



U.S. Securities and Exchange Commission

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YouPlus, Inc. and Shaukat Shamim

U.S. SECURITIES AND EXCHANGE COMMISSION

Litigation Release No. 26584 / July 13, 2026

Securities and Exchange Commission v. YouPlus, Inc. and Shaukat Shamim, No. 5:20-cv-04855 (N.D. Cal. filed July 20, 2020)

SEC Settles Litigation with Silicon Valley Start-Up and Former CEO Charged with Defrauding Investors

On July 10, 2026, the U.S. Securities and Exchange Commission filed consents and proposed final judgments as to Silicon Valley start-up company YouPlus, Inc. and its former chief executive officer, Shaukat Shamim, in the SEC's civil enforcement action against them.

The SEC's complaint, filed on July 20, 2020, alleged that, between 2018 and 2019, Shamim, the founder and CEO of YouPlus, a private company that purported to have developed a machine-learning tool to analyze videos on the internet, raised funds from investors while repeatedly misrepresenting the company's financial condition. According to the complaint, Shamim falsely told investors that YouPlus earned millions of dollars in annual revenue and had more than 100 customers, including Fortune 500 companies. As alleged, the scheme unraveled in late 2019 when Shamim confessed to certain investors that YouPlus had in fact earned less than \$500,000 and obtained only four paying customers since the company's inception in 2013.

Without admitting the allegations in the SEC’s complaint, YouPlus consented to the entry of a final judgment, subject to court approval, in which YouPlus agreed to be permanently enjoined from violating Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Additionally, Shamim consented to the entry of a final judgment, subject to court approval, that permanently enjoins him from violating Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder; imposes an officer and director bar; and orders him to pay disgorgement in the amount of \$847,401.46 with prejudgment interest of \$23,330.22, which shall be deemed satisfied by the order of restitution entered against him in a parallel criminal matter, *United States v. Shamim*, Case No. 3:22-cr-00227-JD (N.D. Cal. filed July 17, 2020).

The SEC’s litigation was conducted by Erin E. Wilk and supervised by Jason M. Bussey and Jason H. Lee of the SEC’s San Francisco Regional Office.

RESOURCES

- **[Consent - Shaukat Shamim](#)**
- **[Proposed Final Judgment - Shaukat Shamim](#)**
- **[Consent of YouPlus, Inc.](#)**
- **[Proposed Final Judgment - YouPlus, Inc.](#)**