COMMONWEALTH OF KENTUCKY
OFFICE OF FINANCIAL INSTITUTIONS

In the matter of: Leon Jasper Gary Jasper LGL Partners, LLC RESPONDENTS	AGREED ORDER

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1. The Executive Director of the Office of Financial Institutions is charged with administering the Securities Act of Kentucky, KRS Chapter 292.

2. In May 2006, the Division of Securities (Division) of the Office received information indicating that Leon Jasper had sold or was selling investments through a company called LGL Partners, LLC (LGL). Mr. Jasper was allegedly pooling investor funds and then investing those funds through LGL with Gary Marcus Smith in Arkansas.

3. Mr. Smith did business as TAL Capital Management and apparently operated a ponzi scheme. After an investigation by the FBI, Mr. Smith pled guilty to one count of securities fraud and one count of providing the services of a broker without a license related to the investment scheme. The U.S. Department of Justice (DOJ) was able to recover and return a portion of the money invested with Mr. Smith to the investors.

4. Based on the above information, the Division conducted an investigation of the activities of the Respondents.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Respondents neither admit nor deny the following findings of fact and conclusions of law made by the Executive Director:

5. Leon and Gary Jasper sold investments in LGL Partners, LLC, totaling in excess of two million dollars to at least twenty-five investors (LGL investors). A number of those sales took place in Kentucky. The Jaspers then invested this money through LGL with Gary Marcus Smith.

6. The Operating Agreement for LGL indicates that Leon Jasper is the Chief Executive Officer and a manager member of LGL and Gary Jasper is the Chief Financial Officer and a managing member of LGL.

7. The Application for Employer Identification Number for LGL indicates its principal business is "investment advice/sale of products."

8. The Jaspers either directly or indirectly received compensation in excess of $200,000 from money returned to LGL by Smith as a return on its investment with Smith. The Jaspers have already returned about $40,000 of this money to the LGL investors.

9. The Respondents distributed back to the LGL investors all funds recovered by the DOJ from Smith. This amount constituted approximately forty percent of the total funds that the Jaspers invested with Smith on behalf of the LGL investors resulting in a loss of approximately $1.3 million.

10. The Jaspers along with members of their family also invested and lost substantial sums of their own money by investing with Smith.

11. In connection with distributing the recovered funds back to the LGL investors, Respondents had each investor sign a General Release of All Claims against Leon or Gary Jasper or LGL in consideration for receiving the investor's share of the recovered funds.

12. The investments sold by Leon and Gary Jasper constitute investment contracts within the definition of security as that term is defined in KRS 292.310(18).

13. The securities were not registered or exempt from registration nor were they covered securities in violation of KRS 292.340.

14. Respondents acted as unregistered investment advisers in soliciting investments in LGL in violation of KRS 292.330(1).

AGREEMENT AND ORDER

To avoid the time and expense of a legal proceeding, the Office and Respondents have agreed to settle this matter upon the following terms:

15. Respondents agree to cease and desist from violating the Securities Act of Kentucky.

16. Respondents agree not violate the Securities Act of Kentucky in the future.

17. Respondents agree to offer to pay each investor his or her pro rata share of the compensation received by the Jaspers related to the LGL investments. The agreed amounts are itemized in the attached Exhibit A. Respondents agree to provide documentation to the Division indicating acceptance or rejection by each investor of this offer. Respondents further agree to provide documentation of any payments to investors who accept the offer. In the event that an investor or investors reject(s) the foregoing offer, Respondents shall have no further obligations to make restitution or to otherwise pay any damages or fees to any party, including the Kentucky Division of Securities, of that investor's pro rata share of the compensation itemized above.

THEREFORE, THE EXECUTIVE DIRECTOR ORDERS that Respondents Leon Jasper, Gary Jasper, and LGL Partners, LLC, shall cease and desist violations of the Securities Act of Kentucky and shall offer to return to investors, compensation received by Respondents related to the investments in LGL.

Executed this 19 day of June, 2008.

Cordell Lawrence, Executive Director
Office of Financial Institutions

Have Seen and Agreed to:

Barry D. Hunter
Counsel for Respondents

Leon Jasper

Gary Jasper

LGL Partners, LLC by:

Gary Jasper V.P. Member.
Name, Title

EXHIBIT A

Fee Payment Schedule

Net Investment		
$3,500.00	0.16%	$320.73
$659,572.79	30.22%	$60,441.86
$185,810.37	8.51%	$17,027.27
$5,000.00	0.23%	$458.19
$75,000.00	3.44%	$6,872.84
$4,000.00	0.18%	$366.55
$2,470.00	0.11%	$226.35
$3,000.00	0.14%	$274.91
$61,000.00	2.79%	$5,589.91
$6,500.00	0.30%	$595.65
$10,000.00	0.46%	$916.38
$1,000.00	0.05%	$91.64
$72,000.00	3.30%	$6,597.93
$655,400.00	30.03%	$60,059.48
$4,500.00	0.21%	$412.37
$750.00	0.03%	$68.73
$150,000.00	6.87%	$13,745.68
$1,000.00	0.05%	$91.64
$200,000.00	9.16%	$18,327.58
$15,000.00	0.69%	$1,374.57
$16,000.00	0.73%	$1,466.21
$25,000.00	1.15%	$2,290.95
$25,000.00	1.15%	$2,290.95
$1,000.00	0.05%	$91.64
$2,182,503.16	100.00%	$200,000.00
$4,365,006.32	$2.00	$4,365,008.32