UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF WISCONSIN

United States Securities and Exchange Commission v. Joseph Nantomah, Investors Capital LLC, Global Investors Captial LLC and High Income Performance Partners LLC

Case No. 25-cv-1130-pp · No. 25-cv-1130-pp · Decided January 30, 2026

SUMMARY

The United States District Court for the Eastern District of Wisconsin grants the SEC's motion to strike Joseph Nantomah's answer. The court concludes that Nantomah's general denial did not comply with Federal Rule of Civil Procedure 8 because it failed to respond specifically and in good faith to the complaint's allegations. The court also warns Nantomah about inaccurate or nonexistent case citations and orders him to file an amended answer by February 28, 2026.

CASE DETAILS

COURT	United States District Court for the Eastern District of Wisconsin
JURISDICTION	United States District Court for the Eastern District of Wisconsin
DECIDED	January 30, 2026
DOCKET	25-cv-1130-pp
DISPOSITION	other
PROCEDURAL POSTURE	The SEC moved to strike Joseph Nantomah's pro se letter responding to the complaint, arguing that it was not a procedurally valid answer under the Federal Rules of Civil Procedure and the Eastern District of Wisconsin's local rules. The court granted the motion and ordered Nantomah to file an amended answer or other responsive pleading.
STANDARD OF REVIEW	A motion to strike under Federal Rule of Civil Procedure 12(f) is generally disfavored and should be granted when the challenged matter is clearly prejudicial and has no possible relevance to the controversy. The court also applied the pleading requirements of Federal Rule of Civil Procedure 8 and the certification obligations of Rule 11.
PRECEDENTIAL VALUE	unpublished district court order; precedential status unknown
PARTIES	United States Securities and Exchange Commission

TOPICS

pleadings · sanctions · default · civil procedure · commercial litigation

PRACTICE AREAS

civil procedure · securities litigation · commercial litigation

QUESTIONS PRESENTED

1. Whether Nantomah's pro se letter constituted a procedurally valid answer under Federal Rule of Civil Procedure 8 and Civil Local Rule 10(b).
2. Whether the court should strike Nantomah's letter under Federal Rule of Civil Procedure 12(f).
3. Whether the letter's inaccurate or nonexistent case citations and purported quotations violated Federal Rule of Civil Procedure 11.
4. Whether the court should construe the letter as a motion to dismiss.

HOLDINGS

1. A defendant may use a general denial only when the defendant intends in good faith to deny all allegations in the pleading, including jurisdictional grounds. Because Nantomah's letter denied allegations that he effectively admitted or did not dispute, it was not a valid answer under Rule 8(b).
2. The court may strike an answer that fails to comply with the Federal Rules of Civil Procedure and that prejudices the opposing party by failing to provide fair notice of the issues in dispute.
3. A self-represented litigant filing in federal court must make a reasonable inquiry into the legal authorities cited and may violate Rule 11 by submitting nonexistent case citations or quotations that do not appear in the cited authorities.
4. The court construed the document as likely intended to be an answer, but stated that even if construed as a motion to dismiss, it would be denied.

FACTUAL BACKGROUND

The SEC alleged that Nantomah and three limited liability companies operated a fraudulent real-estate investment scheme involving investment contracts and unregistered securities. The SEC alleged that Nantomah used at least eighty percent of investors' funds for personal purchases and unrelated business ventures rather than real-estate investments. Nantomah filed a pro se letter generally denying the complaint, asserting possible jurisdictional defects, disputing whether the investments were securities, and requesting dismissal and another stay.

PROCEDURAL HISTORY

The SEC filed this federal securities-fraud action on August 1, 2025. After granting extensions of time, the court received Nantomah's pro se letter titled "Response to Complaint," while separately advising him that he could not represent the defendant limited liability companies. The SEC moved to strike the letter, and the clerk entered default against the corporate defendants. The court granted the motion to strike and ordered Nantomah to file a compliant amended answer by February 28, 2026.

DISPOSITION

other

CASES CITED

- Heller v. Fin., Inc. v. Midwhey Powder Co., 883 F.2d 1286, 1294 (7th Cir. 1989)
- Am. Econ. Ins. Co. v. Jones, 2024 WL 51243, at *2 (S.D. Ill. Jan. 4, 2024)
- Cumis Ins. Soc., Inc. v. Peters, 983 F. Supp. 787, 798 (N.D. Ill. 1997)
- IOU Cent., Inc. v. Admiral Prop. Restoration Inc., 2020 WL 12189178, at *2 (N.D. Fla. Nov. 10, 2020)
- Goldberg v. 401 N. Wabash Venture LLC, 755 F.3d 456 (7th Cir. 2014)
- Condon v. Reno, 155 F.3d 453 (4th Cir. 1998)
- In re Silicone Implant Ins. Coverage Litig., 652 N.W.2d 46 (Minn. Ct. App. 2002)
- Stenger v. R.H. Love Galleries, Inc., 741 F.2d 144 (7th Cir. 1984)
- Hirk v. Agri-Research Council, Inc., 561 F.2d 96 (7th Cir. 1972)
- Milnarik v. M–S Commodities, Inc., 457 F.2d 274 (7th Cir. 1972)
- Attaway v. Illinois Dep't of Corr., 2025 WL 1101398, at *2–3 (S.D. Ill. Apr. 14, 2025)
- In re Martin, 670 B.R. 636, 646–49 (Bankr. N.D. Ill. 2025)
- Glass v. Foley & Lardner LLP, 2025 WL 3079280, at *1 (W.D. Wis. Nov. 4, 2025)
- Davis v. Marion Cnty. Superior Ct. Juv. Det. Ctr., 2025 WL 2502308, at *4 (S.D. Ind. Sept. 2, 2025)