaire buyers (“CoinDeal”). Chandran further claimed his business required interim financial support until the sale transaction closed. Together with and through other named Defendants, Chandran targeted mostly unsophisticated investors with false and misleading promises and representations that investments in CoinDeal would soon yield extremely high returns from the imminent sale of his business. Ultimately, there was no sale, and no distribution of proceeds, because CoinDeal was a sham.

3. Given his criminal record, Chandran incentivized others such as Davidson (an investor in a prior Chandran scheme) and Glaspie (recruited by Davidson) to help raise funds for CoinDeal by soliciting public investment.

4. Glaspie, an online promoter, raised large sums for CoinDeal from tens of thousands of investors in multiple states and countries. As part of his promotional campaign, Glaspie knowingly or recklessly disseminated false information about CoinDeal that he received from Chandran via Davidson, including information concerning the supposed value and timeline of the sale transaction, as well as the purported involvement of prominent business people,

financial institutions and governmental departments or agencies. Glaspie regularly communicated such false information to investors through near-daily written updates and weekly teleconferences, in which Davidson occasionally participated.

5. Glaspie made additional misrepresentations and engaged in other fraudulent conduct, including by: creating and publicizing astronomical payout scales that ranged from multi-million dollar returns for investments of \$1,000 or less, to returns in excess of \$50 billion for investments of \$100,000; offering referral bonuses to entice investors to recruit others to participate in CoinDeal; and personally guaranteeing to refund investors with 7% interest should CoinDeal not come to fruition.

6. Knott, who invested in CoinDeal through Glaspie and engaged in her own promotional activity, similarly fabricated payout scales with conspicuous rates of return and knowingly or recklessly disseminated false information about CoinDeal when soliciting prospective investors.

7. Chandran, Davidson, Glaspie (with substantial assistance from his wife, Mossel, and her business entity, AEO Publishing) and Knott raised over \$45 million through the fraudulent CoinDeal offering. Investor funds typically flowed into financial accounts held by Glaspie's entities, Banner Co-Op and BannersGo, were then transferred to accounts controlled by Davidson, and ultimately routed to accounts controlled by Chandran. Knott pooled investor funds she raised, which

totaled at least \$749,000, before periodically transferring amounts to Glaspie.

Neither Knott, Glaspie nor Davidson transferred all CoinDeal investor funds upstream – rather, each diverted investor funds for personal use along the way.

8. Collectively, Chandran, Davidson, Glaspie, and Knott misappropriated tens of millions of dollars of investor funds for personal use and diverted funds to individuals and entities unrelated to CoinDeal, including Mossel and AEO Publishing.

9. As a result of their conduct, Chandran, Davidson, Glaspie, Knott, Banner Co-Op, and BannersGo intentionally, knowingly, or recklessly committed securities fraud and offered and sold unregistered securities. Mossel and AEO Publishing aided and abetted Glaspie's violations.

10. Chandran, Davidson, Glaspie, Knott, Banner Co-Op, and BannersGo violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)] and Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

11. Pursuant to Section 15(b) of the Securities Act [15 U.S.C. § 77o(b)] and Section 20(e) of the Exchange Act [15 U.S.C. § 78t(e)], Davidson, Glaspie, Knott, Banner Co-Op, and BannersGo aided and abetted Chandran's violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

12. Pursuant to Section 15(b) of the Securities Act and Section 20(e) of the Exchange Act, AEO Publishing and Mossel aided and abetted Glaspie's violations of Sections 5(a), 5(c), and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

13. The SEC brings this lawsuit to prevent further harm to investors and to seek disgorgement, civil penalties, officer and director bars, permanent injunctions, and conduct-based injunctions stemming from the Defendants' wrongdoing.

14. Unless the Defendants are permanently restrained and enjoined, they will continue to engage in the acts, practices, and courses of business set forth in this Complaint and in acts, practices, and courses of business of similar type and object.

JURISDICTION AND VENUE

15. The Court has jurisdiction over this action pursuant to Sections 20(b) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b) and 77v(a)], and Sections 21(d) and 27(a) of the Exchange Act [15 U.S.C. §§ 78u(d) and 78aa(a)].

16. Venue is proper in this judicial district pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Section 27(a) of the Exchange Act [15 U.S.C. § 78aa(a)], because many of the acts, transactions and courses of business

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