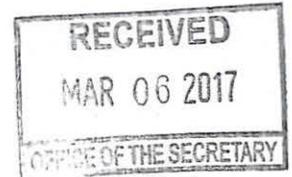


HARD COPY

COPY

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING  
File No. 3-17650

In the Matter of

JOE LAWLER,

Respondent.

MOTION FOR  
SUMMARY DISPOSITION

The Division of Enforcement hereby moves for Summary Disposition against Respondent Joe Lawler.

I. INTRODUCTION

Pursuant to the Securities Exchange Act of 1934 ("Exchange Act"), the Division seeks permanent collateral bars against Lawler based on the injunction against future violations of the securities laws previously entered against him. Exchange Act Section 15(b)(6)(A)(iii) authorizes the Commission to bar a person from being associated with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, or from participating in an offering of penny stock, if such sanctions are in the public interest, the person has been enjoined from engaging in or continuing any conduct or practice in connection with the purchase or sale of any security, and the conduct occurred while the person was associated or seeking to become associated with a broker or dealer. Each of the facts necessary for these sanctions is readily established without a hearing. Similarly, those facts show that sanctions are warranted under the *Steadman* factors and in light of the need for deterrence. Because all the necessary facts can be established without a hearing, summary disposition is appropriate.

In support of its Motion, the Division submits The Plea Minute Sheet in *United States v. Lawler* (14-cr-2781 JP, D. N.M.), attached as Exhibit 1; the Superseding Indictment in *United States v. Lawler* to which Lawler plead guilty, attached as Exhibit 2; the Criminal Judgment against Lawler in *United States v. Lawler*, attached as Exhibit 3; Lawler's Consent in *SEC v. Lawler* (13-cv-849-RB, D. N.M.), attached as Exhibit 4; the Complaint in *SEC v. Lawler*, attached as Exhibit 5; and the Civil Injunctive Judgment against Lawler in *SEC v. Lawler* (13-cv-849-RB, D. N.M.), attached as Exhibit 6.

## II. SUMMARY DISPOSITION IS APPROPRIATE

Rule 250(b) of the Commission's Rules of Practice provides for motions for summary disposition. The hearing officer may grant the motion for summary disposition if there is no genuine issue with regard to any material fact and the party making the motion is entitled to a summary disposition as a matter of law. The Commission has regularly upheld use of summary disposition in cases where a respondent has been enjoined or convicted and the sole determination concerns the appropriate sanction. *See Jeffrey L. Gibson*, Rel. No. 34-57266, 2008 WL 294717 at \* 5 (Feb. 4, 2008) (collecting cases), petition for review denied, 561 F. 3d 548 (6th Cir. 2009).

This case is appropriate for summary disposition. As discussed below, the predicate facts for the requested bars can be established through Lawler's Injunction, Plea Agreement, Criminal Judgment, and other public records.<sup>1</sup> The hearing officer can take official notice of these records pursuant to Rule 323 of the Commission's Rules of Practice [17 C.F.R. § 201.323]. In addition, Lawler is collaterally estopped from contesting the Injunction, Complaint, Civil Judgment, Plea Agreement, and Criminal Judgment. *See Roe v. City of Waterbury*, 542 F.3d 31,

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<sup>1</sup> A guilty plea has the same preclusive effect as a criminal conviction by jury verdict. *See United States v. Podell*, 572 F.2d 31, 35 (2d Cir.1978).

41 (2d Cir.2008). Moreover, Lawler is in default in this proceeding. *See* December 19, 2016 Order in this matter.

### III. STATEMENT OF FACTS

On June 26, 2015, Lawler plead guilty to the superseding indictment in the criminal prosecution against him and on November 9, 2015, Lawler was sentenced. *See United States v. Lawler*, 13-cr-473-RM, Docs. 59, 28, 79. Plea Minute Sheet, attached as Exhibit 1; Indictment, attached as Exhibit 2; Criminal Judgment, attached as Exhibit 3. On January 5, 2016, Lawler consented to entry of injunctions against him in the Commission's action against him in the United States District Court for the District of New Mexico. *See SEC v. Lawler*, 13-cv-849, Doc. 84-1, Consent, attached as Exhibit 4. In his consent, Lawler acknowledged that in this proceeding he could not contest the factual allegations of the Commission's complaint in the civil action. *Id.*, *see also SEC v. Lawler*, 13-cv-849, Doc. 1, Complaint, attached as Exhibit 5. On May 17, 2016, a final judgment was entered against Lawler, enjoining him from violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933; and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. *See SEC v. Lawler*, 13-cv-849, Doc. 91, Civil Judgment, attached as Exhibit 6.<sup>2</sup>

Between about August 27, 2010, and about July 3, 2014, in San Juan County in the State of New Mexico, and elsewhere, Joseph Lawler, knowingly and intentionally executed a scheme and artifice to defraud, and, for the purpose of executing the scheme, caused writings and signals to be transmitted in interstate commerce via wire. Exhibit 2 at ¶1; Exhibit 5 at ¶1. On or about August 27, 2010, Lawler caused others to create Projaris Management, LLC. Exhibit 2 at ¶2. Although Lawler's name does not appear on the Articles of Organization for Projaris,

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<sup>2</sup> Both the criminal case and the civil case against Lawler involved the same fraudulent scheme. *Compare* Superseding Indictment, Exhibit 2 and Complaint, Exhibit 5.

Lawler exercised sole control of its operation. *Id.*; Exhibit 5 at ¶30. Projaris purportedly provided investment services to include investments in gold, silver and real estate or a Real Estate Investment Trust (REIT). *Id.*; Exhibit 5 at ¶29.

On or about October 27, 2010, Lawler caused one of his sons to open a bank account for Projaris at the Vectra Bank located in Farmington, New Mexico. Exhibit 2 at ¶3. Although Lawler's name does not appear as an authorized signer on said bank account, Lawler exercised sole control of the funds contained therein. *Id.* On or about April 3, 2012, Lawler also caused his son to open two bank accounts for Projaris at the Vectra Bank located in Farmington, New Mexico. Exhibit 2 at ¶¶4-6. Although Lawler's name does not appear as an authorized signer on said bank account, Lawler exercised sole control of the funds contained therein. *Id.* On about October 5, 2011, Lawler caused another of his sons to an account at Credit Union West in Phoenix, Arizona. Exhibit 2 at ¶7. Although Lawler's name does not appear as an authorized signer on said credit union account, Lawler exercised sole control of the funds contained therein. *Id.*

Lawler devised a scheme and artifice to defraud potential investors in Projaris whereby he made false representations to obtain investment funds, and used said funds for other purposes. Exhibit 2 at ¶8; Exhibit 5 at ¶5. In furtherance of the scheme and artifice to defraud, Lawler represented to investors that their funds would be invested in gold, silver and real estate or a Real Estate Investment Trust (REIT). Exhibit 2 at ¶9; Exhibit 5 at ¶29. However, Lawler never created an REIT, nor did Lawler ever invest any investor funds in real estate or a REIT. *Id.* In furtherance of the scheme and artifice to defraud, Lawler represented that investors' IRA accounts could be rolled over into the Projaris investment accounts when, in fact, Projaris was not an IRS-eligible retirement plan. Exhibit 2 at ¶10; Exhibit 5 at ¶55. In furtherance of the scheme and artifice to defraud, Lawler represented that a certain portion of the investors' funds

would be donated to charitable organizations designated by the investors when, in fact, Lawler failed to donate funds to charities designated by most investors. Exhibit 2 at ¶11.

In furtherance of the scheme and artifice to defraud, Lawler used funds from one Projaris investor to pay other Projaris investors who complained of the lack of performance on their investment and who threatened to report Lawler to law enforcement authorities. Exhibit 2 at ¶12; Exhibit 5 at ¶¶ 59, 64. In furtherance of the scheme and artifice to defraud, the defendant conducted a conference call on July 3, 2014, with various investors who had asked for the return of their investments. Exhibit 2 at ¶14. The defendant falsely informed these investors that he was unable to return their investments because all their assets were tied up in real estate. *Id.* In furtherance of the scheme and artifice to defraud, Lawler used funds from Projaris investors for his own personal use, such as his living expenses and the purchase of vehicles. Exhibit 2 at ¶13; Exhibit 5 at ¶65.

Lawler, while exercising sole control of Projaris Management and its four bank accounts maintained at Vectra Bank in Farmington, New Mexico, executed the scheme and artifice to defraud. Exhibit 2 at ¶15. Lawler, knowingly and with intent to defraud, caused to be transmitted in interstate commerce and via wire, the transfer of investor funds for Lawler's personal use. *Id.*; Exhibit 5 at ¶65.

#### **IV. LAWLER ACTED AS A BROKER-DEALER AT THE TIME OF HIS MISCONDUCT.**

Sections 15(b)(6) of the Exchange Act requires that Lawler have been associated with a broker-dealer to justify the imposition of sanctions. 15 U.S.C. §§ 78o(b)(4)(B)(i)-(iv), (6)(A)(ii). Acting as a broker-dealer is a sufficient prerequisite to associational bars. *See Vladislav Steven Zubkis*, Rel. No. 34-52876, 2005 WL 3299148 (December 2, 2005); *see also Edward J. Driving Hawk, Sr.*, Rel. No. ID - 399, 2010 WL 2685821 (July 7, 2010).

Section 3(a)(4) of the Exchange Act defines a broker as any person “engaged in the business of effecting transactions in securities for the account of others.” 15 U.S.C. § 78c(a)(4)(A). Activities of a broker are characterized by “a certain regularity of participation in securities transactions at key points in the chain of distribution.” *Mass. Fin. Servs., Inc. v. Sec. Investor Prot. Corp.*, 411 F. Supp. 411, 415 (D. Mass. 1976), *aff’d*, 545 F.2d 754 (1st Cir. 1976). Actions indicating that a person is “effecting” securities transactions include soliciting investors; providing either advice or a valuation as to the merit of an investment; actively finding investors; handling customer funds and securities; and participating in the order-taking or order-routing process. *SEC v. Martino*, 255 F. Supp. 2d 268, 283 (S.D. N.Y. 2003); *SEC v. Bengier*, 697 F. Supp. 2d 932, 945 (N.D. Ill. 2010); *SEC v. Kramer*, 778 F. Supp. 2d 1320, 1334 (M.D. Fla. 2011).

During the relevant time period, Lawler acted as an unregistered broker-dealer. Exhibit 5 at ¶¶ 73 – 75. Lawler induced and attempted to induce the offer and sale of securities to investors in multiple states using the mails, telephone, and internet. *See* Exhibit 2; Exhibit 5 at ¶ 73. He also received compensation for each transaction in which investors bought the securities of the Trust. Exhibit 5 at ¶ 74. In addition, Lawler made misrepresentations to investors in order to solicit their investments in Projaris. Exhibit 2 at ¶¶ 9 - 14. He directed these investments into accounts controlled by himself from which he misappropriated investor funds. These actions demonstrate that Lawler was acting as a broker-dealer. Exhibit 2 at ¶¶ 3 – 7; 15.

#### **V. LAWLER HAS BEEN ENJOINED.**

On May 17, 2016, a final judgment was entered against Lawler, enjoining him from violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933; and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. *See SEC v. Lawler*, 13-cv-849-RB, Doc.

91; Civil Judgment, attached as Exhibit 6. Lawler was also ordered to pay disgorgement of \$835,000. *Id.*

In addition, Lawler was convicted of twelve counts of wire fraud in violation of Title 18 United States Code, Section 1343. *See United States v. Lawler*, 13-cr-2781-JAP, Doc. 82; Criminal Judgment, attached as Exhibit 3. Lawler was sentenced to a prison term of 36 months followed by three years of supervised release and ordered to make restitution in the amount of \$478,511. *Id.*

## **VI. BARS ARE IN THE PUBLIC INTEREST.**

The Commission considers the following factors when determining whether sanctions are in the public interest: the egregiousness of the respondent's actions; the isolated or recurrent nature of the infraction; the degree of scienter involved; the sincerity of the respondent's assurances against future violations; the respondent's recognition of the wrongful nature of his or her conduct; and the likelihood that the respondent's occupation will present opportunities for future violations (the *Steadman* factors). *See Vladimir Boris Bugarski*, Rel. No. 34-66842, 2012 WL 1377357 at \* 4 & n. 18 (Apr. 20, 2012) (citing *Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1 979), *affd* on other grounds, 450 U.S. 91 (1981)). The Commission also considers the extent to which the sanction will have a deterrent effect. *See Shield Management Company*, Rel. No. 34-53201, 2006 WL 231642 at \* 8 & n.46 (Jan. 31, 2006). Consideration of the *Steadman* factors demonstrates that Lawler's conduct warrants a severe sanction. The Commission has stated that "conduct that violates the antifraud provisions of the federal securities laws is especially serious and subject to the severest of sanctions." *Chris G. Gunderson*, Release No. 34-61234, 2009 WL 4981617 at \* 5 (Dec. 23, 2009) (internal citation omitted). Moreover, consideration of both specific and general deterrence supports the imposition of permanent bars.

**A. Lawler's Violations are Egregious.**

Lawler's fraudulent scheme was egregious. Lawler affirmatively lied to investors and potential investors. He sold investments that did not exist. *See* Exhibit 2 at ¶¶ 8 - 14. Instead of investing the funds as promised, Lawler misappropriated over half of the investor funds, using the investor money primarily to support himself and his family and to continue to perpetrate the fraud by, among other things, making Ponzi payments. *See* Exhibit 5 at ¶ 4. Other investor funds were used for undisclosed investments, entrusted to unqualified individuals, or simply lost. *Id.* Moreover, when investors questioned Lawler or complained, Lawler used new investor funds to calm them. *See* Exhibit 2 at ¶¶ 12, 14.

**B. Lawler's Violations were Recurrent.**

Lawler's fraudulent scheme ran for over five years, from May 2008 through July 2013. *See* Exhibit 5 at ¶1; Exhibit 2 at ¶ 8 – 14. Investors lost hundreds of thousands of dollars investing with Lawler. *See* Exhibit 3.

**C. Lawler's Conduct Showed a High Degree of Scierter.**

As discussed above, Lawler's representations were affirmative lies. Because Lawler knowingly and intentionally provided false information to investors and misappropriated investor funds, he acted with a high degree of scierter. *See, e.g., Toby G. Scammell*, Rel. No. 3961, 2014 WL 5493265 at \*6 (March 17, 2014).

**D. The Likelihood that Lawler will Engage in Future Violations is High.**

As discussed above, Lawler engaged in egregious, recurrent violations with a high degree of intent. "[T]he likelihood of future illegal conduct is 'strongly suggested' by past illegal activity." *SEC v. Am. Bd. Of Trade*, 750 F. Supp. 100, 104 (S.D.N.Y. 1990).

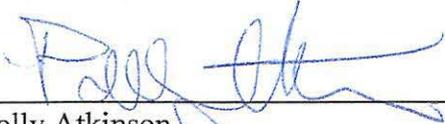
Although Lawler is currently incarcerated, his incarceration is for a short period of time. Lawler has not offered any assurance against future wrong-doing or shown that he has

recognized his wrong-doing. As a result, he will be in a position to commit violations in the future.

**VII. CONCLUSION.**

For the foregoing reasons, the Division requests that collateral bars be entered against Lawler under Exchange Act Section 15(b) barring him from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization and from participating in any offering of penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock.

Respectfully submitted this 3<sup>rd</sup> day of March, 2017.



Polly Atkinson  
Division of Enforcement  
Securities and Exchange Commission  
Denver Regional Office  
1961 Stout Street, Ste. 1700  
Denver, CO 80294

SERVICE LIST

On March 3, 2017, the foregoing **MOTION FOR SUMMARY DISPOSITION PURSUANT TO RULE 250 OF THE COMMISSION RULES OF PRACTICE** was sent to the following parties and other persons entitled to notice:

Office of the Secretary  
Brent Fields, Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Mail Stop 1090  
Washington, DC 20549-2557  
(By Facsimile and original and three copies by UPS)

Honorable Brenda Murray, Chief Judge  
100 F Street, N.E.  
Mail Stop 2580  
Washington, D.C. 20549  
(By Email and UPS)

Joe Lawler  
Inmate No. [REDACTED]  
[REDACTED], PO Box [REDACTED]  
Fort Dix, NJ [REDACTED]

  
Nicole L. Nesvig  
Sr. Trial Paralegal

**PLEA MINUTE SHEET  
IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO (AT ALBUQUERQUE)**

**CR 14-2781 JP**

**UNITED STATES vs. LAWLER**

**Before The Honorable Steven C. Yarbrough , United States Magistrate Judge**

Hearing Date:	June 26, 2015	Time In and Out:	10:01 am-10:37 am	
Clerk:	Kim	Digital Recording:	ABQ-Gila	
Defendant:	Joseph Lawler	Defendant's Counsel:	Aric Elsenheimer	
AUSA:	Tara Neda	Interpreter:	N/A	<input type="checkbox"/> Sworn <input type="checkbox"/> Waived
<input checked="" type="checkbox"/>	Defendant Sworn	<input type="checkbox"/>	First Appearance	
<input checked="" type="checkbox"/>	Consent to proceed before a magistrate judge executed with full knowledge of meaning and effect.			
<input checked="" type="checkbox"/>	Deft acknowledges receipt of: <b>Superseding Indictment</b>			
<input type="checkbox"/>	If Deft proceeding by way of information, Deft acknowledges right to an indictment and waives that right.			
<input type="checkbox"/>	Terms and conditions of proposed plea agreement explained.	<input checked="" type="checkbox"/>	Defendant indicates understanding of its terms.	
<input checked="" type="checkbox"/>	Factual predicate to sustain the plea provided.			
<input checked="" type="checkbox"/>	Deft questioned re Deft's age, education, physical/mental condition, and whether under the influence of alcohol, drugs, or any medication. Deft advised of charge(s), penalties and possible consequences of the plea.			
<input checked="" type="checkbox"/>	Deft advised of constitutional rights, loss of rights, and maximum possible penalties (including imprisonment, fine, supervised release, probation, SPA, restitution, and any forfeitures).			
<input checked="" type="checkbox"/>	Deft questioned re time to consult with attorney and if satisfied with his or her representation.			
<input checked="" type="checkbox"/>	Court finds Deft fully understands charge(s) and the consequences of entering a guilty plea to that charge (or those charges).			
<input checked="" type="checkbox"/>	Deft pleads <b>GUILTY to: Superseding Indictment</b>			
<input checked="" type="checkbox"/>	Allocation by Deft on elements of charge(s).			
<input checked="" type="checkbox"/>	Court finds plea freely, voluntarily, and intelligently made; plea of guilty accepted.			
<input checked="" type="checkbox"/>	Deft adjudged guilty.			
<input type="checkbox"/>	Acceptance of plea agreement deferred until final disposition hearing by district judge.			
<input checked="" type="checkbox"/>	Sentencing Date: <b>to be notified</b>			
<input type="checkbox"/>	Defendant to Remain in Custody			
<input checked="" type="checkbox"/>	Present conditions of release continued	<input type="checkbox"/>	Conditions changed to:	
<input checked="" type="checkbox"/>	Penalty for failure to appear explained			
<input checked="" type="checkbox"/>	Presentence Report Ordered	<input type="checkbox"/>	Expedited (Type III)	
Other Matters: Deft pleads guilty to the Second Superseding Indictment; No Plea Agreement				

**EXHIBIT**

1

exhibitsticker.com

FILED  
UNITED STATES DISTRICT COURT  
ALBUQUERQUE, NEW MEXICO

IN THE UNITED STATES DISTRICT COURT *W* JUN 09 2015  
FOR THE DISTRICT OF NEW MEXICO

**MATTHEW J. DYKMAN**  
CLERK

UNITED STATES OF AMERICA, )  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 **JOSEPH LAWLER,** )  
 )  
 Defendant. )

CRIMINAL NO. 14 - 2781 JAP  
Counts 1-12: 18 U.S.C. § 1343:  
Wire Fraud.

SECOND SUPERSEDING INDICTMENT

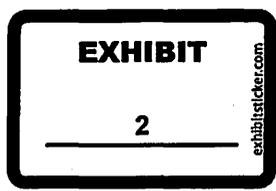
The Grand Jury charges:

1. Between on or about August 27, 2010, and on or about July 3, 2014, in San Juan County in the State of New Mexico, and elsewhere, the defendant, **JOSEPH LAWLER**, knowingly and intentionally executed a scheme and artifice to defraud, and, for the purpose of executing the scheme, did cause writings and signals to be transmitted in interstate commerce via wire.

Introduction

2. On or about August 27, 2010, the defendant, **JOSEPH LAWLER**, caused others to create Projaris Management, LLC (Projaris). Although the defendant's name does not appear on the Articles of Organization for Projaris, the defendant exercised sole control of its operation. Projaris purportedly provided investment services to include investments in gold, silver and real estate or a Real Estate Investment Trust (REIT).

3. On or about October 27, 2010, the defendant caused T. L. to open bank account #xxxxxxx0662 for Projaris at the Vectra Bank located in Farmington, New Mexico. Although



the defendant's name does not appear as an authorized signer on said bank account, the defendant exercised sole control of the funds contained therein.

4. On or about April 3, 2012, the defendant caused T. L. to open bank account #xxxxxx1777 for Projaris at the Vectra Bank located in Farmington, New Mexico. Although the defendant's name does not appear as an authorized signer on said bank account, the defendant exercised sole control of the funds contained therein.

5. On or about April 3, 2012, the defendant caused T. L. to open bank account #xxxxxx1769 for Projaris at the Vectra Bank located in Farmington, New Mexico. Although the defendant's name does not appear as an authorized signer on said bank account, the defendant exercised sole control of the funds contained therein.

6. On or about April 3, 2012, the defendant caused T. L. to open bank account #xxxxxx1751 for Projaris at the Vectra Bank located in Farmington, New Mexico. Although the defendant's name does not appear as an authorized signer on said bank account, the defendant exercised sole control of the funds contained therein.

7. On about October 5, 2011, the defendant caused B. L. to open account #xxxx44-09 at Credit Union West in Phoenix, Arizona. Although the defendant's name does not appear as an authorized signer on said credit union account, the defendant exercised sole control of the funds contained therein.

#### The Scheme and Artifice to Defraud

8. The defendant, **JOSEPH LAWLER**, devised a scheme and artifice to defraud potential investors in Projaris whereby he made false representations to obtain investment funds, and used said funds for other purposes.

9. In furtherance of the scheme and artifice to defraud, the defendant represented to investors that their funds would be invested in gold, silver and real estate or a Real Estate Investment Trust (REIT). However, the defendant never created an REIT, nor did the defendant ever invest any investor funds in real estate or an REIT.

10. In furtherance of the scheme and artifice to defraud, the defendant represented that investors' IRA accounts could be rolled over into the Projaris investment accounts when, in fact, Projaris was not an IRS-eligible retirement plan.

11. In furtherance of the scheme and artifice to defraud, the defendant represented that a certain portion of the investors' funds would be donated to charitable organizations designated by the investors when, in fact, defendant failed to donate funds to charities designated by most investors.

12. In furtherance of the scheme and artifice to defraud, the defendant used funds from one Projaris investor to pay other Projaris investors who complained of the lack of performance on their investment and who threatened to report the defendant to law enforcement authorities.

13. In furtherance of the scheme and artifice to defraud, the defendant used funds from Projaris investors for his own personal use, such as his living expenses and the purchase of vehicles.

14. In furtherance of the scheme and artifice to defraud, the defendant conducted a conference call on July 3, 2014, with various investors who had asked for the return of their investments. The defendant falsely informed these investors that he was unable to return their investments because all their assets were tied up in real estate.

Execution of the Scheme and Artifice to Defraud

15. On or about the dates set forth below, the defendant, **JOSEPH LAWLER**, while exercising sole control of Projaris Management and its bank accounts, executed the scheme and artifice to defraud. The defendant, knowingly and with intent to defraud, caused the bank transactions listed below, thus causing to be transmitted in interstate commerce and via wire, the transfer of investor funds for the defendant's personal use.

Counts 1-12

COUNT	INVESTOR	TRANSACTION DATE	FROM ACCOUNT:	TO ACCOUNT:	AMOUNT
1	N. L.	4/14/2011	Pioneer Bank, Roswell, NM Acct #xxxxxxx9548	Projaris Management LLC Vectra Bank Acct #xxxxxxx0662	\$15,000.00
2	M. K.	4/18/2011	First Financial Credit Union, Albuquerque, NM Acct #xxxxx2233	Projaris Management LLC Vectra Bank Acct #xxxxxxx0662	\$65,000.00
3	M. K.	11/1/2011	First Financial Credit Union, Albuquerque, NM Acct #xxxxx2233	Projaris Management LLC Credit Union West Acct #xxxx44-09	\$10,000.00
4	C. D.	4/6/2012	Vectra Bank Acct #xxxxxxx1777	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$34,200.00
5	C. D.	4/16/2012	Vectra Bank Acct #xxxxxxx1777	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$10,000.00
6	C. D.	4/24/2012	Vectra Bank Acct #xxxxxxx1777	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$2,000.00
7	T. D.	4/6/2012	Vectra Bank Acct #xxxxxxx1769	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$41,800.00

8	T. D.	4/16/2012	Vectra Bank Acct #xxxxxxx1769	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$10,000.00
9	T. D.	4/24/2012	Vectra Bank Acct #xxxxxxx1769	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$3,000.00
10	T. D.	5/2/2012	Vectra Bank Acct #xxxxxxx1769	Projaris Management LLC Vectra Bank Acct #xxxxxxx1751	\$24,232.28
11	S.B.	1/18/2012	Millennium Trust Company #xxxxxxZ8X9	Projaris Management LLC Credit Union West Acct #xxxx44-09	\$23,657.22
12	S. B.	3/22/2011	Wells Fargo Bank Acct #xxxxxxx4696	Projaris Management LLC Vectra Bank Acct #xxxxxxx0662	\$50,000.00

In violation of 18 U.S.C. §1343.

ASSET FORFEITURE ALLEGATION

The allegations contained in Counts 1 through 12 of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 982(a)(2) and 28 U.S.C. § 2461.

Upon conviction of one or more of the offenses in violation of 18 U.S.C. § 1343, the defendant, **JOSEPH LAWLER**, shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense; and/or pursuant to 18 U.S.C. § 982(a)(2), all property constituting, or derived from, proceeds obtained directly or indirectly, as the result of such violation(s).

Property to be forfeited to the United States includes, but is not limited to, the following:

MONEY JUDGMENT:

A sum of money equal to at least **\$288,889.50** in United States currency, representing the amount of money derived from or involved in the offenses.

If any of the above described forfeitable property, as a result of any act or omission of the defendant:

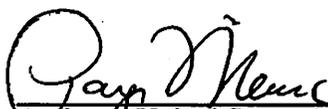
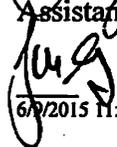
- A. cannot be located upon exercise of due diligence;
- B. has been transferred or sold to, or deposited with, a third person;
- C. has been placed beyond the jurisdiction of the Court;
- D. has been substantially diminished in value; or
- E. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b) and 28 U.S.C. § 2461(c), to seek forfeiture of any other property of defendant up to the value of the forfeitable property described above.

A TRUE BILL:

/s/

\_\_\_\_\_  
FOREPERSON OF THE GRAND JURY

  
Assistant United States Attorney  
  
6/9/2015 11:08 AM

**UNITED STATES DISTRICT COURT**  
District of New Mexico

UNITED STATES OF AMERICA  
V.

**JOSEPH LAWLER**

**Judgment in a Criminal Case**

(For Offenses Committed On or After November 1, 1987)

Case Number: 1:14CR02781-001JAP

USM Number: 39660-013

Defense Attorney: Aric G. Elsenheimer, Sylvia A. Baiz

THE DEFENDANT:

- pleaded guilty to count(s) **SS1 through SS12 of Indictment**
- pleaded nolo contendere to count(s) which was accepted by the court.
- after a plea of not guilty was found guilty on count(s)

The defendant is adjudicated guilty of these offenses:

<i>Title and Section</i>	<i>Nature of Offense</i>	<i>Offense Ended</i>	<i>Count Number(s)</i>
18 U.S.C. Sec. 1343	Wire Fraud	04/14/2011	SS1

The defendant is sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984. The Court has considered the United States Sentencing Guidelines and, in arriving at the sentence for this Defendant, has taken account of the Guidelines and their sentencing goals. Specifically, the Court has considered the sentencing range determined by application of the Guidelines and believes that the sentence imposed fully reflects both the Guidelines and each of the factors embodied in 18 U.S.C. Sec. 3553(a). The Court also believes the sentence is reasonable and provides just punishment for the offense.

- The defendant has been found not guilty on count .
- Count dismissed on the motion of the United States.

IT IS FURTHER ORDERED that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

11/9/15  
Date of Imposition of Judgment

/s/ James A. Parker  
Signature of Judge

Honorable James A. Parker  
Senior United States District Judge  
Name and Title of Judge

11/16/15  
Date Signed



Defendant: JOSEPH LAWLER  
Case Number: 1:14CR02781-001JAP

**ADDITIONAL COUNTS OF CONVICTION**

<i>Title and Section</i>	<i>Nature of Offense</i>	<i>Offense Ended</i>	<i>Count Number(s)</i>
18 U.S.C. Sec. 1343	Wire Fraud	04/18/2011	SS2
18 U.S.C. Sec. 1343	Wire Fraud	11/01/2011	SS3
18 U.S.C. Sec. 1343	Wire Fraud	04/06/2012	SS4 and SS7
18 U.S.C. Sec. 1343	Wire Fraud	06/16/2012	SS5 and SS8
18 U.S.C. Sec. 1343	Wire Fraud	04/24/2012	SS6 and SS9
18 U.S.C. Sec. 1343	Wire Fraud	05/02/2012	SS10
18 U.S.C. Sec. 1343	Wire Fraud	01/18/2012	SS11
18 U.S.C. Sec. 1343	Wire Fraud	03/22/2011	SS12

Defendant: JOSEPH LAWLER  
Case Number: 1:14CR02781-001JAP

**IMPRISONMENT**

The defendant is hereby committed to the custody of the [REDACTED] to be imprisoned for a total term of 36 months.

A term of 36 months is imposed as to each of Counts SS1 through SS12; said terms shall run concurrently.

The court makes the following recommendations to the Bureau of Prisons:

[REDACTED] Herlong, CA, if eligible

- The defendant is remanded to the custody of the United States Marshal.
- The defendant shall surrender to the United States Marshal for this district:
  - at on
  - as notified by the United States Marshal.
- The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:
  - before 2 p.m. on
  - as notified by the United States Marshal.
  - as notified by the Probation or Pretrial Services Office.

**RETURN**

I have executed this judgment as follows:

Defendant delivered on \_\_\_\_\_ to  
\_\_\_\_\_ at \_\_\_\_\_ with a Certified copy of this Judgment.

\_\_\_\_\_  
UNITED STATES MARSHAL

By \_\_\_\_\_  
DEPUTY UNITED STATES MARSHAL

Defendant: **JOSEPH LAWLER**  
Case Number: **1:14CR02781-001JAP**

### **SUPERVISED RELEASE**

Upon release from imprisonment, the defendant shall be on supervised release for a term of **3 years**.  
**A term of 3 years is imposed as to each of Counts SS1 through SS12; said terms shall run concurrently.**

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state, or local crime.

The defendant shall not unlawfully possess a controlled substance.

The defendant shall refrain from any unlawful use of a controlled substance.

The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.

- The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- The defendant shall cooperate in the collection of DNA as directed by statute. (Check, if applicable.)
- The defendant shall register with the state, local, tribal and/or other appropriate sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Criminal Monetary Penalties sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

### **STANDARD CONDITIONS OF SUPERVISION**

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer in a manner and frequency directed by the court or probation officer;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;

Defendant: JOSEPH LAWLER  
Case Number: 1:14CR02781-001JAP

**SPECIAL CONDITIONS OF SUPERVISION**

**The defendant is prohibited from incurring new credit charges, opening additional lines of credit, or negotiating or consummating any financial contracts without prior approval of the probation officer.**

**The defendant must provide the probation officer access to any requested financial information, personal income tax returns, authorization for release of credit information, and other business financial information in which the defendant has a control or interest.**

**The defendant must not possess a firearm, ammunition, destructive device, or any other dangerous weapon.**

**The defendant must submit to a search of the defendant's person, property, or automobile under the defendant's control to be conducted in a reasonable manner and at a reasonable time, for the purpose of detecting hidden financial documents or any illegal contraband at the direction of the probation officer. The defendant must inform any residents that the premises may be subject to a search.**

**The defendant must not have any direct or indirect contact or communication with the victims, or go near or enter the premises where the victims reside, without prior approval of the probation officer.**

Defendant: **JOSEPH LAWLER**  
 Case Number: **1:14CR02781-001JAP**

**CRIMINAL MONETARY PENALTIES**

The defendant must pay the following total criminal monetary penalties in accordance with the schedule of payments.

The Court hereby remits the defendant's Special Penalty Assessment; the fee is waived and no payment is required.

Totals:	<b>Assessment</b>	<b>Fine</b>	<b>Restitution</b>
	<b>\$1,200</b>	<b>\$-0-</b>	<b>\$478,511.37</b>

**SCHEDULE OF PAYMENTS**

Payments shall be applied in the following order (1) assessment; (2) restitution; (3) fine principal; (4) cost of prosecution; (5) interest; (6) penalties.

Payment of the total fine and other criminal monetary penalties shall be due as follows:

The defendant will receive credit for all payments previously made toward any criminal monetary penalties imposed.

A  In full immediately; or

B  \$ immediately, balance due (see special instructions regarding payment of criminal monetary penalties).

**Special instructions regarding the payment of criminal monetary penalties: Criminal monetary penalties are to be made payable by cashier's check, bank or postal money order to the U.S. District Court Clerk, 333 Lomas Blvd. NW, Albuquerque, New Mexico 87102 unless otherwise noted by the court. Payments must include defendant's name, current address, case number and type of payment.**

**Pursuant to the Mandatory Victim Restitution Act, it is further ordered that the defendant will make restitution to Norma L. in the amount of \$15,000; Martha K. in the amount of \$103,000; Carla D. & Thomas D. in the amount of \$270,894.77; and Stephen B. in the amount of \$89,616.60; for a total of \$478,511.37. Restitution shall be submitted to the Clerk of the Court, Attention Intake, to then be forwarded to the victims. The restitution will be paid monthly of no less than \$500 per month or 15% of his gross monthly income, whichever is greater.**

Unless the court has expressly ordered otherwise in the special instructions above, if this judgment imposes a period of imprisonment, payment of criminal monetary penalties shall be due during the period of imprisonment. All criminal monetary penalty payments, except those payments made through the Bureau of Prisons' Inmate Financial Responsibility Program, are to be made as directed by the court, the probation officer, or the United States attorney.

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PROJARIS MANAGEMENT, LLC, VICTORY  
PARTNERS FINANCIAL, JOE G. LAWLER,  
BRANDT A. LAWLER, MICHAEL S. LAWLER,  
RYAN G. LAWLER, TIMOTHY J. LAWLER, and  
PAMELA M. HASS,,

Defendant[s].

Case No. 13-cv-00849-RB-KBM

**CONSENT OF DEFENDANT JOE G. LAWLER**

1. Defendant Joe G. Lawler ("Joe Lawler") acknowledges having been served with the complaint in this action, enters a general appearance, and admits the Court's jurisdiction over Joe Lawler and over the subject matter of this action.

2. Joe Lawler has pleaded guilty to criminal conduct relating to certain matters alleged in the complaint in this action. Specifically, in *United States v. Joseph Lawler*, Case No. 14CR02781JAP (D. N.M.), Joe Lawler pleaded guilty to violations of 18 U.S.C. §1343. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in *United States v. Joseph Lawler*.

3. Joe Lawler hereby consents to the entry of the ~~Order of Injunction~~ and Other Relief in the form attached hereto (the "Order") and incorporated by reference herein, which, among other things:

Final Judgment as to Joe G. Lawler

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a. permanently restrains and enjoins Joe Lawler from violation of Section 5 of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §77e]; Section 15(a) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §78o(a)]; Section 17(a) of the Securities Act [15 U.S.C. §77q(a)]; and Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. §240.10b-5];

b. orders Joe Lawler to pay disgorgement in the amount of \$835,000, plus prejudgment interest in the amount of \$85,146; and

c. orders Joe Lawler to pay a civil penalty in the amount of <sup># 150,000</sup> ~~\$835,000~~ under Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)].

4. Joe Lawler agrees that he shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any insurance policy, with regard to any civil penalty amounts that Joe Lawler pays in this matter, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Joe Lawler further agrees that he shall not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state, or local tax for any penalty amounts that Joe Lawler pays in this matter, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

5. Joe Lawler waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

6. Joe Lawler waives the right, if any, to a jury trial and to appeal from the entry of the Order and any Final Judgment.

7. Joe Lawler enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Joe Lawler to enter into this Consent.

8. Joe Lawler agrees that this Consent shall be incorporated into the Order and any Final Judgment with the same force and effect as if fully set forth therein.

9. Joe Lawler will not oppose the enforcement of any Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

10. Joe Lawler waives service of any Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Joe Lawler of its terms and conditions. Joe Lawler further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Joe Lawler has received and read a copy of the Final Judgment.

11. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Joe Lawler in this civil proceeding. Joe Lawler acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Joe Lawler waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Joe Lawler further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal

or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Joe Lawler understands that he shall not be permitted to contest the factual allegations of the complaint in this action.

12. Joe Lawler understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is 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." As part of Joe Lawler's agreement to comply with the terms of Section 202.5(e), Joe Lawler acknowledges the guilty plea for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or creating the impression that the complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Joe Lawler does not admit the allegations of the complaint, or that this Consent contains no admission of the allegations; (iii) upon the filing of this Consent, Joe Lawler hereby withdraws any papers filed in this action to the extent that they deny any allegation in the complaint; and (iv) stipulates for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, that the allegations in the complaint are true, and further, that any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Joe Lawler under the Final Judgment or any other judgment,

order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).. If Joe Lawler breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Joe Lawler'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.

13. Joe Lawler 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 Joe Lawler to defend against this action. For these purposes, Joe Lawler agrees that Joe Lawler is not the prevailing party in this action since the parties have reached a good faith settlement.

14. In connection with this action and any related judicial or administrative proceeding or investigation commenced by the Commission or to which the Commission is a party, Joe Lawler (i) agrees to appear and be interviewed by Commission staff at such times and places as the staff requests upon reasonable notice; (ii) will accept service by mail or facsimile transmission of notices or subpoenas issued by the Commission for documents or testimony at depositions, hearings, or trials, or in connection with any related investigation by Commission staff; (iii) appoints Joe Lawler's undersigned attorney as agent to receive service of such notices and subpoenas; (iv) with respect to such notices and subpoenas, waives the territorial limits on service contained in Rule 45 of the Federal Rules of Civil Procedure and any applicable local

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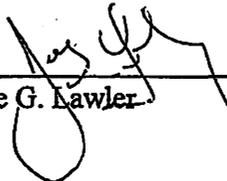
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rules, provided that the party requesting the testimony reimburses Joe Lawler's travel, lodging, and subsistence expenses at the then-prevailing U.S. Government per diem rates; and (v) consents to personal jurisdiction over Joe Lawler in any United States District Court for purposes of enforcing any such subpoena.

15. Joe Lawler agrees that the Commission may present the Order and Final Judgment to the Court for signature and entry without further notice.

16. Joe Lawler agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Order and Final Judgment.

Dated: 1-5-2016

  
\_\_\_\_\_  
Joe G. Lawler

On \_\_\_\_\_, 201\_\_\_\_\_, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.

\_\_\_\_\_  
Notary Public  
Commission expires:



UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

Case No. 13-cv-00849

v.

PROJARIS MANAGEMENT, LLC, VICTORY  
PARTNERS FINANCIAL, JOE G. LAWLER,  
BRANDT A. LAWLER, MICHAEL S. LAWLER,  
RYAN G. LAWLER, TIMOTHY J. LAWLER, and  
PAMELA M. HASS

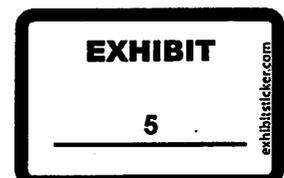
Defendants.

**COMPLAINT**

Plaintiff, the United States Securities and Exchange Commission, alleges as follows:

**I. SUMMARY**

1. From at least May 2008 through August 2012, Joe Lawler, Pamela Hass, and Joe Lawler's four sons, Brandt, Michael, Ryan, and Timothy Lawler, through Projaris Management, LLC ("Projaris") and Victory Partners Financial ("Victory", collectively with Projaris, the "Lawler Entities") perpetrated a fraud involving the fraudulent offer and sale of securities in unregistered transactions in a scheme that targeted retirement accounts and defrauded investors out of more than \$835,000.



2. The defendants offered and sold securities in a pooled investment which purportedly invested in metals, commodities, real estate, and a fund that, among other things, supposedly invested overseas (the "Trust").

3. Approximately 23 individuals in at least four states invested approximately \$1.4 million in the Trust.

4. Instead of investing the funds as described, the defendants misappropriated over half of the investor funds, approximately \$835,000, using the investor money primarily to support themselves and their families and to continue to perpetrate the fraud by, among other things, making Ponzi payments. Other investor funds were used for undisclosed investments, entrusted to unqualified individuals, or simply lost.

5. As a result of the conduct alleged in this Complaint, defendants engaged in a scheme to defraud investors by, among other things, making numerous false and misleading statements, including false representations about the returns being earned on the investment, the safety of the investment, and the tax consequences of the investment; by using investor proceeds to make Ponzi-like payments to other investors; by providing fraudulent account statements to investors; and by misappropriating investor funds for their own use and other improper purposes.

## II. VIOLATIONS

6. As a result of the conduct described herein, defendants Projaris and Victory directly or indirectly engaged in transactions, acts, practices or courses of business that constitute violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)], Section 10(b) of the

Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]. Unless defendants Projaris and Victory are permanently restrained and enjoined, they will again engage in the transactions, acts, practices, and courses of business set forth in this Complaint, and in transactions, acts, practices, and courses of business of similar type and object.

7. As a result of the conduct described herein, defendant Joe Lawler directly or indirectly engaged in transactions, acts, practices or courses of business that constitute violations of Sections 5(a), 5(c), and 17(a) of the Securities Act, Sections 10(b) and 15(a) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78o(a)], and Rule 10b-5 thereunder. Unless defendant Joe Lawler is permanently restrained and enjoined, he will again engage in the transactions, acts, practices, and courses of business set forth in this Complaint, and in transactions, acts, practices, and courses of business of similar type and object.

8. As a result of the conduct described herein, defendants Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler directly or indirectly engaged in transactions, acts, practices or courses of business that constitute violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder. Unless defendants Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler are permanently restrained and enjoined, they will again engage in the transactions, acts, practices, and courses of business set forth in this Complaint, and in transactions, acts, practices, and courses of business of similar type and object.

9. In the alternative, as a result of the conduct described herein, defendants Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler aided and abetted

Victory, Projaris, and Joe Lawler's violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder. Unless defendants Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler are permanently restrained and enjoined, they will again aid and abet those violations.

10. As a result of the conduct described herein, defendant Pamela Hass directly or indirectly engaged in transactions, acts, practices or courses of business that constitute violations of Sections 5(a) and 5(c) of the Securities Act and Section 15(a) of the Exchange Act. Unless defendant Hass is permanently restrained and enjoined, she will again engage in the transactions, acts, practices, and courses of business set forth in this Complaint, and in transactions, acts, practices, and courses of business of similar type and object.

### **III. JURISDICTION AND VENUE**

11. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d), and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d), and 77v(a)] and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa]. The Defendants, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce, the means and instrumentalities of interstate commerce, or of the mails, in connection with the acts, practices, and courses of business set forth in this Complaint.

12. Venue lies in this Court pursuant to Section 22(a) of the Securities Act and Section 27(a) of the Exchange Act. Certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred within the District of New Mexico. The principal place of business for Victory and Projaris is in Farmington, New

Mexico. Additionally, defendant Joe Lawler resides in New Mexico and Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler appear to have resided in New Mexico during various portions of the four year scheme.

#### IV. DEFENDANTS

13. **Projaris Management, LLC** is a Wyoming limited liability company, controlled by Joe Lawler, with its principal places of business in Farmington, New Mexico and Phoenix, Arizona. Projaris offers and sells securities in the Trust, advertised as the Metals, Commodities, & Investment Trust. Projaris has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act.

14. **Victory Partners Financial** is owned by Joe Lawler and its principal place of business is in Farmington, New Mexico. Joe Lawler owned and operated Victory prior to forming Projaris. Victory offered and sold investments in the same Trust as Projaris. Victory has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act.

15. **Joe G. Lawler** resides in Farmington, New Mexico. Joe Lawler's sole occupation since at least 2008 appears to be operating Projaris and Victory. As the operating manager of Projaris and Victory, Joe Lawler exercised control over the management and general operations, as well as the specific activities upon which the violations of Projaris and Victory are based. During the scheme, Joe Lawler was not registered as, or associated with, a broker-dealer.

16. **Brandt A. Lawler** is Joe Lawler's son and resides in Phoenix, Arizona. Brandt Lawler worked for Victory and is an officer of Projaris. Brandt Lawler

participated in the specific activities upon which the violations of Projaris and Victory are based.

17. **Michael S. Lawler** is Joe Lawler's son and resides in Farmington, New Mexico. Michael Lawler is the sole director of Projaris. As a director of Projaris, Michael Lawler participated in the specific activities upon which the violations of Projaris are based.

18. **Ryan G. Lawler** is Joe Lawler's son and resides in Farmington, New Mexico. Ryan Lawler was actively involved in Victory and was the custodian of Victory's sole bank account. Ryan Lawler participated in the specific activities upon which the violations of Victory are based.

19. **Timothy J. Lawler** is Joe Lawler's son and resides in Farmington, New Mexico. Timothy Lawler is an officer of Projaris. As an officer of Projaris, Timothy Lawler participated in the specific activities upon which the violations of Projaris are based.

20. **Pamela M. Hass** resides in Tomahawk, Wisconsin. Hass is the National Sales Director of Projaris. As the National Sales Director for Projaris, Hass participated in the specific activities upon which the violations of Projaris are based. During the scheme, Hass was not registered as, or associated with, a broker-dealer.

## V. FACTS

### A. **Joe Lawler Begins the Fraud With Victory Partners Financial**

21. Joe Lawler opened Victory around May 2008. Victory offered and sold securities in the form of investments in the Trust and the Trust in turn commingled the

investors' money and claimed to invest in metals, commodities, and a fund, which invested in, among other things, overseas investments.

22. From May 2008 through approximately May 2010, Joe Lawler through Victory raised approximately \$356,000 in investor funds for the Trust from approximately 13 investors in multiple states.

23. During Victory's entire existence, Joe Lawler controlled Victory and made all decisions regarding the company.

24. Brandt Lawler and Ryan Lawler also participated in operating Victory

25. Victory, Joe Lawler, Brandt Lawler, and Ryan Lawler advertised the Trust and solicited investors for the Trust, including, for example:

- a. solicitation of investors on Victory's website, which Brandt Lawler maintained;
- b. advertising through a radio station and a company called "National Marketing." Victory also gave Ryan Lawler a check for "advertising;" and
- c. a presentation made by Joe Lawler at a New Mexico church soliciting investors.

26. Victory ceased operating in May 2010 and transferred all remaining investment accounts to Projaris.

**B. Joe Lawler Continued the Fraud With Projaris Management, LLC**

27. Within a few months of closing Victory, Joe Lawler created Projaris. In September 2010, Projaris registered as a limited liability company with the state of Wyoming.

28. Projaris continued to offer and sell securities in the form of investments in the same Trust previously controlled by Victory, calling it a “Metals Commodities & Investment Trust.”

29. Projaris claimed that funds in the Trust were allocated by Projaris into metals, commodities, a real estate investment trust or “REIT,” and /or a fund that, among other things, invested overseas.

30. Joe Lawler was the operating manager of Projaris and controlled Projaris.

31. The limited liability paperwork filed with the state of Wyoming lists Brandt Lawler and Timothy Lawler as officers of Projaris and Michael Lawler as the director of Projaris. Pamela Hass was the National Sales Director for Projaris.

32. While Projaris accepted various forms of investment into the Trust, it specifically targeted investments from retirement accounts. For example:

- a. the offering appeared on the Projaris website in a section titled: “IRA / 401K Rollover;”
- b. the website warned potential investors that the U.S. government was moving forward with the nationalization of retirement accounts, which would force citizens to “convert their 401(k)s and IRAs into government-directed retirement accounts and divest them into annuities, or likely into U.S. T-Bonds, which are in the biggest overvalued bubble the world has ever seen;”
- c. investors were told that Projaris offered “a safe haven for retirement accounts;”

d. as a result, over \$700,000 of the \$1.4 million invested in the Trust consisted of qualified retirement funds.

33. Projaris and Joe Lawler solicited, offered, and sold investments in the Trust to investors in multiple states using the mails, telephone, and internet and received money in each transaction in which investors bought the securities of the Trust.

34. Joe Lawler also held a series of weekly conference calls with individuals interested in investing and “getting paid” for soliciting other individuals to invest with Projaris. Joe Lawler provided advertisements regarding investing with Projaris for these individuals to distribute via email.

35. Projaris and Joe Lawler also sent emails to potential investors with incentives to invest in the Trust. For instance, a September 12, 2010 email from Joe Lawler provides: “Through the remainder of September you can transfer funds from your IRA / 401k and receive up to a 25% immediate bonus in the form of credit backed by gold, silver and platinum.”

**C. The Investing Process of the Lawler Entities**

36. Joe Lawler consulted with each prospective investor in Victory and Projaris prior to accepting any investment in order to determine their investment objectives and risk tolerance.

37. In connection with their investment, every investor signed an investment contract with Victory and/or Projaris.

38. According to the Projaris investment contract, Projaris was responsible for the allocation of investor funds within the Trust and responsible for changing the allocation as the market required.

39. Investor funds were co-mingled and there was no difference in the allocation of investor funds based on an investor's investment objectives or risk tolerance.

**D. Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler Engaged in a Scheme and Fraudulent Practices or Courses of Business to Defraud Investors in the Trust**

40. From at least May 2008 through August 2012, Victory, Projaris, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler engaged in a scheme to defraud investors by , among other things, making Ponzi payments to investors, misappropriating investor assets, soliciting investments, and creating and controlling the entities used in the fraudulent scheme.

41. From May 2008 through approximately May 2010, Joe Lawler, Brandt Lawler, and Ryan Lawler created Victory and used Victory to solicit investors and perpetrate a fraudulent scheme.

42. Brandt Lawler participated in the fraudulent scheme using Victory by, among other things:

- a. receiving regular payments from Victory;
- b. performing work on the Victory website; and
- c. soliciting investors in the Trust for Victory.

43. Ryan Lawler participated in the fraudulent scheme using Victory by, among other things:

- a. receiving regular payments from Victory;
- b. assisting with advertising for Victory;
- c. soliciting investors in the Trust for Victory;

- d. controlling the Victory bank account that used new investor money to pay withdrawing investors in Ponzi-like payments; and
- e. using investor money from the Trust for undisclosed and unapproved investments.

44. From May 2010 through approximately August 2012, Joe Lawler, Brandt Lawler, Michael Lawler, and Timothy Lawler created Projaris and used Projaris to solicit investors and perpetrate a fraudulent scheme.

45. The limited liability paperwork filed with the state of Wyoming lists Brandt Lawler and Timothy Lawler as officers of Projaris and Michael Lawler as the director of Projaris.

46. Brandt Lawler, acting as an officer of Projaris, participated in the fraudulent scheme using Projaris by, among other things:

- a. participating in Projaris meetings with Joe Lawler;
- b. using his home address as the Phoenix address for Projaris; and
- c. controlling at least one Projaris bank account that received investor money and used new investor money to pay withdrawing investors in Ponzi-like payments.

47. Michael Lawler, Projaris' sole director, participated in the fraudulent scheme using Projaris by, among other things:

- a. signing the limited liability paperwork for Projaris;
- b. submitting paperwork to the IRS requesting that Projaris receive an EIN number; and

- c. controlling a Projaris bank account that received investor money and used new investor money to pay withdrawing investors in Ponzi-like payments.

48. Timothy Lawler, an officer of Projaris, participated in the fraudulent scheme using Projaris by, among other things:

- a. acting as the custodian for three Projaris bank accounts;
- b. making cash withdrawals of investor funds from the Projaris accounts he controlled from 2010 through 2012; and
- c. using accounts he controlled, accepting retirement funds from investors, receiving investor money, and using new investor money to pay withdrawing investors in Ponzi-like payments.

49. Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler knew or, at a minimum, were reckless in not knowing, that they were involved in a scheme to defraud that involved Ponzi payments, misstatements, and misappropriation of investor money. They received such information because, at least:

- a. each was a principal in the companies;
- b. each controlled and received bank account statements for the companies, which allowed them to have knowledge of how investor money was being spent, including knowing that new investor money was being paid to withdrawing investors; and
- c. each had access to documents regarding how the investor money should be spent. For instance, the Trust offering documents were publically available on the Projaris website.

**E. In Furtherance of the Scheme, Projaris, Victory, and Joe Lawler Knowingly or Recklessly Made False and Misleading Statements to Investors about Investment in the Trust**

50. Joe Lawler, Victory, and Projaris sent investors inflated account statements, created by Joe Lawler, reflecting their alleged ownership in the various assets of the Trust. The account statements misrepresented the allocation of each investor's money in the Trust, the number of "units" each investor owned in each category, the current value of the investment, and interest earned.

51. The account statements were sent via email or U.S. mail and were on Projaris or Victory letterhead.

52. After receiving these account statements, some investors made additional investments in the Trust.

53. Projaris and Joe Lawler further misrepresented to investors orally and in documents that the Trust expected growth of 12 to 15% annually. They knew this was false because they had access to the bank accounts which showed there was no history of any profits. Projaris, Victory, and Joe Lawler claimed to be capable of achieving these results because of falsely claimed expertise and experience. For instance, Projaris stated that it had "fundamentals in place" to earn higher than average returns and that, after years of following the markets, it "had learned to spot cycles." The bank records, however, reflect that the minimal investing actually done by Victory, Projaris, and Joe Lawler resulted in losses.

54. The misrepresentations to investors concerning the earned and expected returns from the investment were material.

55. Other false and misleading statements made by Projaris, Victory, and Joe Lawler include:

- a. oral and written statements emphasizing the safety of investing in the Trust, including representations to investors that there was “a limited amount of risk” and guarantees of return of principal;
- b. representations to potential investors that the returns on their investment would be “without tax consequences.” And Joe Lawler told at least one investor that her investment did not need to be reported to the IRS. However, neither Projaris nor Victory was an IRS approved Nonbank Trustee and neither was qualified to maintain custody of qualified retirement funds, including 401(k)s and IRAs;
- c. representations that, aside from a small “set up fee” that was occasionally charged, no other fees were taken from investor money; all investor money was supposedly invested as described in the offering documents. However, as describe below, the majority of investor funds were misappropriated and were not invested as described in the offering documents; and
- d. representations to investors that Joe Lawler would monitor the investments. In fact, not only did Joe Lawler fail to invest the majority of investor funds, there are no records concerning much of what he did purportedly invest.

56. Representations concerning the safety, cost, and tax consequences of the investment were material to investors.

57. Joe Lawler provided the content of the false account statements and the content for the investor contracts, website, and emails soliciting investors.

58. Projaris, Victory, and Joe Lawler all received copies of the bank account statements and had access to the offering documents that set forth the Trust investment parameters. In addition, Joe Lawler directed how the money in the bank accounts should be spent.

59. Projaris, Victory, and Joe Lawler, as the individual who controlled both companies, knew the information provided to investors orally, in documents, and in account statements was false because they knew that they were misappropriating investor money and using investor money to make Ponzi payments.

60. In addition, Projaris and Joe Lawler knew or were reckless in not knowing that Projaris was not an approved Nonbank Trustee pursuant to IRS rules that could legitimately accept IRA rollovers and maintain custody of tax-deferred accounts. The IRS website posts a list of approved Nonbank Trustees for qualified retirement funds that is accessible to the public.

**F. Defendants' Misappropriation of Investor Funds from the Trust**

61. Victory and Projaris received approximately \$1.4 million in investor funds for investment in the Trust over a four year period.

62. Less than half of the investor money, or about \$600,000, was invested in the Trust or used to purchase metals as represented to investors by the defendants. Some of the "invested" money was entrusted to unqualified individuals, purportedly invested in foreign bank accounts concerning which defendants have no records or other information, or used to purchase metals the current location of which is unknown to defendants.

63. The remaining approximately \$835,000 of investor money was used in Ponzi payments, used to continue the fraud, and misappropriated by the defendants.

64. When investors wanted to withdraw money from the Trust, Projaris, Victory, and Joe Lawler often delayed, lulling investors until the investor was ultimately paid with new investor money in a Ponzi-like payment. Defendants used approximately \$199,000 of investor money to make Ponzi payments to withdrawing investors.

65. Defendants also misappropriated approximately \$636,000 of investor money to perpetuate the fraud and for their personal use. For instance:

- a. approximately \$35,000 was spent paying Hass undisclosed commissions for soliciting investors;
- b. approximately \$172,000 of investor money was lost on unapproved business ventures and undisclosed trading. This included: (1) approximately \$119,000 lost in 2008 and 2009 when Joe Lawler and Ryan Lawler, unbeknownst to investors, unsuccessfully engaged in margin trading for metals with investor money; (2) approximately \$10,000 lost in 2009 when Ryan Lawler, unbeknownst to investors, unsuccessfully engaged in trading equities with investor money; and (3) approximately \$43,000 of investor money spent on real estate training seminars in 2012, which was not disclosed to or approved by investors; and
- c. the remaining approximately \$429,000 of investor funds was used by Joe Lawler and his family to pay their daily living expenses. They used investor money for auto purchases, personal rent and utilities, travel, restaurants and bars, groceries, and department stores. They also used investor money to pay credit card bills and either they withdrew in cash or paid to themselves approximately \$119,000 of investor funds. In addition, Joe Lawler used

approximately \$24,000 of investor money to pay off a debt he owed for defaulting on his home mortgage.

**G. The Investments sold by Victory, Projaris, Joe Lawler, and Pamela Hass were Not Registered With the SEC**

66. Victory, Projaris, and Joe Lawler solicited, offered, and sold securities of the Trust to investors in multiple states using the mails, telephone, and internet.

67. Hass was identified as Projaris' National Sales Director, in that role she was also an active participant in the sale of investments in the Trust, including:

- a. offering and selling securities of the Trust to investors in multiple states using the mails, telephone, and internet and receiving compensation for each transaction in which investors bought the securities of the Trust;
- b. being the only direct point of contact listed on the Projaris website;
- c. soliciting investors, including sending emails to potential investors informing them of Projaris and inviting them to participate in calls with Joe Lawler;
- d. convincing the Trust's two largest investors to rollover more than \$600,000 of their retirement accounts into Projaris;
- e. acting as the "account representative" for investors; and
- f. receiving commissions for each successful investor solicitation.

68. The Trust – the pooled investment which purportedly invested in metals, commodities, real estate, and a fund that, among other things, supposedly invested overseas – sold by Victory, Projaris, Joe Lawler, and Hass was a security.

69. From May 2008 through August 2012 approximately 23 individuals in at least four states invested approximately \$1.4 million in the Trust.

70. Investors sent money to Victory, Projaris, Joe Lawler, and/or Hass with the expectation of sharing in the net profits from the Trust's investments.

71. Investors expected the profits to come from the efforts of Joe Lawler, Victory, and/or Projaris. The investors were not required or expected to take any further action to direct or monitor their investment.

72. No securities offered by Joe Lawler, Victory, or Projaris have ever been registered with the Commission.

**H. Joe Lawler and Pamela Hass Acted as Unregistered Broker-Dealers**

73. Joe Lawler and Hass induced and attempted to induce the offer and sale of securities of the Trust to investors in multiple states using the mails, telephone, and internet.

74. Joe Lawler and Hass received compensation for each transaction in which investors bought the securities of the Trust.

75. Neither Joe Lawler nor Hass were registered with the Commission or associated with any person or entity registered with the Commission.

**CLAIMS FOR RELIEF**

**FIRST CLAIM FOR RELIEF**

**Offers and Sales of Unregistered Securities  
Violations of Sections 5(a) and 5(c) of the Securities Act  
[15 U.S.C. §§ 77e(a) and 77e(c)]  
(Projaris, Victory, Joe Lawler, and Pamela Hass)**

76. The Commission incorporates the allegations of paragraphs 1, 13, 14, 15, 20, and 66 through 72 as if fully set forth herein.

77. Defendants Projaris, Victory, Joe Lawler, and Pamela Hass, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce or of the mails to offer and sell securities through the use or medium

of a prospectus or otherwise, and carried or caused to be carried through the mails, or in interstate commerce, by means or instruments of transportation, such securities for the purpose of sale or for delivery after sale, when no registration statement had been filed or was in effect as to such securities.

78. There were no applicable exemptions from registration, and defendants Projaris, Victory, Joe Lawler, and Pamela Hass therefore violated, and unless restrained and enjoined will in the future violate Sections 5(a) and 5(c) of the Securities Act.

**SECOND CLAIM FOR RELIEF**  
**Offer and Sale of Securities by an Unregistered Broker-Dealer**  
**Violations of Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)]**  
**(Joe Lawler and Pamela Hass)**

79. The Commission incorporates the allegations of paragraphs 1, 15, 20, and 73 through 75 as if fully set forth herein.

80. Defendants Joe Lawler and Pamela Hass, while engaged in the business of effecting transactions in securities for the account of others, made use of the mails or the means or instrumentalities of interstate commerce to effect transactions in, or to induce or attempt to induce the purchase or sale of, a security without being registered in accordance with Section 15(a) of the Exchange Act.

81. Defendants Joe Lawler and Pamela Hass violated, and unless restrained and enjoined will in the future violate Section 15(a) of the Exchange Act.

**THIRD CLAIM FOR RELIEF**

**Fraud in the Offer or Sale of Securities  
Violations of Section 17(a)(1) and (3) of the Securities Act  
[15 U.S.C. § 77q(a)(1) and (3)]  
(Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler,  
Ryan Lawler, and Timothy Lawler)**

82. The Commission incorporates the allegations of paragraphs 1 through 65 as if fully set forth herein.

83. Defendants Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler, directly or indirectly, with scienter, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, employed a device, scheme, or artifice to defraud, in violation of Section 17(a)(1) of the Securities Act.

84. Defendants Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler, directly or indirectly, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, engaged in transactions, practices, or courses of business which have been or are operating as a fraud or deceit upon the purchasers of securities, in violation of Section 17(a)(3) of the Securities Act.

85. By virtue of the foregoing, defendants Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler, directly or indirectly, violated, and unless enjoined, will again violate, Section 17(a)(1) and (3) of the Securities Act.

**FOURTH CLAIM FOR RELIEF**

**Fraud in the Offer or Sale of Securities**

**Aiding and Abetting Violations of Section 17(a)(1) and (3) of the Securities Act**

**[15 U.S.C. § 77q(a)(1) and (3)]**

**(Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler,  
Alternatively)**

86. The Commission incorporates the allegations of paragraphs 1 through 65 as if fully set forth herein.

87. Defendants Projaris, Victory, and Joe Lawler violated Exchange Act Section 17(a)(1) of the Securities Act by, directly or indirectly, with scienter, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, employing a device, scheme, or artifice to defraud.

88. Defendants Projaris, Victory, and Joe Lawler violated Section 17(a)(3) of the Securities Act by, directly or indirectly, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, engaging in transactions, practices, or courses of business which have been or are operating as a fraud or deceit upon the purchasers of securities.

89. Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler aided and abetted the violations of Projaris, Victory, and Joe Lawler by knowingly or recklessly providing substantial assistance.

90. By virtue of the foregoing, defendants Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler, aided and abetted violations of, and unless enjoined, will again aided and abet violations of, Section 17(a)(1) and (3) of the Securities Act.

**FIFTH CLAIM FOR RELIEF**

**Fraud in the Offer or Sale of Securities  
Violations of Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)]  
(By Projaris, Victory, and Joe Lawler)**

91. The Commission incorporates the allegations of paragraphs 1 through 65 as if fully set forth herein.

92. Defendants Projaris, Victory, and Joe Lawler, directly and indirectly, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, obtained money or property by means of untrue statements of material fact or by omissions to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading, in violation of Section 17(a)(2) of the Securities Act.

93. By virtue of the foregoing, defendants Projaris, Victory, and Joe Lawler, directly or indirectly, violated, and unless enjoined, will again violate, Section 17(a)(2) of the Securities Act.

**SIXTH CLAIM FOR RELIEF**

**Fraud in the Purchase or Sale of Securities  
Violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)]  
and Rule 10b-5(a) and (c) [17 C.F.R. § 240.10b-5(a) and (c)] thereunder  
(By Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler,  
and Timothy Lawler)**

94. The Commission incorporates the allegations of paragraphs 1 through 65 as if fully set forth herein.

95. Defendants Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler, directly or indirectly, with scienter, in connection with the purchase or sale of securities, by the use of means or instrumentalities of interstate commerce, the mails, or any facility of a national securities exchange,

employed devices, schemes, or artifices to defraud or engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon any person; in violation of Section 10(b) of the Exchange Act and Rule 10b-5(a) and (c).

96. By virtue of the foregoing, defendants Projaris, Victory, Joe Lawler, Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler, directly or indirectly, violated, and unless enjoined, will again violate, Section 10(b) of the Exchange Act and Rule 10b-5(a) and (c) thereunder.

**SEVENTH CLAIM FOR RELIEF**

**Fraud in the Purchase or Sale of Securities**

**Aiding and Abetting Violations of Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5(a) and (c) [17 C.F.R. § 240.10b-5(a) and (c)] thereunder  
(Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler,  
Alternatively)**

97. The Commission incorporates the allegations of paragraphs 1 through 65 as if fully set forth herein.

98. Defendants Projaris, Victory, and Joe Lawler violated Section 10(b) of the Exchange Act and Rule 10b-5(a) and (c) thereunder by, directly or indirectly, with scienter, in connection with the purchase or sale of securities, by the use of means or instrumentalities of interstate commerce, the mails, or any facility of a national securities exchange, employing devices, schemes, or artifices to defraud or engaging in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon any person.

99. Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler aided and abetted the violations of Projaris, Victory, and Joe Lawler by knowingly or recklessly providing substantial assistance.

100. By virtue of the foregoing, defendants Brandt Lawler, Michael Lawler, Ryan Lawler, and Timothy Lawler aided and abetted violations of, and unless enjoined, will again aid and abet violations of, Section 10(b) of the Exchange Act and Rule 10b-5(a) and (c) thereunder.

**EIGHTH CLAIM FOR RELIEF**

**Violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)]  
and Rule 10b-5(b) [17 C.F.R. § 240.10b-5] thereunder  
Fraud in the Purchase or Sale of Securities  
(Projaris, Victory, and Joe Lawler)**

101. The Commission incorporates the allegations of paragraphs 1 through 65 as if fully set forth herein.

102. Defendants Projaris, Victory, and Joe Lawler directly or indirectly, with scienter, in connection with the purchase or sale of securities, by the use of means or instrumentalities of interstate commerce, the mails, or any facility of a national securities exchange, made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in violation of Section 10(b) of the Exchange Act and Rule 10b-5(b).

103. By virtue of the foregoing, defendants Projaris, Victory, and Joe Lawler, directly or indirectly, violated, and unless enjoined, will again violate, Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder.

**PRAYER FOR RELIEF**

**WHEREFORE**, the COMMISSION respectfully requests that the Court:

**I.**

Find that each of the defendants committed the violations alleged in this Complaint;

**II.**

Enter an Injunction, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently restraining and enjoining each of the defendants from violating, directly or indirectly, the laws and rules alleged in this Complaint;

**III.**

Order that each of the defendants disgorge any and all ill-gotten gains, together with pre-judgment interest, derived from the improper conduct set forth in this Complaint;

**IV.**

Order that each of the defendants pay civil money penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] in an amount to be determined by the Court;

**V.**

Grant such other relief as this Court may deem just or appropriate.

Plaintiff requests trial to a jury.

Respectfully submitted this 9<sup>th</sup> day of September, 2013.

s/ Polly Atkinson  
Polly Atkinson  
Kimberly L. Frederick  
U.S. Securities and Exchange Commission  
1801 California Street, Suite 1500  
Denver, CO 80202  
(303) 844-1000  
AtkinsonP@sec.gov, Frederickk@sec.gov  
*Attorneys for Plaintiff*

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PROJARIS MANAGEMENT, LLC, VICTORY  
PARTNERS FINANCIAL, JOE G. LAWLER,  
BRANDT A. LAWLER, MICHAEL S. LAWLER,  
RYAN G. LAWLER, TIMOTHY J. LAWLER, and  
PAMELA M. HASS,

Defendant[s].

Case No. 13-cv-00849-RB-KBM

**FINAL JUDGMENT AS TO JOE G. LAWLER**

The Securities and Exchange Commission, having filed a Complaint and Defendant Joe G. Lawler (“Joe Lawler”) having entered a general appearance; consented to the Court’s jurisdiction over Joe Lawler and the subject matter of this action; consented to entry of this Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Joe Lawler and Joe Lawler’s agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

**EXHIBIT**

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exhibitster.com

(a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise; and

(c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Joe Lawler and Joe Lawler's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)], by using any means or instrumentality of interstate commerce, to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) while not associated with a broker or dealer registered in accordance with subsection Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Joe Lawler and Joe Lawler's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or

otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Joe Lawler and Joe Lawler's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

(c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$835,000 representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$85,146 for a total of \$920,146. Restitution actually paid by Defendant in *United States v. Joseph Lawler*, Case No. 14CR02781 JP (D. N.M.) will be credited towards payment of Defendant's disgorgement obligation. Defendant shall satisfy this obligation by paying any amount not paid in restitution to the Securities and Exchange Commission within 14 days after entry of this Final Judgment.

The Commission shall hold the funds (collectively, the "Fund") and may propose a plan to distribute the Fund subject to the Court's approval. The Court shall retain jurisdiction over the administration of any distribution of the Fund. If the Commission staff determines that the Fund will not be distributed, the Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$150,000 to the Securities and Exchange Commission pursuant to

Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. Defendant shall make this payment within 14 days after entry of this Final Judgment.

The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

VII.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Joe Lawler as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

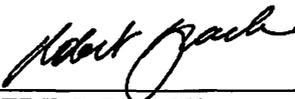
IX.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Joe Lawler shall comply with all of the undertakings and agreements set forth therein.

X.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Order.

Dated: May 17, 2016

  
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ROBERT C. BRACK  
UNITED STATES DISTRICT JUDGE