



U.S. COMMODITY FUTURES TRADING COMMISSION

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OFFICE OF PROCEEDINGS

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LAURINE MEINHARDT,)	
Complainant)	
v.)	CFTC Docket
)	No. 98-R099
WILLIAM STEVEN KAISER and)	
LFG, L.L.C.,)	
Respondents)	

FINAL DECISION

The parties chose to have this case conducted as a voluntary decisional proceeding, in which the parties submit their dispute on the papers only and waive the right to present oral testimony. In addition, the judge is not authorized to conduct discovery on his own motion (see Rule 12.34), leaving the parties solely responsible for the development of the record. When the record is closed, the judge issues a Final Decision containing only a conclusion whether any violations have been proven, and, if so, a reparation award for any damages caused by such violations (see Rule 12.106(b)). The decision does not contain findings of fact or other evidentiary evaluations by the judge. The Final Decision is not appealable either to the Commission or to any U.S. Court of Appeals (see Rule 12.106(d)).

In this matter, the complainant took discovery and submitted a verified statement. Respondents submitted answers to complainant's discovery questions but did not submit a verified statement. Upon consideration of the record made by the parties, it is concluded that complainant has established by a preponderance of the evidence that respondent LFG: (1) failed to make a trading error adjustment discussed in paragraph 2 of the complaint (as admitted in LFG's answer); and (2) fraudulently breached its contract with complainant regarding trading fees to be assessed the account by making false statements in connection with assessments of additional fees. The second violation, but not the first, has been shown to have been directly engaged in by respondent Kaiser. The two violations resulted in damages of \$270.00 and \$81.50, respectively (the second figure is the sum of identified fees shown in the documents submitted by complainant, who had claimed \$102.55 but has not explained that amount).

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It is further concluded that complainant has failed to carry the burden of demonstrating by a preponderance of the evidence that respondents committed any other violations as alleged in the complaint. Those allegations are therefore **DISMISSED**.

Based on the violations found, the following amounts are hereby awarded in reparations: Respondents LFG, L.L.C., and William Steven Kaiser are **ORDERED** to pay reparations to complainant in the amount of \$81.50, plus \$50.00 in costs for the filing fee, and respondent LFG, L.L.C., is **FURTHER ORDERED** to pay additional reparations to complainant in the amount of \$270.00. Liability for the first \$81.50 in reparations damages is joint and several with LFG, L.L.C., as is liability for the filing fee.

Dated: November 12, 1998


JOEL R. MAILLIE
Judgment Officer