



U.S. COMMODITY FUTURES TRADING COMMISSION

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JAMES MEYER,

Complainant

v.

LFG, L.L.C., (d/b/a "Lincco Futures
Group"),

Respondent

CFTC Docket
No. 99-R134

FINAL DECISION

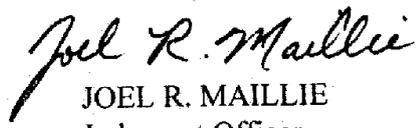
Complainant initiated this reparations case selecting a voluntary decisional proceeding, a choice concurred in by the respondent. In a voluntary proceeding, the parties submit their dispute on the papers only, waiving their right to present oral testimony. In addition, the judge is not authorized to 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 parties failed to avail themselves of the opportunity to take discovery or to submit verified statements.

Upon careful consideration of the record made by the parties, it is concluded that complainant has established that on October 16 and November 28, 1997, respondent LFG, L.L.C., deducted undisclosed trade-execution fees from complainant's account without consent, and in so doing committed acts of conversion of customer segregated funds in violation of Section 4d(2) of the Commodity Exchange Act. The reparation award represents the full amount of fees deducted on October 16 for trading in August and September 1997, plus part of the fees deducted on November 28 for trades in October 1997 before and including October 17 (as best as can be determined from the monthly statements, some 261 S & P index futures contracts, @ \$2/contract). Fees imposed after October 17, 1997, are deemed consented to by complainant's continued trading after becoming aware on that date of the previously undisclosed fee.

Violations having been found, Respondent LFG, L.L.C., is ORDERED to pay reparations to complainant in the amount of \$2,234, plus \$50 in costs as complainant's filing fee.

That part of the complaint which seeks damages beyond the amount of the reparation award is DENIED.

Dated: January 6, 2000


JOEL R. MAILLIE
Judgment Officer