

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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**IN THE MATTER OF: Joseph McGivney,**  
**JPM Inc.**  
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**FILE NO. 0600457**

**TEMPORARY ORDER OF PROHIBITION**

**TO RESPONDENTS:**      Joseph P. McGivney  
                                 9700 W. 197<sup>th</sup> Street  
                                 Suite 109,  
                                 Mokena, Illinois 60448  
  
                                 J.P.M. Inc.  
                                 9700 W. 197<sup>th</sup> Street  
                                 Suite 109,  
                                 Mokena, Illinois 60448

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein finds:

**COUNT I:**

**Failure to Disclose Material Information in Connection With the Sale of a Security**

1.      That J.P.M. Inc. at all relevant times was a Nevada corporation.
2.      That Joseph P. McGivney has a last known address of 9700 W. 197<sup>th</sup> Street, Suite 109, Mokena, Illinois 60448.
3.      That Joseph P. McGivney at all relevant times was President of J.P.M. Inc.

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4. That in May of 2005 Respondent solicited an Illinois Investor ("Investor") to purchase a promissory note ("Note") issued by Respondent J.P.M. Inc., promising Investor an interest rate of 20% to be paid quarterly with the right of Investor to compound payments.
5. That on May 12, 2005, Respondents sold Investor a \$100,000 Note due May 12, 2006.
6. That Investor, to this day, has not received any interest payments or the return of principal on the Note.
7. That at no time did Respondents ever disclose any specific risks pertinent to repayment of Investor's principal or to payment of the promised interest involved with the Note Respondents sold to Investor.
8. That in addition, Respondents failed to disclose to Investor for his consideration information pertinent to the overall risk to the promised repayment of the Note:
  - a. That on July 17, 2000 Respondents entered into a consent order with the Commodity Futures Trading Commission whereby Respondents Joseph P. McGivney and JPM Inc., were required to pay restitution totaling more than \$800,000, and whereby the Respondents were permanently enjoined from soliciting funds, from controlling or directing the trading of commodity accounts on behalf of any other persons or entities and from seeking registration, or claiming exemption from registration, with the CFTC.
  - b. That the consent order entered into by Respondents with the CFTC on July 17, 2000 included the following findings of fact, which McGivney neither admitted nor denied, and provided in pertinent part:
    - i. In February 1999, McGivney and JPM began soliciting investors for investment in a commodity pool called the "performance rebate.
    - ii. That McGivney and JPM never deposited the performance rebate investors' funds in a specific corporate trading account and never traded commodity futures with their funds.
    - iii. That McGivney and JPM commingled investor funds from the performance rebate pool with JPM's funds and their personal funds and thereby misappropriated those funds. Among other things, McGivney used performance rebate investor funds to compensate himself, to pay for the operating expenses of JPM, and to pay for the personal living expenses of McGivney.
9. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in conjunction with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof.

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10. That by virtue of the foregoing, Respondent violated Section 12.F of the Act.
11. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission 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.
12. That by virtue of the foregoing, Respondent violated Section 12.G of the Act.
13. Section 11.F(2) of the Illinois Securities Law of 1953, 815 ILCS 5/1 *et seq.*, (“the Act”) provides, *inter alia*, that the Secretary of State may temporarily prohibit for a maximum period of 90 days, by an order effective immediately, the offer or sale of securities by any person, or the business of rendering investment advice, without the notice and prior hearing in this subsection prescribed, if the Secretary of State shall in his or her opinion, based on credible evidence, deem it necessary to prevent an imminent violation of this Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of this Act.
14. The entry of this Temporary Order prohibiting Respondents Joseph P. McGivney and J.P.M. Inc., from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent **J.P.M. Inc.**, its predecessors, successors, assigns, and present and former partners, is **PROHIBITED** from offering or selling securities in or from the State of Illinois until the further Order of the Secretary of State.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent **Joseph McGivney** is **PROHIBITED** from offering or selling securities in or from the State of Illinois until the further Order of the Secretary of State.

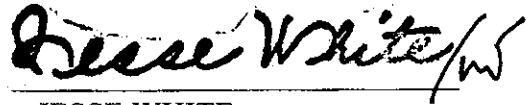
NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 W. Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the

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effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 10<sup>th</sup> day of June 2008

A handwritten signature in black ink that reads "Jesse White" followed by a stylized flourish.

JESSE WHITE  
Secretary of State  
State of Illinois

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