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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 ASSET PARTNERS, LTD a.k.a.~~)
GLOBAL ASSET PARTNERS, LLC,)
GLOBAL CURRENCY TRADING GROUP,)
LLC, and)
GLOBAL CURRENCY TRADING FUND, LLC)
)
Defendants,)

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

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

10 I.

11 INTRODUCTION

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

21 II.

22 CONSENTS AND AGREEMENTS

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

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

I honestly do not know what my legal capacity is for
Global Asset Partners, LLC (Nevis) at this time...

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

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).

If I admit this now, does this
preclude me from re-arguing it
later if it is indeed not correct?

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

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. Can I get this part in plain english?

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. Same question
as 4 and 5?

8 8. Agree that Defendants nor any of their agents, servants, employees, contractors or
I can not agree to what other people may or may not do. What problems could arise here?
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 I am really not
excited about
giving up my
right to free
speech and to
defend myself.
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; Come back to
this...

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
18 Order, except as to jurisdiction and venue, which they admit; however, Defendants agree and
19 intend that the allegations of the Complaint and all of the Findings of Fact and Conclusions of
20 Law made by this Court and contained in Part III of this Order shall be taken as true and correct
21 and be given preclusive effect, without further proof, in the course of any subsequent bankruptcy
22 proceeding filed by, on behalf of, or against any of the Defendants, or any proceeding to enforce
this Order, or any other proceeding relating to the fitness of the Defendants to act in various

1 capacities 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.

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 of GAP, the manager of Global
21 Fund, and the manager and president of Global Group. Lavin directed and controlled all of the
22 corporate Defendants' respective business operations from his home in Woodinville, Washington.
Lavin has never been registered with the Commission in any capacity.

Maybe for 4 months of the relevant period, but I still had virtual office in Seattle and other home office

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

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

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

The Fraudulent Scheme

18 17. Beginning on or about January 2001 and continuing to January 2003 (the “relevant
19 period”), the Defendants misappropriated customers’ funds and used false and misleading
20 representations and omissions to solicit retail customers throughout the United States, Canada,
21 France and Panama, among other places, to buy and sell foreign currency (“forex”) option
22 contracts. As a consequence of the Defendants’ fraudulent solicitations and misappropriation, the

I have not admitted
to making false
statements,
omissions during
this period.

Again, never
once offered
to buy or sell
an option
contract!

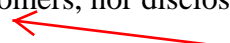
if that number is from the federal worksheets, none of them were in the relevant period...



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
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.

Which customers?
GCTG?



8 19. Lavin, his undisclosed agent(s), GAP, Global Group and Global Fund also made
9 materially false and misleading representations and omitted material facts in sales solicitations to
10 prospective and existing customers via the use of agents, Internet websites, personal solicitations,
11 and presentations at seminars.

11 The Offer and Sale of Forex Option Contracts

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

17 21. The Managed Agreement states that Midland will manage GAP's funds, with a
18 minimum investment of \$100,000. The Defendants took in customers' funds, placed these funds
19 in accounts held in the name of GAP, and then wire transferred these funds to Midland. Although
20 the Managed Agreement was not signed until January 14, 2002, as early as January 14, 2001 the
21 Defendants began sending customers' funds to Midland to be traded. Notably, there was no
22 information in the "Managed Agreement" describing what type of compensation Midland would

1 earn as GAP's manager.

2 Misappropriation

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

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

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

15 A.1. The compensation to be paid to the Agent shall be one percent
16 (1%) of the Agent's Client's invested monthly amount."

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

20 25. As noted above, the Defendants took 1% monthly of the balance on the
21 customers' funds yet failed to disclose that fact to the customers. Instead, the Defendants
22 represented that their compensation would only be drawn after customers received their "targeted
return amount." Because the trading activity in the Defendants' accounts with Midland
consistently resulted in losses, the Defendants should never have received any compensation
under the terms of their agreements with customers. Because the "commissions" paid to the

1 Defendants by Midland were never agreed to by customers, nor disclosed to them, it was a
2 misappropriation of customers' funds.

3 Fraudulent Statements and Omissions

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

9 27. During the relevant period, Lavin and other agents of the Defendants made
10 material, false and misleading representations and omitted material information in sales
11 solicitations to potential and actual customers via their Internet websites, personal solicitations,
12 the use of agents, and presentations at seminars by, inter alia:

13 (a) Failing to disclose that the Defendants employed solicitors to tout the Defendants'
14 investments by claiming that they were "friends" of Lavin, falsely claiming that they had
15 invested funds and earned profits from such investments, and failing to inform customers
16 that these undisclosed agents were paid a commission by the Defendants for each
17 customer who ultimately invested with the Defendants;

18 (b) Falsely representing in both solicitations and later in written customer account
19 statements, that customer funds earned profits of 2.5% per month or greater;

20 (c) Falsely representing that the corporate Defendants conducted their respective business
21 operations from offices in Nevis and/or Seattle, Washington, when in fact, they were
22 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
of all money invested by customers with Midland, as an "Introducing Broker referral" or
commission fee, for each month a customer had an open account with the Defendants;

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

1 False Reports and Statements

2 28. After customers deposited their funds with the corporate Defendants, these funds
3 were transferred to Midland. Midland would then deposit the funds into accounts opened in the
4 name of GAP and/or Global Group, and purportedly use these funds to buy and sell options on
5 forex commodity futures contracts. This was never purported to me.

6 29. Midland sent monthly statements to Lavin showing the option contracts
7 purportedly bought and sold on the Defendants' behalf, the options contracts that had expired,
8 and the purported value of the Defendants' accounts. Lavin testified that he would use the
9 Midland statements to arbitrarily determine the purported "value" of each of GAP's, Global
10 Group's and Global Fund's customers' accounts, and send customers an account statement
11 reflecting this amount chosen by Lavin. I never received a statement from Midland showing option K's
This is not at all what I said! Clarify

12 30. At all times relevant hereto, Lavin knew that neither the Defendants nor Midland
13 were actually trading customer funds. This is a complete lie and I refuse to sign anything
with such a blatant and misleading misstatement!

14 31. The Defendants issued the monthly account statements to customers during the
15 relevant period. These statements were issued on GAP letterhead, purportedly from the Nevis
16 address listed at the top of the statement. In fact, the statements were sent from Lavin's home in
Woodinville, Washington. The account statements detailed the amount of funds contributed by
17 the customer and also showed the monthly "profits" earned. The account statements falsely
18 stated that the customers had earned 2.5% interest profit or greater, per month. These statements
19 were false because they did not accurately represent the monthly profits earned by customers,
20 since the customers rarely - if ever - earned any actual profits.

21 32. These monthly customer account statements also omitted material information,
22 including but not limited to: the failure to disclose that each month a 1% "Introducing Broker

1 referral” or “commission” was misappropriated by the Defendants for each month the account
2 was opened, that the purported earnings were false, and that agents were paid a commission for
3 each customer they brought to the Defendants, which was paid from customer funds.

4 Lavin Controlled the Corporate Defendants

5 33. During the relevant period, Lavin was the sole manager of GAP. Lavin was the
6 sole manager and president of Global Group, and the sole manager of Global Fund at the time he
7 entered into the agreements with Midland and opened bank accounts for the corporate Defendants
8 both in the United States and offshore.

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

Lavin is identified on these websites as the manager of GAP and the president of Global Group.

18 35. Lavin is Global Group’s registered agent, president, and sole manager.
19 Lavin also signed Global Group’s “Limited Liability Company Operating Agreement”
20 as its sole manager and member, and filed the document with the Office of the
21 Secretary of State of the State of Washington.

22 36. Lavin regularly corresponded, e-mailed, and conducted phone calls with officials

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

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

20 Lavin was the Agent of the Corporate Defendants

21 38. In the present case, the agent-principal relationship is clear and direct. According
22 to Lavin, he is the founder, president, sole manager and/or only officer of the corporate
Defendants. Lavin acted on behalf of these corporate Defendants, by, among other things,

1 operating websites that solicited the public to establish managed accounts with the corporate
2 Defendants and issuing false and misleading account statements on the letterhead of the corporate
3 Defendants.

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

6 B. Conclusions of Law

7 40. This Court has jurisdiction over this action pursuant to Section 6c of the Act,
8 7 U.S.C. § 13a-1 (2002), which authorizes the Commission to seek injunctive relief against any
9 person whenever it shall appear that such person has engaged, is engaging, or is about to engage
10 in any act or practice constituting a violation of any provision of the Act or any rule, regulation or
11 order thereunder.

12 41. This Court has personal jurisdiction over the Defendants, who acknowledge
13 service of the Summons and Complaint and consent to the Court's jurisdiction over them.

14 42. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C.
15 § 13a-1(e) (2002), in that the Defendants are found in, inhabit, or transact business in this district,
16 and the acts and practices in violation of the Act have occurred, are occurring, or are about to
17 occur within this district, among other places.

18 43. By the conduct described in Part III A above, Lavin violated Section 4c(b) of the
19 Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c), 17 C.F.R.
20 §§ 1.1, 32.9(a), (b), and (c) (2005), in that, in or in connection with offers to enter into, or the
21 confirmation of the execution of, commodity option transactions, he cheated or defrauded or
22 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'

1 funds, issuing false account statements to customers, misrepresenting the likelihood that
2 customers will profit from the trading of commodity options and failing to disclose that no
3 trading of customers' funds was actually taking place.

4 44. Because the acts and omissions of Lavin that constitute violations of Section
5 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c),
6 17 C.F.R. §§ 1.1, 32.9(a), (b) and (c) (2006), were done within the scope of Lavin's employment,
7 Defendants GAP, Global Group and Global Fund are each liable for those violations pursuant to
8 Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2002).

9 45. Lavin, as the officer and/or manager of the corporate Defendants, directly and
10 indirectly controlled the corporate Defendants and their employees and did not act in good faith
11 or knowingly induced directly or indirectly, the acts and omissions constituting the corporate
12 Defendants' employees' violations of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and
13 Commission Regulations 1.1, 32.9(a), (b) and (c), 17 C.F.R. §§ 1.1, 32.9(a), (b) and (c) (2006),
14 and Lavin is therefore liable for these violations pursuant to Section 13(b) of the Act, 7 U.S.C.
15 § 6c(b)(2002).

16 IV.

17 ORDER FOR EQUITABLE RELIEF

18 IT IS HEREBY ORDERED that:

19 46. Defendants Lavin, GAP, Global Fund and Global Group are permanently
20 restrained, enjoined, and prohibited from, directly or indirectly, cheating or defrauding or
21 attempting to cheat or defraud other persons and willfully deceiving or attempting to deceive
22 other persons by making false, deceptive or misleading representations of material facts, by
making false statements, by failing to disclose material facts, and by misappropriating customer

1 funds in or in connection with orders to make, or the making of, contracts of sale of any option on
2 commodities for future delivery, made or to be made for or on behalf of any other person in
3 violation of violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Regulations
4 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).

5 47. Defendants Lavin, GAP, Global Fund and Global Group are permanently
6 restrained, enjoined, and prohibited, directly or indirectly, from engaging in any activity relating
7 to trading in any commodity, as that term is defined in Section 1a(4) of the Act, 7 U.S.C. § 1a(4)
8 (2002), including but not limited to, soliciting, accepting or receiving funds, revenue or other
9 property from any person, giving advice for compensation, or soliciting prospective customers,
10 related to the purchase and sale of any commodity futures or options on commodity futures
11 contracts.

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

18 V.

19 RESTITUTION, DISGORGEMENT, CIVIL MONETARY PENALTY, AND ANCILLARY
20 RELIEF

21 IT IS FURTHER ORDERED THAT:

22 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

1 disgorgement. The equitable relief provisions of this Order shall be binding upon the Defendants
2 and any person who is acting in the capacity of officer, agent, employee, servant, or attorney of
3 the Defendants, and any person acting in active concert or participation with the Defendants and
4 those equitable relief provisions that relate to restitution shall be binding on any financial
5 institutions listed herein or holding frozen funds or assets of the Defendants, who receives actual
6 notice of this Order by personal service or otherwise.

7 A. RESTITUTION AND DISGORGEMENT

I was never indicted

8 50. On or about November 1, 2007, Lavin was criminally indicted in the U. S. District
9 Court for the Western District of Washington for money laundering and wire fraud in *United*
10 *States of America v. Joseph C. Lavin*, Case No.:CR07-366 RAJ (W.D. WA). Lavin ultimately
11 entered a guilty plea, and he was committed to the custody of the United States Bureau of Prisons
12 for a term of 54 months. In addition to his term of imprisonment, he was ordered to pay
13 \$11,612,538.55 in victim restitution.

14 51. As criminal restitution is to be made by Defendant Lavin pursuant to the order
15 entered in *United States of America v. Joseph C. Lavin*, Case No.: CR07-366 RAJ (W.D. WA), no
16 civil restitution award is required by this Order.

17 B. CIVIL MONETARY PENALTY

18 52. Good cause exists for the imposition of a civil monetary penalty (“CMP”) upon
19 each of the Defendants.

20 53. Pursuant to Section 6c of the Act, 7 U.S.C. § 13a-1 (2002), and Regulation
21 143.8(a)(1)(i), 17 C.F.R. § 143.8(a)(1) (2006), this Court may impose an order directing each
22 Defendant to pay a CMP, to be assessed by the Court, of not more than the greater of: triple the
monetary gain to the Defendant; or \$120,000 for each violation of the Act and Regulations

What was my monetary gain for this period? I did not steal my client's monies.

1 described herein on or before October 22, 2004 and \$130,000 for each violation of the Act and
2 Regulations described herein on or after October 23, 2004.

3 54. In determining the amount of the civil penalty to be paid by the Defendants, the
4 Court has considered the egregiousness, duration, and scope of the fraud and misappropriation.

5 54. A proper showing having been made, and accordingly the Defendants shall pay,
6 shall jointly and severally, a CMP in the amount of \$4,000,000, plus post-judgment interest (the
7 “CMP Obligation”).

8 55. Each Defendant shall pay the CMP within ten (10) days of the entry of this Order.
9 Post-judgment interest shall accrue beginning on the eleventh (11) day after the date of entry of
10 this Order and will be calculated by using the Treasury Bill rate prevailing on the date of entry of
11 this Order pursuant to 28 U.S.C. § 1961.

12 56. Defendants shall pay the CMP Obligation by electronic funds transfer, U.S. postal
13 money order, certified check, bank cashier’s check, or bank money order. If payment is to be
14 made by other than electronic funds transfer, the payment shall be made payable to the
15 Commodity Futures Trading Commission and sent to the address below:

16 Commodity Futures Trading Commission
17 Division of Enforcement
18 ATTN: Marie Bateman – AMZ-300
19 DOT/FAA/MMAC
20 6500 S. Macarthur Blvd.
21 Oklahoma City, OK 73169
22 Telephone: 405-954-6569

19 If the payment is to be made by electronic funds transfer, Defendants shall contact Marie
20 Bateman or her successor at the above address to receive payment instructions and shall fully
21 comply with those instructions. The paying Defendant shall accompany their payment of this
22 CMP Obligation with a cover letter that identifies the paying Defendant and the name and docket

1 number of this proceeding. The paying Defendant shall simultaneously transmit copies of the
2 cover letter and the form of payment to (a) the Director, Division of Enforcement, Commodity
3 Futures Trading Commission, 1155 21st Street, NW, Washington, D.C. 20581, and (b) the Chief,
4 Office of Cooperative Enforcement, Division of Enforcement, at the same address.

5 C. PRIORITY OF MONETARY SANCTIONS AND PARTIAL PAYMENTS

6 57. All payments by the corporate Defendants pursuant to this Order, and all payments
7 by Lavin, shall first be applied to satisfaction of the Restitution Obligation, consistent with the
8 authority granted the Monitor in Part V.C., above. After satisfaction of the Restitution
9 Obligation, payments by Defendants pursuant to this Order shall be applied to satisfy Defendants'
10 CMP Obligation.

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

15 VI.

16 MISCELLANEOUS PROVISIONS

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

19 Notice to Commission:

20 Director of Enforcement
21 Commodity Futures Trading
22 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

Notice to Defendants:

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

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

8 61. **Invalidation: If any provision of this Order or the application of any provisions or**
9 **circumstances is held invalid, the remainder of the Order and the application of the provision to**
10 **any other person or circumstance shall not be affected by the holding.**

Would this include any later
attempts to prove no
jurisdiction?

11 62. Waiver: The failure of any party hereto or of any customer at any time or times to
12 require performance of any provision hereof shall in no manner affect the right of such party at a
13 later time to enforce the same or any other provision of this Order. No waiver in one or more
14 instances of the breach of any provision contained in this Order shall be deemed to be or
15 construed as a further or continuing waiver of such breach or waiver of the breach of any other
16 provision of this Order.

17 63. Acknowledgements: Upon being served with copies of this Order after entry by
18 the Court, the Defendants shall sign acknowledgments of such service and serve such
19 acknowledgments on the Court and the Commission within seven (7) calendar days.

20 64. Continuing Jurisdiction of this Court: This **Court shall retain jurisdiction** of this
21 cause to assure compliance with this Order and for all other purposes related to this action.

22 There being no just reason for delay, the Clerk of the Court is hereby directed to enter this

1 Consent Order of Permanent Injunction and Other Equitable Relief.

2 CONSENTED TO AND APPROVED BY:

3 _____
4 Joseph Clark Lavin, Individually

5 Date: _____

6 _____
7 Joseph Clark Lavin, as the authorized
8 representative of Global Asset Partners, LLC

9 Date: _____

10 _____
11 Joseph Clark Lavin, as the authorized
12 representative of Global Currency Trading Group, LLC

13 Date: _____

14 _____
15 Joseph Clark Lavin, as the authorized
16 representative of Global Currency Trading Fund, LLC

17 Date: _____

18 Approved for Entry:

19 _____
20 David A. Nold, Esq.
21 Nold & Associates, PLLC
22 10500 NE 8th Street, Suite 930
Bellevue, Washington 98004
(425) 289-5555

Date: _____

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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