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U.S. COMMODITY FUTURES TRADING COMMISSION
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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON**

CASE NO: C 07-1185 RSL

U. S. COMMODITY FUTURES TRADING)
COMMISSION,)
Plaintiff,)
v.)
JOSEPH CLARK LAVIN, a.k.a. JOSEPH)
IVCEVIC,)
GLOBAL ASET PARTNERS, LTD a.k.a.)
GLOBAL ASSET PARTNERS, LLC,)
GLOBAL CURRENCY TRADING GROUP,)
LLC, and)
GLOBAL CURRENCY TRADING FUND, LLC)
Defendants,)

Comment 01 - As I have stated before, I do not have any relationship with a company named Global Asset Partners, LTD (or even Global "Aset" Partners LTD as typed)

1 v.)
2 REBECCA LAVIN, WENDY ANDERSON, and)
3 PROSPERITAS INTERNATIONAL)
4 CREDIT UNION)
5 Relief Defendants.)
6)

See Comment 01

6 CONSENT ORDER OF PERMANENT INJUNCTION AND OTHER
7 EQUITABLE RELIEF AS TO DEFENDANTS JOESPH CLARK LAVIN,
8 GLOBAL ASSET PARTNERS, LTD., GLOBAL CURRENCY TRADING GROUP, LLC,
9 AND GLOBAL CURRENCY TRADING FUND, LLC

8 I.

9 INTRODUCTION

10 On August 1, 2007, Plaintiff, U. S. Commodity Futures Trading Commission
11 (“Commission”), filed its Complaint in this civil action against Joseph Clark Lavin, a.k.a. Joseph
12 Ivcevic (“Lavin”), Global Asset Partners, Ltd. a.k.a. Global Asset Partners, LLC (“GAP”), Global
13 Currency Trading Group, LLC (“Global Group”), Global Currency Trading Fund, LLC (“Global
14 Fund”) (hereinafter the “Defendants” or specifically named), and others for alleged violations of
15 the Commodity Exchange Act, as amended (“Act”), 7 U.S.C. § 1 et seq. (2002), and
16 Commission Regulations promulgated thereunder (“Regulations”), 17 C.F.R § 1.1 et seq. (2006).
17 The Complaint seeks a permanent injunction, the disgorgement of ill-gotten gains, repayment to
18 injured customers, and an award of civil monetary penalties.

are these regulations retroactive?

18 II.

19 CONSENTS AND AGREEMENTS

20 To effect settlement of the matters alleged in the Complaint without any further judicial
21 proceedings:
22

Not if GAP includes Global Asset Partners, LTD

1 Defendant Lavin warrants that he is a corporate representative of Defendants GAP,
2 Global Group and Global Fund, that this “Consent Order of Permanent Injunction, and Other
3 Equitable Relief as to Defendants Lavin, GAP, Global Group and Global Fund” (hereinafter
4 “Order”) has been duly authorized by GAP, Global Group and Global Fund (collectively the
5 “corporate Defendants”), and that he has been duly empowered to sign and submit it on behalf of
6 the Corporate Defendants.

7 Further, to effect settlement of the matters alleged in the Complaint without any further
8 judicial proceedings Defendants Lavin, GAP, Global Group and Global Fund each:

9
10 2. Consent to the entry of this Order.

11 3. Affirm that Defendant Lavin, the authorized representative of the corporate
12 Defendants, has read and agrees to this Order voluntarily and that no promise or threat has been
13 made by the Commission or any member, officer, agent or representative thereof, or by any other
14 person, to induce consent to this Order, other than as set forth specifically herein.

15 4. Admit that this Court has jurisdiction over each of them and the subject matter of
16 this action pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002).

17 5. Admit that venue properly lies with this Court pursuant to Section 6c of the Act,
18 7 U.S.C. § 13a-1 (2002).

19 6. Waive: (a) any and all claims that they may possess under the Equal Access to
20 Justice Act (EAJA), 5 U.S.C. § 504 (2000) and 28 U.S.C. § 2412 (2000), and Part 148 of the
21 Regulations, 17 C.F.R. §§ 148.1, et seq. (2007), relating to, or arising from, this action; (b) any
22

I still maintain that this court does not have jurisdiction over the subject matter or in personam, since I never traded or offered for trading an options contract.

See answer for 4

I do not know what claims or rights I am being asked to waive, but I don't want to waive any.

1 and all claims that that they may possess under the Small Business Regulatory Enforcement Act,
2 Pub. L. 104-121, Subtitle B, Section 223, 110 Stat. 862-63 (March 29, 1996), relating to, or
3 arising from, this action; (c) any claim of Double Jeopardy based upon the institution of this
4 proceeding or the entry in this proceeding of any order imposing a civil monetary penalty or any
5 relief; and (c) all rights of appeal in this action.

No, I do not think the court has original, much less, continued jurisdiction.

6 7. Consent to the continued jurisdiction of this Court for the purpose of enforcing the
7 terms and conditions of this Order and for any other purposes relevant to this action.

Can not control anyone but myself, and I really don't want to give someone that I cannot control a way to put me at even greater risk.

8 8. Agree that Defendants nor any of their agents, servants, employees, contractors or
9 attorneys shall take any action or make any public statement denying, directly or indirectly, any
10 allegation in the Complaint or contained in this Order or creating, or tending to create, the

It is without a factual basis...

11 impression that the Complaint or this Order is without a factual basis; provided, however, that
12 nothing in this provision shall affect Defendants' (a) testimonial obligations; or (b) right to take
13 legal positions in other proceedings to which the Commission is not a party. Defendants shall
14 take all necessary steps to ensure that all of their agents, servants, employees, contractors and
15 attorneys understand and comply with this agreement;

16 9. By consenting to the entry of this Order, Defendants neither admit nor deny the
17 allegations of the Complaint or the Findings of Fact and Conclusions of Law contained in this

Order, except as to jurisdiction and venue, which they admit; however, Defendants agree and

18 intend that the allegations of the Complaint and all of the Findings of Fact and Conclusions of
19 Law made by this Court and contained in Part III of this Order shall be taken as true and correct

20 and be given preclusive effect, without further proof, in the course of any subsequent bankruptcy
21 proceeding filed by, on behalf of, or against any of the Defendants, or any proceeding to enforce
22 this Order, or any other proceeding relating to the fitness of the Defendants to act in various

Where is original proof?

1 capacities governed by the Act.

I am not sure what capacities are governed by the Act.

2 10. Each of the Defendants shall provide immediate notice of any bankruptcy filed by,
3 on behalf of, or against them in the manner required by Part VI, paragraph 65 of this Order.

4 11. No provision of this Order shall in any way limit or impair the ability of any
5 person to seek any legal or equitable remedy against any of the Defendants or any other person in
6 any other proceeding.

My question here would be if any provision of this order can be used to help any person seeking remedies against me....

7 III.

8 FINDINGS OF FACT AND CONCLUSIONS OF LAW

9 The Court, being fully advised in the premises, finds that there is good cause for the entry
10 of this Order and that there is no just reason for delay. The Court therefore directs the entry of
11 Findings of Fact, Conclusions of Law and a permanent injunction and equitable relief, pursuant to
12 Section 6c of the Act, 7 U.S.C. § 13a-1 (2002), as set forth herein.

13 A. FINDINGS OF FACT

14 The Parties

15 12. Plaintiff Commodity Futures Trading Commission is an independent federal
16 regulatory agency that is charged with responsibility for administering and enforcing the
17 provisions of the Act, 7 U.S.C. §§ 1 et seq. (2002), and the Regulations promulgated thereunder,
18 17 C.F.R. §§ 1 et seq. (2006).

19 13. Defendant Joseph Clark Lavin a.k.a. Joseph Ivcevic, resides at 14321 160th Ave
20 NE, Woodinville, Washington 98072. Lavin is the manager and an ~~officer~~ of GAP, the manager
21 of Global Fund, and the manager and president of Global Group. Lavin directed and controlled
22 all of the corporate Defendants' respective business operations from his home in Woodinville,
Washington. Lavin has never been registered with the Commission in any capacity.

I believe that Global Asset Partners, LLC is a Nevisian Limited Liability Company...hence LLC

I am confused here, or maybe they are.....

14 Defendant Global Asset Partner, LLC a.k.a. Global Asset Partners, LLC, is purportedly an International Business Corporation ("IBC") formed under the laws of the Federation of St. Christopher and Nevis ("Nevis"), that is managed and controlled by Lavin from his home in Woodinville, Washington, although it purports to operate from "offices" in Nevis. Lavin has opened trading accounts in GAP's name, and has identified himself as an officer of GAP. GAP has never been registered with the Commission in any capacity.

I would like to know exactly what trading accounts they are referencing...

I would especially like to know if they were commodities accounts...

15 Defendant Global Currency Traders Fund, LLC is a limited liability company organized under the laws of the State of Washington that is owned, operated and managed by Lavin from his home in Woodinville, Washington. Global Fund has never been registered with the Commission in any capacity.

16 Defendant Global Currency Traders Group, LLC is a limited liability company organized under the laws of the State of Washington on or about December 1, 2000, whose purported address is 701 5th Avenue, Suite 4200, Seattle, Washington 98104. In fact, Global Group is operated from Lavin's home in Woodinville, Washington. Global Group is solely owned and managed by Lavin. Lavin has held himself out as the "president" of Global Group, and controlled the transfer of Global Group's funds through various domestic and off-shore accounts. Global Group has never been registered with the Commission in any capacity.

The Fraudulent Scheme

How is this time period justified?

17 Beginning on or about January 2001 and continuing to August 2007 (the "relevant period"), the Defendants misappropriated customers' funds and used false and misleading representations and omissions to solicit retail customers throughout the United States, Canada, France and Panama, among other places, to buy and sell foreign currency ("forex") option

contracts. As a consequence of the Defendants' fraudulent solicitations and misappropriation, the

Never! Not once, in fact just the opposite. I believe that I was always clear in written and spoken word that no fund I managed traded option contracts! Again, Never!

Where does this number come from? there is no way that they could lay claim to this being from clients I supposedly schemed on forex options contracts!

Where does this number come from? there is no way that they could lay claim to this being from clients I supposedly schemed on forex options contracts!

On which accounts? Not all of them.

1 Defendants' scheme defrauded customers of \$11,703,028.93 during the relevant period.

2 18. The Defendants solicited members of the general public to open forex option
3 trading accounts. The Defendants misappropriated customer funds by taking one per cent (1%)

4 per month of all money invested by customers, as an "Introducing Broker referral" or commission
5 fee, for each month a customer had an open account with the Defendants. Because this

See Attachment 1

6 "commission" was never agreed to by customers, nor disclosed to customers, it was in reality the
7 misappropriation of customers' funds by the Defendants. The Defendants used their ill-gotten

8 gains to support their lavish lifestyles, including the purchase of such items as homes in gated
9 communities, the installation of pools, and a luxury box and season tickets to the Seattle Mariners

10 baseball team. among other personal purchases. Never bought personal house in gated community, much less (ies)
11 Never installed a pool(s)
12 This was a business purchase

13 19. Lavin, his undisclosed agent(s), GAP, Global Group and Global Fund also made
14 materially false and misleading representations and omitted material facts in sales solicitations to
15 prospective and existing customers via the use of agents, Internet websites, personal solicitations,
16 and presentations at seminars. Which materially false statements did I knowingly make to which clients?

14 The Offer and Sale of Forex Option Contracts

15 20. On or about January 14, 2002, GAP, through Lavin, entered into a written
16 "Managed Trading Account Agreement" ("Managed Agreement") with Midland Euro-Exchange,
17 Inc ("Midland"), a company purportedly organized in, and operating out of, Barbados. Midland
18 has never been registered in any capacity with the Commission. During the relevant period,
19 Midland was not affiliated with any Commission registrant.

20 21. The Managed Agreement states that Midland will manage GAP's funds, with a
21 minimum investment of \$100,000. The Defendants took in customers' funds, placed these funds
22 in accounts held in the name of GAP, and then wire transferred these funds to Midland. Although

because we had a contract with Standing Stones, LLC et al

1 the Managed Agreement was not signed until January 14, 2002, as early as January 14, 2001 the
2 Defendants began sending customers' funds to Midland to be traded. Notably, there was no
3 information in the "Managed Agreement" describing what type of compensation Midland would
4 earn as GAP's manager.

5 Misappropriation

6 22. On or about August 21, 2002, Global Group, through Lavin, entered into a
7 written "Agent Agreement" (the "Agent Agreement") with Midland. The Agent Agreement states
8 that Global Group "wishes to be an Agent to Midland for the purpose of submitting investor
9 Clients to Midland who wishes (sic) to invest into an International Currency Exchange entity,
10 known as the Forex (sic) markets, for the purpose of generating profits for the client."

11 23. Under the caption "Compensation to Agent," the Agent Agreement further
12 provides in pertinent part:

13 "The Parties agree that the commissions to be paid the Agent, shall be paid
14 on all transactions that are consummated where the Agent has made an
15 introduction of Client to Midland and had performed with Midland the due
16 diligence to bring the Agent's Client into a successful commission. The
17 compensation shall be as follows:

18 A.1. The compensation to be paid to the Agent shall be one percent
19 (1%) of the Agent's Client's invested monthly amount."

20 24. Lavin has testified that at approximately the same time Global Group entered
21 into the Agent Agreement, GAP entered into a similar agreement with Midland, whereby Midland
22 agreed to pay the same "commission" to GAP.

23 25. As noted above, the Defendants took 1% monthly of the balance on the
24 customers' funds yet failed to disclose that fact to the customers. Instead, the Defendants
25 represented that their compensation would only be drawn after customers received their "targeted

I am still not sure why this would not be legal for an unregulated hedge fund that IS NOT trading options contracts....

See Attachment 1

1 return amount.” Because the trading activity in the Defendants’ accounts with Midland
2 **They were represented as gains to us....**
3 consistently resulted in losses, the Defendants should never have received any compensation
4 under the terms of their agreements with customers. Because the “commissions” paid to the
5 Defendants by Midland **were never agreed to by customers, nor disclosed to them,** it was a
6 misappropriation of customers’ funds.

6 Fraudulent Statements and Omissions

7 26. During the relevant period, the Defendants solicited, through the Internet
8 websites www.globalassetpartners.net and www.gctg.net, as well as via personal solicitations, the
9 use of agents, and presentations at seminars, members of the **general public** to open **forex option**
10 **trading accounts.** During the period January 14, 2001 through January 31, 2003, the Defendants
11 induced over 60 customers to invest more than \$11,703,028.93 to buy and sell forex options
12 contracts.

Legal Definition?

← Nope, Never, Not Once!

do I even get to ask for detailed accounting, or would that be considered rude?

13 27. During the relevant period, Lavin and **other agents** of the Defendants made
14 material, false and misleading representations and omitted material information in sales

I am not sure what other agents might have said, maybe they could give me an example (what was said by who to whom)..

15 solicitations to potential and actual customers via their Internet websites, personal solicitations,
16 the use of agents, and presentations at seminars by, inter alia:

I am going to just look for major things to comment on....

- 17 (a) Failing to disclose that the Defendants employed solicited
18 investments by claiming that they were “friends” of Lavin, falsely claiming that they had
19 invested funds and earned profits from such investments, and failing to inform customers
20 that these undisclosed agents were paid a commission by the Defendants for each
21 customer who ultimately invested with the Defendants;
- (b) Falsely representing in both solicitations and later in written customer account
22 statements, that customer funds earned profits of 2.5% per month or greater;
- (c) Falsely representing that the corporate Defendants conducted their respective business
operations from offices in Nevis and/or Seattle, Washington, when in fact, they were
operated and controlled by Lavin from his home in Woodinville, Washington.
- (d) Failing to disclose that the Defendants misappropriated one per cent (1%) per month

1 of all money invested by customers with Midland, as an “Introducing Broker referral” or
2 commission fee, for each month a customer had an open account with the Defendants;

3 (e) Falsely representing that the Defendants would manage customers funds and holding
4 themselves out as “Professional Forex Managers,” when in fact, the Defendants were not
5 experienced financial managers and pooled investors’ funds and sent the funds to an
6 unregistered offshore commodity trading advisor for it to trade;

7 False Reports and Statements

8 28. After customers deposited their funds with the corporate Defendants, these funds
9 were transferred to Midland. Midland would then deposit the funds into accounts opened in the
10 name of GAP and/or Global Group, and purportedly use these funds to buy and sell options on
11 forex commodity futures contracts. No options/commodities/futures contracts!

12 29. Midland sent monthly statements to Lavin showing the option contracts
13 I would love to see just 1 such statement, just 1 out of the hundred or so received!
14 purportedly bought and sold on the Defendants’ behalf, the options contracts that had expired,
15 and the purported value of the Defendants’ accounts. Lavin testified that he would use the
16 Midland statements to arbitrarily determine the purported “value” of each of GAP’s, Global
17 Group’s and Global Fund’s customers’ accounts, and send customers an account statement
18 reflecting this amount chosen by Lavin. Total rewording of what I said and
stand by.....

19 30. At all times relevant hereto, Lavin knew that neither the Defendants nor Midland
were actually trading customer funds. So I am the stupidest person alive? Don't answer that...can I
just ask what they propose my reasoning was for sending the
money????

20 31. The Defendants issued the monthly account statements to customers beginning
21 on or about January 14, 2001 to August 2007. These statements were issued on GAP letterhead,
22 purportedly from the Nevis address listed at the top of the statement. In fact, the statements were
Probably from Wendy Anderson's computer from Seattle. Mexico. CR. Dominica. Brazil. etc.
sent from Lavin’s home in Woodinville, Washington. The account statements detailed the
amount of funds contributed by the customer and also showed the monthly “profits” earned. The
account statements falsely stated that the customers had earned 2.5% interest profit or greater, per

Only on some accounts, which ones are they talking about.
Or do they know...

Only in retrospect, at the time they were issued we believe them to be correct. I did not know that Midland was stealing our money or I would have stopped sending them funds before I did!

1 month. These statements were false because they did not accurately represent the monthly profits earned by customers, since the customers rarely - if ever - earned any actual profits.

32. These monthly customer account statements also omitted material information, including but not limited to: the failure to disclose that each month a 1% "Introducing Broker referral" or "commission" was misappropriated by the Defendants for each month the account was opened, that the purported earnings were false, and that agents were paid a commission for each customer they brought to the Defendants, which was paid from customer funds.

Lavin Controlled the Corporate Defendants

I did not form GAP, or cause GAP to be formed

33. Lavin caused GAP to be formed as an IBC in Nevis and served as its president and manager. During the relevant period, Lavin was the manager and president of GAP. Lavin was the sole manager and president of Global Group, and the sole manager of Global Fund at the time he entered into the agreements with Midland and opened bank accounts for the corporate Defendants both in the United States and offshore.

34. As the corporate officer and manager of GAP, Global Fund and Global Group, Lavin exercised control over the day-to-day business operations of the corporate Defendants, and was the signatory on their respective bank accounts. Lavin directed the wire transfer of customer money into and out of these accounts, and transferred customer money to Midland. Lavin opened trading accounts for the corporate Defendants, directed the flow of customer funds into and out of these accounts, and signed contracts on behalf of the corporate Defendants. Lavin exercised daily control over all of the corporate Defendants' business operations. Lavin was also responsible for the content of the websites used by the corporate Defendants to further their scheme: www.gctg.net and www.globalassetpartners.net. Lavin is identified on these websites as the president of GAP and Global Group.

1 35. Lavin is Global Group's registered agent, president, and sole manager.
2 Lavin also signed Global Group's "Limited Liability Company Operating Agreement"
3 as its sole manager and member, and filed the document with the Office of the
4 Secretary of State of the State of Washington.

5 36. Lavin regularly corresponded, e-mailed, and conducted phone calls with officials
6 at Midland and the various banks where the corporate Defendants held bank accounts. He
7 determined when wire transfers were to be issued, specifying the amount of each wire, the person
8 or entity to whom the wire transfer was to be made, and the bank and account number to which
9 the funds were to be transferred. When questions arose as to whether a wire transfer had been
10 made correctly or if Midland had paid the correct commission, Lavin would make inquiries to
11 officials at Midland and the various banks for clarification. If the wrong party had been specified
12 in a wire transfer request, Lavin would either correspond with or telephone bank officials
13 concerning the error, and provide bank officials with directions as to how he wanted the error
14 resolved.

15 37. In his dealings with officials at Midland and the various banks, Lavin used a
16 variety of e-mail addresses, phone numbers and fax numbers, all of which are listed to addresses
17 in the State of Washington, including Lavin's home in More likely my home in Seattle
18 Woodinville, Washington as well as a
19 purported business address in Seattle, Washington. Lavin, as the signatory on the Defendants'
20 bank accounts and the manager in charge of all of the Defendants' business operations, was
21 responsible for all transfers of customers' funds into and out of the United States, as well as the
22 transfer of customer funds to the Relief Defendants. He also sent e-mails to Midland to check on
the status of his "commission" payments, personally confirmed the wire transfer of customer
funds to Midland and its banks, and directed the transfer of customer funds between the

if this agent-principal relationship is something defined in the Commodities Act, there is nothing clear and direct about it.

1 Defendants' accounts at Midland and the Defendants' bank accounts.

2 Lavin was the Agent of the Corporate Defendants

3 38. In the present case, the agent-principal relationship is clear and direct. According
4 to Lavin, he is the founder, president and only officer of the corporate Defendants. Lavin acted
5 on behalf of these corporate Defendants, by, among other things, operating websites that solicited
6 the public to establish managed accounts with the corporate Defendants and issuing false and
7 misleading account statements on the letterhead of the corporate Defendants.

8 39. The customer funds solicited by Lavin through the websites and otherwise were
9 directed to and deposited in corporate Defendants' bank accounts controlled by Lavin.

10 B. Conclusions of Law

11 40. This Court has jurisdiction over this action pursuant to Section 6c of the Act,
12 7 U.S.C. § 13a-1 (2002), which authorizes the Commission to seek injunctive relief against any
13 person whenever it shall appear that such person has engaged, is engaging, or is about to engage
14 in any act or practice constituting a violation of any provision of the Act or any rule, regulation or
15 order thereunder. of which, I have not

16 41. This Court has personal jurisdiction over the Defendants, who acknowledge I do nothing
17 service of the Summons and Complaint and consent to the Court's jurisdiction over them. of the sort!

18 42. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C.
19 § 13a-1(e) (2002), in that the Defendants are found in, inhabit, or transact business in this district,
20 and the acts and practices in violation of the Act have occurred, are occurring, or are about to
21 occur within this district, among other places. what about the business that was
22 lawfully conducted outside of 'this district'?

43. By the conduct described in Part III A above, Lavin violated Section 4c(b) of the
Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c), 17 C.F.R.

Never once did I make an offer to anybody to enter into, confirm or execute a commodity option transaction.



§§ 1.1, 32.9(a), (b), and (c) (2005), in that, in or in connection with offers to enter into, or the confirmation of the execution of, commodity option transactions, he cheated or defrauded or attempted to cheat or defraud customers or prospective customers and deceived or attempted to deceive customers or prospective customers by, among other things: misappropriating customers' funds, issuing false account statements to customers, misrepresenting the likelihood that customers will profit from the trading of commodity options and failing to disclose that no trading of customers' funds was actually taking place.

probably redundant, but I disagree with just about all of this paragraph as well.

44. Because the acts and omissions of Lavin that constitute violations of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c), 17 C.F.R. §§ 1.1, 32.9(a), (b) and (c) (2006), were done within the scope of Lavin's employment, Defendants GAP, Global Group and Global Fund are each liable for those violations pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2002).

45. Lavin, as the sole officer and manager of the corporate Defendants, directly and indirectly controlled the corporate Defendants and their employees and did not act in good faith or knowingly induced directly or indirectly, the acts and omissions constituting the corporate Defendants' employees' violations of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c), 17 C.F.R. §§ 1.1, 32.9(a), (b) and (c) (2006), and Lavin is therefore liable for these violations pursuant to Section 13(b) of the Act, 7 U.S.C. § 6c(b)(2002).

IV.

ORDER FOR EQUITABLE RELIEF

IT IS HEREBY ORDERED that:

46. Defendants Lavin, GAP, Global Fund and Global Group are permanently

1 restrained, enjoined, and prohibited from, directly or indirectly, cheating or defrauding or
2 attempting to cheat or defraud other persons and willfully deceiving or attempting to deceive
3 other persons by making false, deceptive or misleading representations of material facts, by
4 making false statements, by failing to disclose material facts, and by misappropriating customer
5 funds in or in connection with orders to make, or the making of, contracts of sale of any option on
6 commodities for future delivery, made or to be made for or on behalf of any other person in
7 violation of violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Regulations
8 1.1(b)(2), and 32.9(a), (b) and (c), 17 C.F.R. §§ 1.1(b)(2), and 32.9(a), (b) and (c) (2006).

9 47. Defendants Lavin, GAP, Global Fund and Global Group are permanently
10 restrained, enjoined, and prohibited, directly or indirectly, from engaging in any activity relating
11 to trading in any commodity, as that term is defined in Section 1a(4) of the Act, 7 U.S.C. § 1a(4)
12 (2002), including but not limited to, soliciting, accepting or receiving funds, revenue or other
13 property from any person, giving advice for compensation, or soliciting prospective customers,
14 related to the purchase and sale of any commodity futures or options on commodity futures
15 contracts.

16 48. The injunctive provisions of this Order shall be binding upon Defendants Lavin,
17 GAP, Global Fund and Global Group and any person insofar as he or she is acting in the capacity
18 of officer, agent, servant, or attorney of Defendants Lavin, GAP, Global Fund and Global Group
19 and any person who receives actual notice of this Order by personal service or otherwise insofar
20 as he or she is acting in active concert or participation with Defendants Lavin, GAP, Global Fund
21 and Global Group, as provided in Fed. R. Civ. P. 65(d).
22

V.

RESTITUTION, DISGORGEMENT, CIVIL MONETARY PENALTY, AND ANCILLARY RELIEF

IT IS FURTHER ORDERED THAT:

49. The Defendants comply fully with the following terms, conditions and obligations relating to the payment of restitution, the payment of a civil monetary penalty, and the payment of disgorgement. The equitable relief provisions of this Order shall be binding upon the Defendants and any person who is acting in the capacity of officer, agent, employee, servant, or attorney of the Defendants, and any person acting in active concert or participation with the Defendants and those equitable relief provisions that relate to restitution shall be binding on any financial institutions listed herein or holding frozen funds or assets of the Defendants, who receives actual notice of this Order by personal service or otherwise.

A. RESTITUTION AND DISGORGEMENT

50. Defendants Lavin, GAP, Global Fund and Global Group shall pay, jointly and severally, restitution in the amount of \$11,703,028.93, plus post-judgment interest (the "Restitution Obligation").

what happens to that money once I pay it to the CFTC or ?????? Do they have a list of who they're going to send it to?

51. The amount of the Restitution Obligation assessed against the Defendants represents the amount of funds fraudulently solicited by them from customers. Any restitution funds Defendants pay pursuant to any subsequent order for restitution entered in any criminal matter arising from the same operative facts, shall reduce and offset the Defendants' Restitution Obligation imposed by this Order.

52. Post-judgment interest on the Restitution Obligation and Disgorgement Obligation shall accrue beginning on the date of entry of this Order and shall be determined by using the

1 Treasury Bill rate prevailing on the date of entry of this Order pursuant to 28 U.S.C. § 1961.

2 53. Appointment of Monitor: To effect payment by the Defendants of the Restitution
3 Obligation, the Court appoints the National Futures Association (“NFA”) as Monitor (“Monitor”).
4 The Monitor shall collect restitution and disgorgement payments from the Defendants, and make
5 distributions as set forth below. Because the Monitor is not being specially compensated for
6 these services, and these services are outside the normal duties of the Monitor, the Monitor shall
7 not be liable for any action or inaction arising from the Monitor’s appointment, other than actions
8 involving fraud.

9 54. The Defendants shall make their required restitution payments and/or
10 disgorgement under this Order in the name “Joseph Clark Lavin - Settlement Fund” and shall
11 send such restitution payments and/or disgorgement by electronic funds transfer, or by U.S. postal
12 money order, certified check, bank cashier check, or bank money order, to Office of
13 Administration, National Futures Association, 200 W. Madison Street #1600, Chicago, Illinois
14 60606-3447 under cover letter that identifies the name of the paying Defendant and the name and
15 docket number of the proceeding. The paying Defendant shall simultaneously transmit copies of
16 the cover letter and the form of payment to (a) the Director, Division of Enforcement, U.S.
17 Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, N.W.,
18 Washington, D.C. 20581, and (b) the Chief, Office of Cooperative Enforcement, Division of
19 Enforcement, at the same address.

20 55. The Monitor shall oversee the Restitution Obligation, and shall have the discretion
21 to determine the manner for distribution of funds in an equitable fashion to Defendants’
22 defrauded customers, as appropriate, or may defer distribution until such time as it may deem
appropriate. In the event that the amount of restitution payments to the Monitor are of a de

1 minimis nature such that the Monitor determines that the administrative costs of the making a
2 distribution to Defendants' defrauded customers is impractical, the Monitor may, in its discretion,
3 treat such restitution payments as civil monetary penalty payments, which the Monitor shall
4 forward to the Commission following the instructions for civil monetary penalty payments set
5 forth in Part V.B., below.

6 56. To the extent that any funds accrue to the U.S. Treasury as a result of either the
7 Restitution Obligation in this Order, such funds shall be transferred to the Monitor for
8 disbursement in accordance with the procedures set forth in paragraph 54 above.

9 B. CIVIL MONETARY PENALTY

10 57. Good cause exists for the imposition of a civil monetary penalty ("CMP") upon
11 each of the Defendants. It Does????

12 58. Pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002), and Regulation
13 143.8(a)(1)(i), 17 C.F.R. § 143.8(a)(1) (2006), this Court may impose an order directing each
14 Defendant to pay a CMP, to be assessed by the Court, of not more than the greater of: triple the
15 monetary gain to the Defendant; or \$120,000 for each violation of the Act and Regulations
16 described herein on or before October 22, 2004 and \$130,000 for each violation of the Act and
17 Regulations described herein on or after October 23, 2004.

18 59. In determining the amount of the civil penalty to be paid by the Defendants, the
19 Court has considered the egregiousness, duration, and scope of the fraud and misappropriation.

20 60. A proper showing having been made, and accordingly the Defendants shall pay,
21 shall jointly and severally, a CMP in the amount of \$4,000,000, plus post-judgment interest (the
22 "CMP Obligation"). Talk about egregious!

61. Each Defendant shall pay the CMP within ten (10) days of the entry of this Order.

1 Post-judgment interest shall accrue beginning on the eleventh (11) day after the date of entry of
2 this Order and will be calculated by using the Treasury Bill rate prevailing on the date of entry of
3 this Order pursuant to 28 U.S.C. § 1961.

4 62. Defendants shall pay the CMP Obligation by electronic funds transfer, U.S. postal
5 money order, certified check, bank cashier's check, or bank money order. If payment is to be
6 made by other than electronic funds transfer, the payment shall be made payable to the
7 Commodity Futures Trading Commission and sent to the address below:

8 Commodity Futures Trading Commission
9 Division of Enforcement
10 ATTN: Marie Bateman – AMZ-300
11 DOT/FAA/MMAC
12 6500 S. Macarthur Blvd.
13 Oklahoma City, OK 73169
14 Telephone: 405-954-6569

15 If the payment is to be made by electronic funds transfer, Defendants shall contact Marie
16 Bateman or her successor at the above address to receive payment instructions and shall fully
17 comply with those instructions. The paying Defendant shall accompany their payment of this
18 CMP Obligation with a cover letter that identifies the paying Defendant and the name and docket
19 number of this proceeding. The paying Defendant shall simultaneously transmit copies of the
20 cover letter and the form of payment to (a) the Director, Division of Enforcement, Commodity
21 Futures Trading Commission, 1155 21st Street, NW, Washington, D.C. 20581, and (b) the Chief,
22 Office of Cooperative Enforcement, Division of Enforcement, at the same address.

C. PRIORITY OF MONETARY SANCTIONS AND PARTIAL PAYMENTS

63. All payments by the corporate Defendants pursuant to this Order, and all payments
by Lavin, shall first be applied to satisfaction of the Restitution Obligation, consistent with the
authority granted the Monitor in Part V.C., above. After satisfaction of the Restitution

1 Obligation, payments by Defendants pursuant to this Order shall be applied to satisfy Defendants'
2 CMP Obligation.

3 64. Any acceptance by the Commission and/or Monitor of partial payment of the
4 Restitution Obligation and/or CMP Obligation shall not be deemed a waiver of the Defendants'
5 respective requirements to make further payments pursuant to this Order, or a waiver of the
6 Commission's and/or Monitor's right to seek to compel payment of any remaining balance.

7 VI.

8 MISCELLANEOUS PROVISIONS

9 65. Notices: All notices required to be given by any provision in this Order shall be
10 sent certified mail, return receipt requested, as follows:

11 Notice to Commission:

12 Director of Enforcement
13 Commodity Futures Trading
Commission
1155 21st Street N.W.
Washington, DC 20581

Timothy J. Mulreany
Division of Enforcement
Commodity Futures Trading
Commission
1155 21st Street N.W.
Washington, DC 20581

14
15 Notice to Defendants:

16 David A. Nold, Esq.
17 Nold & Associates, PLLC
10500 NE 8th Street, Suite 930
Bellevue, Washington 98004
18 (425) 289-5555

19 66. Entire Agreement and Amendments: This Order incorporates all of the terms and
20 conditions of the settlement among the parties hereto. Nothing shall serve to amend or modify
21 this Order in any respect whatsoever, unless: (1) reduced to writing; (2) signed by all parties
22 hereto; and (3) approved by order of this Court.

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Joseph Clark Lavin, as the authorized
representative of Global Currency Trading Group, LLC

Date: _____

Joseph Clark Lavin, as the authorized
representative of Global Currency Trading Fund, LLC

Date: _____

Approved for Entry:

David A. Nold, Esq.
Nold & Associates, PLLC
10500 NE 8th Street, Suite 930
Bellevue, Washington 98004
(425) 289-5555

Date: _____

Timothy J. Mulreany, Chief Trial Attorney
David Reed, Senior Trial Attorney
Counsel for Plaintiff,
U. S. Commodity Futures Trading Commission
1155 21st Street, NW, Washington, D.C. 20581
(202) 418-5306

Date: _____

ORDERED AND ADJUDGED:

DONE AND ORDERED in Chambers at Seattle, Washington, this _____ day of

_____, 2008.

Robert S. Lasnik
United States District Judge

cc: All counsel and pro se parties of record

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