I.

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(e) of the Investment Advisers Act of 1940 ("Advisers Act") against Benchmark Asset Managers LLC ("Benchmark" or "Respondent").

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(e) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.
III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Benchmark Asset Managers, LLC (“Benchmark”) is a Pennsylvania limited liability company with its principal place of business in Philadelphia, Pennsylvania. Benchmark is an investment adviser registered with the Commission and is primarily owned by Harvest Managers LLC (“Harvest”) and Otto Sam Folin (“Folin”). Folin is the managing director, Chief Compliance Officer and 33% shareholder of Benchmark and is the president, chief executive officer and a majority owner of Harvest. From 2002 through March 2011, Benchmark and Folin provided investment advice to clients for compensation. In addition, Benchmark and Folin have raised money from investors and advisory clients by offering and selling a variety of securities. From 2004 through March 2011, Benchmark and Folin also managed and advised a group of hedge funds known as the Safe Haven Investment Portfolios LLC (“Safe Haven Portfolios”). Almost all of the investors in the Safe Haven Portfolios were also advisory clients of Benchmark.

2. On July 21, 2011, a final judgment was entered by consent against Benchmark, permanently enjoining it 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), 206(2) and 206(4) of the Advisers Act and Rule 206(4)-8 in the civil action entitled Securities and Exchange Commission v. Otto Sam Folin, et al., Civil Action Number 11-cv-04447, in the United States District Court for the Eastern District of Pennsylvania. Benchmark was also ordered to pay disgorgement, jointly and severally with Folin and Harvest, in the amount of $8,706,620, plus prejudgment interest thereon in the amount of $1,454,177, and a civil penalty of $725,000.

3. The Commission’s complaint alleged, among other things, that Folin, Benchmark and Harvest made material misrepresentations and omissions in connection with the offer, purchase and sale of various securities in Benchmark and Harvest to advisory clients, noteholders and the Safe Haven Portfolios. Specifically, the Complaint alleged that Benchmark and Folin made misrepresentations and omissions regarding Safe Haven Portfolios’ loans to Harvest and Benchmark and certain development costs the Safe Haven Portfolios paid to Harvest and Benchmark. The Complaint further alleged Benchmark and Folin improperly valued the Safe Haven Portfolios loans to Harvest and Benchmark at cost, rather than at fair value, as required by relevant offering documents. As a result, the Complaint alleged, Benchmark and Folin provided investors with misleading account statements that reflected the loans at inflated values. The Complaint also alleged that Folin and Benchmark did not disclose Benchmark’s precarious financial condition.
IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Benchmark’s Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(e) of the Advisers Act that the investment adviser registration of Respondent Benchmark be, and hereby is, revoked.

By the Commission.

Elizabeth M. Murphy
Secretary