

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4419 / June 10, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17284

In the Matter of

DANIEL THIBEAULT,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

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(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Daniel Thibeault (“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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.2., and III.3. below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) 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. Thibeault was the principal owner, President, and CEO of Graduate Leverage, LLC ("GL"), an asset management and financial advisory firm. He was also the managing director of GL Capital Partners, LLC ("GL Capital"), an investment adviser registered with the Commission. GL Capital was the sole investment adviser of the GL Beyond Income Fund (the "Fund"). Thibeault was also the co-portfolio manager of the Fund. Through Thibeault's majority control of GL, he was also the indirect owner of GL Investment Services, LLC, another investment adviser registered with the Commission. Thibeault, 41 years old, is a resident of Framingham, Massachusetts.

2. On March 3, 2016, Thibeault pled guilty to one count of securities fraud in violation of Title 15 of the United States Code, Sections 78j(b) and 78ff(a) and Title 17, Code of Federal Regulations, Section 240.10b-5, and one count of obstruction of justice in violation of Title 18 of the United States Code, Section 1512(c), before the United States District Court for the District of Massachusetts, in United States v. Daniel Thibeault, Crim. No. 1:15-CR-10031-LTS.

3. The counts of the indictment to which Thibeault pled guilty alleged, inter alia, that Thibeault defrauded investors in the Fund, and misappropriated at least \$15 million from the Fund, by using the Fund's money to make fictitious loans to third party borrowers and then reporting those fictitious loans as assets of the Fund, when Thibeault in fact used the loan proceeds to operate his businesses and pay his personal expenses. The obstruction of justice charge alleged that Thibeault made numerous false statements to Commission staff during the Commission's investigation of fraud at GL and the related investment advisors. In connection with his guilty plea, Thibeault admitted that he knowingly, intentionally and willfully committed securities fraud and engaged in obstruction of justice, and that he is guilty of those offenses.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Thibeault be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization;

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary