

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

INVESTMENT ADVISERS ACT OF 1940
Release No. 3061/July 29, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13799

In the Matter of

GRANT IVAN GRIEVE a/k/a :
GAD GRIEVE : ORDER MAKING FINDINGS AND
IMPOSING SANCTION BY DEFAULT

SUMMARY

This Order bars Grant Ivan Grieve a/k/a Gad Grieve (Grieve) from association with any investment adviser.

I. BACKGROUND

The Securities and Exchange Commission (Commission) instituted this proceeding with an Order Instituting Proceedings (OIP) on March 2, 2010, pursuant to Section 203(f) of the Investment Advisers Act of 1940 (Advisers Act). The OIP alleges that Grieve was enjoined from violating the antifraud provisions of the federal securities laws after defrauding investors while associated with two investment advisers. Grieve was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(iv) on June 25, 2010,¹ and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 2; 17 C.F.R. § 201.220(b). Grieve failed to file an Answer or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Accordingly, he is in default, and the undersigned finds that the allegations in the OIP are true as to him. See OIP at 2-3; 17 C.F.R. §§ 201.155(a), .220(f).

II. FINDINGS OF FACT

Grieve, 49, a South African residing in Israel, is the ultimate managing principal of New York-based unregistered investment advisers Finvest Asset Management, LLC (FAM), and

¹ Grieve, who presently resides in Israel, was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(iv) by notice published in the *International Herald Tribune* on June 25, 2010, after attempts to serve him by other means proved unsuccessful. Pursuant to 17 C.F.R. § 201.141(a)(2)(iv), “[n]otice of a proceeding to a person in a foreign country may be made by any method specified in [17 C.F.R. § 201.141(a)(2)], or by any other method reasonably calculated to give notice, provided that the method of service used is not prohibited by the law of the foreign country.” In this case, service by notice published in the *International Herald Tribune* complies with 17 C.F.R. § 201.141(a)(2)(iv). Grant Ivan Grieve, Admin. Proc. No. 3-13799 (A.L.J. June 18, 2010) (unpublished). Additionally, the OIP was sent to Grieve’s last known e-mail addresses on July 8, 2010.

Finvest Fund Management, LLC (FFM), which manage and advise, respectively, two hedge funds: Finvest Primer, L.P. (Primer Fund), and Finvest Yankee, L.P. (Yankee Fund). From 2004 through the present, Grieve, through FAM, has served as a principal, agent, control person of, and investment adviser to, the Primer Fund. From 2007 through the present, Grieve, through FAM and FFM, has served as a principal, agent, control person of, and investment adviser to, the Yankee Fund. Grieve resided in New York City from approximately 2004 through late 2004.

Grieve is permanently enjoined from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Section 206(4) of the Advisers Act and Rule 206(4)-8 thereunder. SEC v. Grieve, No. 09-CV-1198 (S.D.N.Y. Jan. 27, 2010). As to the wrongdoing underlying his injunction, Grieve, through FAM, fabricated and disseminated false financial information for the Primer Fund that was “certified” by a sham back-office administrator and phony auditing firm that Grieve himself created. Also, Grieve, through FAM and FFM, provided current and prospective investors in the Primer and Yankee Funds with false monthly account statements, newsletters, and fact sheets that materially overstated the funds’ performance and assets. Additionally, beginning in 2008, Grieve engaged in similar conduct overseas, including luring new investors and/or placating existing investors with counterfeit documents. Grieve, FAM, and FFM attracted more than \$50 million in investments between the two funds.

III. CONCLUSIONS OF LAW

Grieve has been permanently enjoined “from engaging in or continuing any conduct or practice in connection . . . with the purchase or sale of any security” within the meaning of Sections 203(e)(4) and 203(f) of the Advisers Act.

IV. SANCTION

Grieve will be barred from association with any investment adviser.² This sanction will serve the public interest and the protection of investors, pursuant to Section 203(f) of the Advisers Act, and accord with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979). Grieve’s unlawful conduct was recurring and egregious, extending over a period of several years and involving millions of dollars. There are no mitigating circumstances.

V. ORDER

IT IS ORDERED that, pursuant to Section 203(f) of the Investment Advisers Act of 1940, GRANT IVAN GRIEVE a/k/a GAD GRIEVE IS BARRED from association with any investment adviser.

Carol Fox Foelak
Administrative Law Judge

² The Commission has authority to bar persons from association with registered or unregistered investment advisers (or otherwise sanction them) under Section 203 of the Advisers Act. See Teicher v. SEC, 177 F.3d 1016, 1017-18 (D.C. Cir. 1999).