



U.S. COMMODITY FUTURES TRADING COMMISSION

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581

OFFICE OF
PROCEEDINGS

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|------------------------------|---|-------------|
| JOHN AIDEYAN, |) | |
| |) | |
| Complainant |) | |
| |) | |
| v. |) | CFTC Docket |
| |) | No. 98-R59 |
| AMERICAN FINANCIAL SERVICES, |) | |
| INC., |) | |
| |) | |
| Respondent |) | |

OFFICE OF PROCEEDINGS
PROCEEDING C/FTR
JUL 20 11 01 AM '98

DEFAULT ORDER AND REPARATION AWARD

The representative of respondent American Financial Services, Inc. ("AFS") has not responded to the Order dated April 8, 1998, in which she was directed to file information necessary for her to act as a representative in this action. Commission records indicate that in other reparation proceedings, AFS has begun to cease filing answers (*see* CFTC Dkt. numbers 98-R068, 98-R133, and 98-R141). Under the circumstances, it is determined that the failure to file likely reflects a decision not to participate and that the failure to provide information about the firm's representative warrants default of AFS.

Under the CFTC Rules, AFS is in default and by failing to file an answer has waived its right to contest the evidence presented by complainant or to file affirmative defenses. The allegations of the complaint are deemed true. See Rule 12.22.

Based on the complaint, it is determined that Way Chang churned, made unauthorized trades in, and engaged in other violations in complainant's futures and options account, proximately causing damages to the complainant in the amount sought in the complaint, \$12,026.70. These actions by Chang violated Commodity Exchange Act section 4c(b), as well as CFTC Regulations 33.10 and 166.2. All of Chang's actions were in furtherance of his employment by respondent AFS and are attributable to AFS by Section 2(a)(1)(A)(iii) of the Commodity Exchange Act.

Violations having been found, respondent American Financial Services, Inc., is ORDERED to pay reparations to the complainant in the amount of \$12,026.70, plus prejudgment

interest compounded annually at the rate of 5.375% from September 30, 1997, to the date of payment, plus costs of \$125.00.

Dated: July 20, 1998


JOEL R. MAILLIE
Judgment Officer