

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
)
) Case No.
)
) Violation: Title 18, United States Code,
NEAL GOYAL)
) Section 1343
)

The UNITED STATES ATTORNEY charges:

1. At times material to this information:

a. Defendant NEAL GOYAL was the sole managing member and founder of Blue Horizon Asset Management, LLC and Caldera Advisors, LLC, both of which were unregistered investment advisers located in Chicago, Illinois.

b. Blue Horizon Asset Management was the general partner and investment adviser to Blue Horizon Partners Fund, LP, Blue Horizon Bio-Energy Fund, LP and Blue Horizon Global Equity Fund, LP, which are collectively referred to as the Blue Horizon Funds. Blue Horizon Asset Management offered and sold: (i) more than \$800,000 in limited partnership interests for the Blue Horizon Partners Fund to approximately five investors; (ii) more than \$3,100,000 in limited partnership interests for the Blue Horizon Bio-Energy Fund to approximately 14 investors; and (iii) more than \$4,200,000 in limited partnership interests for the Blue Horizon Global Equity Fund to approximately 24 investors. The Blue Horizon Funds shared many of the same investors.

c. Caldera Advisors was the general partner and investment adviser to Caldera Equity Fund, LP. Caldera Advisors offered and sold more than \$3,200,000 in

limited partnership interests for Caldera Equity Fund to approximately 16 investors. The Caldera Equity Fund shared many of the same investors as the Blue Horizon Funds. The Caldera Equity Fund and Blue Horizon Funds collectively had approximately 41 investors.

2. Beginning in approximately June 2006 and continuing through May 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

NEAL GOYAL,

defendant herein, knowingly devised, intended to devise, and participated in a scheme to defraud and to obtain money and property from investors by means of materially false and fraudulent pretenses, representations, and promises, and by concealment of material facts, as described below.

3. It was part of the scheme that defendant GOYAL fraudulently raised and caused to be raised more than \$11,000,000 through the offer and sale of limited partnership interests in the Blue Horizon Funds and Caldera Equity Fund. Defendant GOYAL fraudulently obtained and retained these funds by making and causing to be made materially false representations to investors regarding, among other things, the intended use of funds raised for the Blue Horizons Funds and Caldera Equity Fund, the investment returns generated for the Blue Horizon Funds and Caldera Equity Fund, and the source of the investment returns and principal paid to investors. In fact, defendant GOYAL misappropriated funds raised from investors in the Blue Horizon Funds and Caldera Equity Fund for his own benefit, and concealed his scheme by creating and causing to be distributed to investors false and misleading account statements for the Blue Horizon

Funds and Caldera Equity Fund.

4. It was further part of the scheme that beginning in early 2006, defendant GOYAL represented and caused to be represented to investors that funds invested in the Blue Horizon Partners Fund would be used for long and short trading in equities, options, and other securities and instruments, defendant GOYAL knowing by at least the first half of 2008 that he intended to misappropriate a portion of the proceeds for other purposes, including for his own use and benefit and to pay purported returns and return of principal to Blue Horizon Partners Fund investors.

5. It was further part of the scheme that beginning in at least June 2006, and continuing through as late as May 2014, defendant GOYAL knowingly caused to be provided to investors in the Blue Horizon Partners Fund account statements that defendant GOYAL knew falsely inflated the financial results from trading for the fund.

6. It was further part of the scheme that beginning in at least April 2007, defendant GOYAL caused the purported investment returns and principal for the Blue Horizons Partners Fund to be paid to certain investors, defendant GOYAL knowing that he funded the purported investment returns and return of principal by using funds from new and existing Blue Horizon Partners Fund investors and not from trading returns.

7. It was further part of the scheme that beginning in approximately January 2007, defendant GOYAL represented and caused to be represented to new investors and existing Blue Horizon Partners Fund investors that he was raising funds for the Blue Horizon Bio-Energy Fund. Defendant GOYAL represented and caused to be represented to

prospective investors that funds invested in the Blue Horizon Bio-Energy Fund would be used for long and short trading in equities primarily within the alternative energy sector, defendant GOYAL knowing by at least the first of 2008 that he intended to misappropriate a portion of the proceeds for other purposes, including for his own use and benefit and to pay purported returns and return of principal to Blue Horizon Partners Fund investors

8. It was further part of the scheme that beginning in at least March 2007, and continuing through as late as May 2014, defendant GOYAL knowingly caused to be provided to investors in Blue Horizon Bio-Energy Fund account statements that defendant GOYAL knew falsely inflated the financial results from trading for the fund.

9. It was further part of the scheme that beginning in at least June 2007, defendant GOYAL caused the purported investment returns and principal for the Blue Horizon Bio-Energy Fund to be paid to certain investors, defendant GOYAL knowing that he funded the purported investment returns and return of principal by using funds from new and existing investors in the Blue Horizon Funds and not from trading returns.

10. It was further part of the scheme that beginning in approximately May 2008, defendant GOYAL represented and caused to be represented to new investors and investors in the existing Blue Horizon Funds that he was raising funds for the Blue Horizon Global Equity Fund. Defendant GOYAL represented and caused to be represented to prospective investors that funds invested in the Blue Horizon Global Equity Fund would be used for long and short trading in the international equity markets, defendant GOYAL knowing that he intended to misappropriate a portion of the proceeds for other purposes,

including for his own use and benefit and to pay the purported returns and return of principal to investors in the existing Blue Horizon Funds.

11. It was further part of the scheme that beginning in at least June 2008, and continuing through May 2014, defendant GOYAL knowingly caused to be provided to investors in Blue Horizon Global Equity Fund account statements that defendant GOYAL knew falsely inflated the financial results from trading for the fund. Defendant GOYAL further knew that he had not established any trading accounts for the Blue Horizon Global Equity Fund, or caused any funds to be traded for the Blue Horizon Global Equity Fund.

12. It was further part of the scheme that beginning in approximately March 2009, and continuing through May 2014, defendant GOYAL caused account statements to be sent to investors in the Blue Horizon Funds that defendant GOYAL knew falsely inflated the financial results from trading for the Blue Horizon Funds, defendant GOYAL knowing that by approximately January 2009 he had stopped trading for the Blue Horizon Partners Fund and Blue Horizon Bio-Energy Fund and that he had not traded at all for the Blue Horizon Global Equity Fund.

13. It was further part of the scheme that beginning in at least October 2009, defendant GOYAL caused the purported investment returns and principal for the Blue Horizon Global Equity Fund to be paid to certain investors, defendant GOYAL knowing that he funded the purported investment returns and return of principal by using funds from new and existing investors in the Blue Horizon Funds and not from trading returns.

14. It was further part of the scheme that beginning in approximately February

2009, defendant GOYAL represented and caused to be represented to new investors and investors in the Blue Horizon Funds that he was raising funds for the Caldera Equity Fund. Defendant GOYAL represented and caused to be represented to prospective investors that the Caldera Equity Fund invested funds held in individual retirement accounts in long and short trading in equities, defendant GOYAL knowing that he intended to misappropriate a portion of the proceeds for other purposes, including for his own use and benefit and to pay the purported returns and return of principal to investors in the Blue Horizon Funds and Caldera Equity Fund.

15. It was further part of the scheme that beginning in at least March 2009, and continuing on a quarterly basis through May 2014, defendant GOYAL knowingly caused to be provided to investors in the Caldera Equity Fund account statements that defendant GOYAL knew falsely inflated the financial results from trading for the fund.

16. It was further part of the scheme that beginning in at least October 2012, defendant GOYAL caused the purported investment returns and principal for the Caldera Equity Fund to be paid to certain investors, defendant GOYAL knowing that he funded the purported investment returns and return of principal by using funds from new and existing investors in the Blue Horizon Funds and Caldera Equity Fund and not from trading returns.

17. It was further part of the scheme that defendant GOYAL concealed, misrepresented, and hid, and caused to be concealed, misrepresented, and hidden, the existence of the scheme, the purposes of the scheme, and the acts done in furtherance of the scheme.

18. On or about April 15, 2014, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

NEAL GOYAL,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of a wire communication in interstate commerce certain writings, signs, and signals, namely, an interstate email transmission from the email address “ngoyal@bluehorizonfunds.com” to the email address of an investor located in the State of Washington for the purpose of transmitting a quarterly statement for the period ending March 31, 2014, for Blue Horizon Partners Fund, LP;

In violation of Title 18, United States Code, Section 1343.

UNITED STATES ATTORNEY