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HSUI CHU LIANG, Complainant, v. MICHAEL CHEN, FC STONE, and GLOBAL MERCHANT CENTER, INC., Respondents.	*	CFTC Docket No. 09-R015

Order Vacating Default Order Dated March 26, 2010

Five months have passed since the National Futures Association provided the CFTC with definitive confirmation of Michael Chen's death by apparent suicide after he had absconded with funds fraudulently debited from the accounts of several customers, including Hsui Chu Liang.[1] This has provided ample time for any estate to file an appearance, to explain the disposition of the converted funds, to reach an accommodation with Liang, or to file a motion to vacate the default order. No such estate has appeared. A recent search by my office has not discovered any estate for Chen.

In these circumstances, the prospect of recovery of the fraudulently converted funds is presumably highly remote, and *sua sponte* vacation of the Default Order and dismissal of the complaint against Chen is warranted. Accordingly, the Default Order dated March 26, 2010 is hereby vacated, and the complaint against Michael Chen is hereby dismissed.[2]

Dated January 7, 2011,

Philip V. McGuire,
Judgment Officer

[1] A copy of the NFA's July 21, 2010 notification is attached.
[2] Liang may appeal this dismissal of the complaint against Chen. The transmittal letter for this Order will explain the appeal procedure. A separate dismissal of the complaint against FC Stone, on different grounds, is currently on appeal to the Commission.

McGuire, Philip V.

From: Patrick Alfich [PAlfich@NFA.Futures.Org]
Sent: Friday, August 20, 2010 12:57 PM
To: McGuire, Philip V.
Subject: FW: MICHAEL CHEN (NFA ID No. 0087988)

Dear Mr. McGuire:

I received your voice mail message this morning. NFA's Compliance Department was informed of Mr. Chen's death. Please read NFA Compliance Manager Matthew Pendell's response below.

If you have additional questions, please contact me.

Sincerely,
Patrick Alfich
Supervisor, Registration Investigations
NFA Registration Department
300 S. Riverside Plaza, Suite 1800
Chicago, Illinois 60606
Office: (312) 781-1216
Fax: (312) 559-3544
Email: palfich@nfa.futures.org

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From: Matthew Pendell
Sent: Friday, August 20, 2010 11:27 AM
To: Patrick Alfich
Subject: RE: MICHAEL CHEN (NFA ID No. 0087988)

Hi Patrick,

We didn't receive any official documentation confirming Chen's death. We initially found out about it from Kip Delbridge at FCStone. Kip had called NFA because they had been notified by one (or some) of GMC's customers that Chen had died and that it appeared that there had been some unauthorized withdrawals from her/their account(s). In the end, it appeared that Chen was requesting withdrawals from non-discretionary IB customer accounts and receiving these checks directly from FCStone. Due to GMC's customers being Chinese and that they were generally local, they would then come into GMC's offices to pick up these checks. What was really happening was that Chen was signing the checks over to himself and depositing them into his own bank account.

At the beginning of the investigation we spoke with two employees of GMC, Weiliang Shao and Hannah Hua, who confirmed Chen's death. We also located an online article for a local newspaper regarding the accident which identified Michael Chen, age 55 and resident of Rowland Heights, CA which matched Chen's information on file at NFA.

Matt

From: Patrick Alfich
Sent: Friday, August 20, 2010 9:17 AM
To: Matthew Pendell
Subject: MICHAEL CHEN (NFA ID No. 0087988)

Hi Matt

I received a call from Philip McGuire at the CFTC. He wants to know how NFA found out about Michael Chen's death, which I believe was a suicide, and what proof we had that he died. According to documentation in EFC, Registration learned about Chen's death from the Compliance Department.

Registration subsequently confirmed Chen's death using the Social Security Death Index. Did Compliance receive any documentation confirming Chen's death?

Thanks,
Patrick

McGuire, Philip V.

From: Thomas, Tempest S.
Sent: Thursday, August 19, 2010 6:09 PM
To: Cronin, Kevin; McGuire, Philip V.
Subject: Michael Chen (Deceased respondent)

Phil and Kevin,

I just spoke with Patrick with the NFA and he informed me that NFA's compliance department notified him that Michael Chen committed suicide. Patrick verified the death with the Social Security Administration and the registration management team made the decision to withdraw Chen's registration.

Please let me know if you have additional questions or concerns.

Thank You,

Tempest

From: Patrick Alfich [mailto:PAlfich@NFA.Futures.Org]
Sent: Wednesday, July 21, 2010 1:57 PM
To: Thomas, Tempest S.
Subject: RE: Reparations Sanctions Update List from May 1, through June 30, 2010

Hi Tempest

In case the CFTC was not aware of this, I wanted to let you know that Michael Chen (NFA ID No. 87988) died on 3/31/2008.

Sincerely,
Patrick Alfich
Supervisor, Registration Investigations
NFA Registration Department
300 S. Riverside Plaza, Suite 1800
Chicago, Illinois 60606
Office: (312) 781-1216
Fax: (312) 559-3544
Email: palfich@nfa.futures.org

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From: Thomas, Tempest S. [mailto:tthomas@CFTC.gov]
Sent: Wednesday, July 21, 2010 11:49 AM

Crime and Public Safety 4-1-2008

Article Created: 03/31/2008 09:06:57 PM PDT

Man walks into traffic, is killed

ONTARIO - A man was killed when he walked into oncoming traffic Monday on the 60 Freeway, police officials said.

Michael Chen, a 55-year-old resident of Rowland Heights, was struck by a semi-truck in the freeway's eastbound lanes. He was pronounced dead at the scene at 12:17 p.m.

The man was walking the lanes near the Haven entrance of the freeway around 12:11 p.m. when he walked in front of traffic, said Ontario police Lt. John Evans.

In the accident, the car, trying to avoid the pedestrian, collided with another vehicle.

Several freeway lanes were closed for more than an hour while police investigated the accident.

The Ontario Police Department and the San Bernardino County Coroner's Office is investigating the accident.

- liset.marquez@dailybulletin.com

From : http://www.dailybulletin.com/ci_8764352

Westlaw.

SSA Death Record

Source Information

Information Current Through:	12/17/2010
Database Last Updated:	12/18/2010
Update Frequency:	WEEKLY
Current Date:	12/22/2010
Source:	Social Security Administration Death Index

Identifying Information

Name:	**MICHAEL L CHEN**
SSN:	**XXX-XX-XXXX**
State Where SSN Issued:	CALIFORNIA

Information Regarding Deceased

Date of Birth:	08/26/1952
Date of Death:	03/31/2008
Age at Death:	55
Verification of Death:	(P) Proof of Death Certificate Observed

END OF DOCUMENT

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