

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**

**File No.**

	:	
<b>In the Matter of</b>	:	
<b>Joseph C. Lavin,</b>	:	
<b>Respondent.</b>	:	<b>OFFER OF SETTLEMENT</b>
	:	<b>OF JOSEPH C. LAVIN</b>
	:	
	:	
	:	

**I.**

Joseph C. Lavin (“Lavin” or “Respondent”), pursuant to Rule 240(a) of the Rules of Practice of the Securities and Exchange Commission (“Commission”) [17 C.F.R. § 201.240(a)] submits this Offer of Settlement (“Offer”) in anticipation of public administrative proceedings to be instituted against him by the Commission, pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”).

**II.**

This Offer is submitted solely for the purpose of settling these proceedings, with the express understanding that it will not be used in any way in these or any other proceedings, unless the Offer is accepted by the Commission. If the Offer is not accepted by the Commission, the Offer is withdrawn without prejudice to Respondent and shall not become a part of the record in these or any other proceedings, except for the waiver expressed in Section V. with respect to Rule 240(c)(5) of the Commission’s Rules of Practice [17 C.F.R. § 201.240(c)(5)].

**III.**

On the basis of the foregoing, the Respondent hereby:

A. Admits the jurisdiction of the Commission over him and over the matters set forth in the Order Instituting Administrative Proceedings Pursuant to Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”);

B. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission or in which the Commission is a party and without admitting or

denying the findings contained in the Order, except with respect to the findings contained in paragraph III.2 and III.4, which are admitted, consents to the entry of an Order by the Commission containing the following findings and remedial sanctions set forth below:

1. Lavin was the sole manager of Global Asset Partners, LLP (“GAP”). GAP was the investment adviser to the Global Asset Management Short Term Fund, Medium Term Fund, and Long Term Fund (collectively, the “Funds”). Lavin is a resident of Woodinville, Washington.

2. On \_\_\_\_\_, a final judgment was entered by consent against Lavin, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 (“Securities Act”), Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (“Advisers Act”) in the civil action entitled Securities and Exchange Commission v. Joseph C. Lavin, et al., Civil Action Number C 07-1188RSL, in the United States District Court for the Western District of Washington.

3. The Commission’s complaint alleged that Respondent violated Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) and 206(2) of the Advisers Act by running a ponzi scheme in which Respondent misappropriated investor money from the Funds during the period 2002 through 2005.

4. On November 2, 2008, Lavin pled guilty to one count of wire fraud in violation of Title 18 United States Code, Sections 1342 and 1343 and one count of money laundering in violation of of Title 18 United States Code, Sections 1956(a)(1)(A)(i) and 2 before the United States District Court for the Western District of Washington, in United States v. Joseph C. Lavin, Crim. Information No. CR07-366 RAJ. On March 21, 2008, a judgment in the criminal case was entered against Lavin. He was sentenced to a prison term of 54 months followed by three years of supervised release and ordered to make restitution in the amount of \$11,612,538.55.

5. The counts of the criminal information to which Lavin pled guilty alleged, inter alia, that Lavin defrauded investors and obtained money and property by means of materially false and misleading statements, that he used the United States mails to send false account statements, and that he caused investors to wire funds by means of interstate commerce.

#### IV.

On the basis of the foregoing, Respondent hereby consents to the entry of an Order by the Commission imposing the following remedial sanctions:

Pursuant to Section 203(f) of the Advisers Act, Respondent Lavin be, and hereby is barred from association with any investment adviser.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

## **V.**

By submitting this Offer, Respondent hereby acknowledges his waiver of those rights specified in Rules 240(c)(4) and (5) [17 C.F.R. § 201.240(c)(4) and (5)] of the Commission's Rules of Practice. Respondent also hereby waives service of the Order.

## **VI.**

Respondent understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings" (17 C.F.R. § 202.5(e)). In compliance with this policy, Respondent agrees: (i) not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in the Order or creating the impression that the Order is without factual basis; and (ii) that upon the filing of this Offer of Settlement, Respondent hereby withdraws any papers previously filed in this proceeding to the extent that they deny, directly or indirectly, any finding in the Order. If Respondent breaches this agreement, the Division of Enforcement may petition the Commission to vacate the Order and restore this proceeding to its active docket. Nothing in this provision affects Respondent's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

## **VII.**

Consistent with the provisions of 17 C.F.R. § 202.5(f), Respondent waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein.

## **VIII.**

Respondent hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Respondent to defend against this action. For these purposes, Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.

**IX.**

Respondent states that he has read and understands the foregoing Offer, that this Offer is made voluntarily, and that no promises, offers, threats, or inducements of any kind or nature whatsoever have been made by the Commission or any member, officer, employee, agent, or representative of the Commission in consideration of this Offer or otherwise to induce him to submit to this Offer.

\_\_\_\_ Day of April 2008

\_\_\_\_\_  
Joseph C. Lavin

**STATE OF WASHINGTON**        }  
  }  
**COUNTY OF KING**            }       **SS:**

The foregoing instrument was acknowledged before me this \_\_ day of April, 2008, by Joseph C. Lavin, who \_\_\_ is personally known to me or \_\_\_ who has produced a valid driver's license as identification and who did take an oath.

\_\_\_\_\_  
Notary Public  
State of Washington

Commission Number: \_\_\_\_\_

Commission Expiration: \_\_\_\_\_