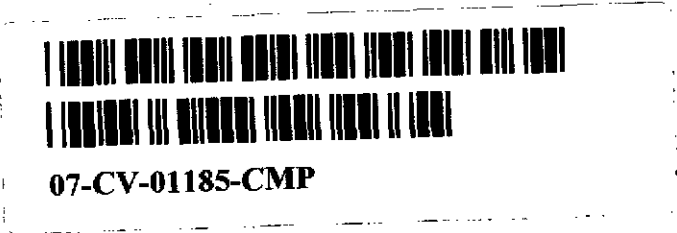


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U.S. COMMODITY FUTURES TRADING COMMISSION
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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON**

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 **ORDER OF PERMANENT INJUNCTION AND OTHER**
 7 **EQUITABLE RELIEF AS TO DEFENDANTS JOSEPH CLARK LAVIN,**
 8 **GLOBAL ASSET PARTNERS, LTD. aka GLOBAL ASSET PARTNERS, LLC, GLOBAL**
 9 **CURRENCY TRADING GROUP, LLC,**
 10 **AND GLOBAL CURRENCY TRADING FUND, LLC**

11 I.

12 INTRODUCTION

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

1 II.

2 FINDINGS OF FACT AND CONCLUSIONS OF LAW

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

7 A. FINDINGS OF FACT

8 The Parties

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

13 13. Defendant Joseph Clark Lavin a.k.a. Joseph Ivcevic, resided at 14321 160th Ave
14 NE, Woodinville, Washington 98072, and is currently a federal inmate. Lavin is the manager of
15 GAP, the manager of Global Fund, and the manager and president of Global Group. Lavin
16 directed and controlled all of the corporate Defendants' respective business operations from his
17 home in Woodinville, Washington. Lavin has never been registered with the Commission in any
18 capacity.

19 14. Defendant Global Asset Partners, Ltd a.k.a. Global Asset Partners, LLC, is
20 purportedly an International Business Corporation ("IBC") formed under the laws of the
21 Federation of St. Christopher and Nevis ("Nevis"), that is managed and controlled by Lavin from
22 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

1 GAP. GAP has never been registered with the Commission in any capacity.

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

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

13 **The Fraudulent Scheme**

14 17. Beginning on or about January 2001 and continuing to through January 2007 (the
15 "relevant period"), the Defendants misappropriated customers' funds and used false and
16 misleading representations and omissions to solicit retail customers throughout the United States,
17 Canada, France and Panama, among other places, to buy and sell foreign currency ("forex")
18 option contracts. As a consequence of the Defendants' fraudulent solicitations and
19 misappropriation, the Defendants' scheme defrauded customers of \$11,703,028.93 during the
20 relevant period.

21 18. The Defendants solicited members of the general public to open forex option
22 trading accounts. The Defendants misappropriated customer funds by taking one per cent (1%)
per month of all money invested by customers, as an "Introducing Broker referral" or commission

1 fee, for each month a customer had an open account with the Defendants. Because this
2 "commission" was never agreed to by customers, nor disclosed to customers, it was in reality the
3 misappropriation of customers' funds by the Defendants.

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

8 The Offer and Sale of Forex Option Contracts

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

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

21 Misappropriation

22 22. On or about August 21, 2002, Global Group, through Lavin, entered into a
written "Agent Agreement" (the "Agent Agreement") with Midland. The Agent Agreement states

1 that Global Group "wishes to be an Agent to Midland for the purpose of submitting investor
2 Clients to Midland who wishes (sic) to invest into an International Currency Exchange entity,
3 known as the Forex (sic) markets, for the purpose of generating profits for the client."

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

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

11 A.1. The compensation to be paid to the Agent shall be one percent
12 (1%) of the Agent's Client's invested monthly amount."

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

16 25. As noted above, the Defendants took 1% monthly of the balance on the
17 customers' funds yet failed to disclose that fact to the customers. Instead, the Defendants
18 represented that their compensation would only be drawn after customers received their "targeted
19 return amount." Because the trading activity in the Defendants' accounts with Midland
20 consistently resulted in losses, the Defendants should never have received any compensation
21 under the terms of their agreements with customers. Because the "commissions" paid to the
22 Defendants by Midland were never agreed to by customers, nor disclosed to them, it was a
misappropriation of customers' funds.

Fraudulent Statements and Omissions

26. During the relevant period, the Defendants solicited, through the Internet

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

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

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

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

16 (c) Falsely representing that the corporate Defendants conducted their respective business
17 operations from offices in Nevis and/or Seattle, Washington, when in fact, they were
18 operated and controlled by Lavin from his home in Woodinville, Washington.

19 (d) Failing to disclose that the Defendants misappropriated one per cent (1%) per month
20 of all money invested by customers with Midland, as an "Introducing Broker referral" or
21 commission fee, for each month a customer had an open account with the Defendants;

22 (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;

False Reports and Statements

23 28. After customers deposited their funds with the corporate Defendants, these funds
24 were transferred to Midland. Midland would then deposit the funds into accounts opened in the
25 name of GAP and/or Global Group, and purportedly use these funds to buy and sell options on
26

1 forex commodity futures contracts.

2 29. Midland sent monthly statements to Lavin showing the option contracts
3 purportedly bought and sold on the Defendants' behalf, the options contracts that had expired,
4 and the purported value of the Defendants' accounts. Lavin testified that he would use the
5 Midland statements to arbitrarily determine the purported "value" of each of GAP's, Global
6 Group's and Global Fund's customers' accounts, and send customers an account statement
7 reflecting this amount chosen by Lavin.

8 30. At all times relevant hereto, Lavin knew that neither the Defendants nor Midland
9 were actually trading customer funds.

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

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

1 **Lavin Controlled the Corporate Defendants**

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

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

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

20 36. Lavin regularly corresponded, e-mailed, and conducted phone calls
21 with officials at Midland and the various banks where the corporate Defendants held
22 bank accounts. He determined when wire transfers were to be issued, specifying the
amount of each wire, the person or entity to whom the wire transfer was to be made,

1 and the bank and account number to which the funds were to be transferred. When
2 questions arose as to whether a wire transfer had been made correctly or if Midland had
3 paid the correct commission, Lavin would make inquiries to officials at Midland and
4 the various banks for clarification. If the wrong party had been specified in a wire
5 transfer request, Lavin would either correspond with or telephone bank officials
6 concerning the error, and provide bank officials with directions as to how he wanted
7 the error resolved.

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

18 **Lavin was the Agent of the Corporate Defendants**

19 38. In the present case, the agent-principal relationship is clear and direct. According
20 to Lavin, he is the founder, president, sole manager and/or only officer of the corporate
21 Defendants. Lavin acted on behalf of these corporate Defendants, by, among other things,
22 operating websites that solicited the public to establish managed accounts with the corporate
Defendants and issuing false and misleading account statements on the letterhead of the corporate

1 Defendants.

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

4 **B. Conclusions of Law**

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

10 41. This Court has personal jurisdiction over the Defendants.

11 42. Venue properly lies with this Court pursuant to Section 6c(e) of the Act, 7 U.S.C.
12 § 13a-1(e) (2002), in that the Defendants are found in, inhabit, or transact business in this district,
13 and the acts and practices in violation of the Act have occurred, are occurring, or are about to
14 occur within this district, among other places.

15 43. By the conduct described in Part II A above, Lavin violated Section 4c(b) of the
16 Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c), 17 C.F.R.
17 §§ 1.1, 32.9(a), (b), and (c) (2005), in that, in or in connection with offers to enter into, or the
18 confirmation of the execution of, commodity option transactions, he cheated or defrauded or
19 attempted to cheat or defraud customers or prospective customers and deceived or attempted to
20 deceive customers or prospective customers by, among other things: misappropriating customers'
21 funds, issuing false account statements to customers, misrepresenting the likelihood that
22 customers will profit from the trading of commodity options and failing to disclose that no
trading of customers' funds was actually taking place.

1 44. Because the acts and omissions of Lavin that constitute violations of Section
2 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Commission Regulations 1.1, 32.9(a), (b) and (c),
3 17 C.F.R. §§ 1.1, 32.9(a), (b) and (c) (2006), were done within the scope of Lavin's employment,
4 Defendants GAP, Global Group and Global Fund are each liable for those violations pursuant to
5 Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B) (2002).

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

13 III.

14 ORDER FOR EQUITABLE RELIEF

15 **IT IS HEREBY ORDERED** that:

16 46. Defendants Lavin, GAP, Global Fund and Global Group are permanently
17 restrained, enjoined, and prohibited from, directly or indirectly, cheating or defrauding or
18 attempting to cheat or defraud other persons and willfully deceiving or attempting to deceive
19 other persons by making false, deceptive or misleading representations of material facts, by
20 making false statements, by failing to disclose material facts, and by misappropriating customer
21 funds in or in connection with orders to make, or the making of, contracts of sale of any option on
22 commodities for future delivery, made or to be made for or on behalf of any other person in
violation of violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b) (2002), and Regulations

1 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).

2 47. Defendants Lavin, GAP, Global Fund and Global Group are permanently
3 restrained, enjoined, and prohibited, directly or indirectly, from directly or indirectly engaging in
4 any activity related to trading in any commodity, as that term is defined in Section 1a(4) of the
5 Act, 7 U.S.C. § 1a(4) ("commodity interest"), including but not limited to, the following:

- 6 A. Trading on or subject to the rules of any registered entity, as that term is
7 defined in Section 1a(29) of the Act, 7 U.S.C. § 1a(29);
8 B. Engaging in, controlling, or directing the trading of any commodity interest
9 accounts for or on behalf of any other person or entity, whether by power of
10 attorney or otherwise;
11 C. Soliciting or accepting any funds from any person in connection with the
12 purchase or sale of any commodity interest contract;
13 D. Placing orders or giving advice or price quotations, or other information in
14 connection with the purchase or sale of commodity interest contracts for
15 himself and others;
16 E. Applying for registration or claiming exemption from registration with the
17 CFTC in any capacity, and engaging in any activity requiring such
18 registration or exemption from registration with the CFTC, except as
19 provided for in Regulation 4.14(a)(9), 17 C.F.R. §4.14(a)(9), or acting as a
20 principal, agent, officer or employee of any person registered, required to be
21 registered, or exempted from registration, except as provided for in
22 Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9); and
F. Engaging in any business activities related to commodity interest trading.

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

1 IV.

2 **RESTITUTION, DISGORGEMENT, CIVIL MONETARY PENALTY, AND**
3 **ANCILLARY RELIEF**

4 **IT IS FURTHER ORDERED THAT:**

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

13 **A. RESTITUTION AND DISGORGEMENT**

14 50. On or about November 1, 2007, Lavin was criminally indicted in the U. S. District
15 Court for the Western District of Washington for money laundering and wire fraud in *United*
16 *States of America v. Joseph C. Lavin*, Case No.:CR07-366 RAJ (W.D. WA). Lavin ultimately
17 entered a guilty plea, and he was committed to the custody of the United States Bureau of Prisons
18 for a term of 54 months. In addition to his term of imprisonment, he was ordered to pay
19 \$11,612,538.55 in victim restitution.

20 51. As Lavin admitted in his criminal plea to the appropriate amount of restitution
21 owed to defrauded customers, the Court finds \$11,612,538.55 to be the appropriate amount of
22 restitution to be entered herein. The Defendants' obligation to pay restitution begins upon the
date of entry of this Order.

1
2 **B. CIVIL MONETARY PENALTY**

3 52. Good cause exists for the imposition of a civil monetary penalty ("CMP") upon
4 each of the Defendants.

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

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

13 54. A proper showing having been made, and accordingly the Defendants shall pay,
14 jointly and severally, a CMP in the amount of \$11,612,538.55, plus post-judgment interest (the
15 "CMP Obligation").

16 55. Each Defendant shall pay the CMP upon entry of this Order. Post-judgment
17 interest shall accrue beginning on the day after the date of entry of this Order and will be
18 calculated by using the Treasury Bill rate prevailing on the date of entry of this Order pursuant to
19 28 U.S.C. § 1961.

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

1 Commodity Futures Trading Commission
2 Division of Enforcement
3 ATTN: Marie Bateman – AMZ-300
4 DOT/FAA/MMAC
6500 S. Macarthur Blvd.
Oklahoma City, OK 73169
Telephone: 405-954-6569

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

12 **C. PRIORITY OF MONETARY SANCTIONS AND PARTIAL PAYMENTS**

13 57. All payments by the corporate Defendants pursuant to this Order, and all payments
14 by Lavin, shall first be applied to satisfaction of the Restitution Obligation, consistent with the
15 authority granted the Monitor in Part IV.C., above. After satisfaction of the Restitution
16 Obligation, payments by Defendants pursuant to this Order shall be applied to satisfy Defendants'
17 CMP Obligation. Defendants shall receive full credit herein for the payment of any criminal
18 restitution in *United States of America v. Joseph C. Lavin*, Case No.:CR07-366 RAJ (W.D. WA).

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

V.

MISCELLANEOUS PROVISIONS

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

Notice to Commission:

Director of Enforcement
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

Notice to Defendants:

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

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

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this Order of Permanent Injunction and Other Equitable Relief.

ORDERED AND ADJUDGED:

DONE AND ORDERED in Chambers at Seattle, Washington, this 9th day of

Sept., 2008.



Robert S. Lasnik
United States District Judge

cc: All counsel and pro se parties of record