UNITED STATES OF AMERICA Before the COMMODITY FUTURES TRADING COMMISSION

Lewis P. Vanover and Frieda M. Vanover,

Complainants,

V.

CFTC Docket No. 97-R028

American Futures Group, Inc., Concorde Trading Group, Inc., Henry C. Lafreniere, Howard S. Miller, Ricardo Jorge Padron, and Reesa Brotkin Schachter,

Respondents.

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INITIAL DECISION ON DEFAULT

On November 25, 1997, a post-hearing, pre-decision telephone settlement conference was conducted at the request of several of the respondents. All parties were present or represented at that conference. During that conference with the Court, the parties agreed to settle this matter, and the specific terms were finalized that same day. This Court has retained jurisdiction over this matter until it is satisfied that all of the terms of each settlement have been met.

To date, respondent American Futures Group, Inc. ("AFG") has failed to meet the terms of its settlement agreement with complainants. Complainants, on the other hand, immediately executed the written settlement agreement, prepared by counsel for AFG, releasing all claims against AFG. More than two months have passed, and AFG has done nothing. This Court has contacted counsel for AFG on several occasions in an effort to discern the reasons behind this inaction. Counsel for AFG has been instructed by this Court to supply, in writing, the reasons for its frustration of the settlement agreement, but no such filing has been made. By failing to comply with an Order of this Court, and by breaching its settlement agreement with complainants in this matter, respondent AFG has left no alternative but a finding of **DEFAULT**, pursuant to Commission Regulation 12.304(i), 17 C.F.R. § 12.304(i).

Complainants' trading account was opened on or about March 10, 1995, with a deposit of \$20,000.00. No other deposits were made during the life of the account in question. On or about June 19, 1995, complainants' account was closed, and a check was returned to them in the

amount of \$4,688.46. Thus, the complainants' total out-of-pocket losses in this matter totaled \$15,311.54. Complainants have recovered \$13,000.00 of that loss pursuant to a separate settlement agreement with respondents other than AFG. AFG is liable for the remaining \$2,311.54, plus interest and costs.

Respondent AFG is hereby **ORDERED** to pay complainants the sum of \$2,311.54, plus the \$50.00 filing fee, plus interest at the current rate of 5.468% from the date of investment. Respondents must make such payment on or before March 9, 1998.

Dated this 6th day of February, 1998

Seorge H. Painter

Administrative Law Judge