UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

Dan and Norma Van Camp, Complainants, v. Broadstreet Financial Corp., Fidelity Trading Group, Inc., Michael MacLean Alexson and Michael Andrew Kohler. Respondents.	)	CFTC Docket No. 03-R052

RECEIVED
C.F.T.C.
2004 FEB 10 A 10: 21
OFFICE OF PROCEEDINGS
HEARINGS CLERK

INITIAL DECISION ON DEFAULT

On April 21, 2003, Complainants filed a reparations complaint against Respondents Michael MacLean Alexson and Michael Andrew Kohler. On July 24, 2003, Complainants amended their complaint to include Broadstreet Financial Corp. and Fidelity Trading Group, Inc. On August 8, 2003, Complainants again amended their complaint to claim damages of $36,942.24.

On August 13, 2003, Respondents were directed to file a timely answer to Respondents' allegations no later than September 12, 2003. Respondent Broadstreet was granted an extension on August 28, 2003, and filed a timely answer on September 17, 2003, denying any wrongdoing. However, no other Respondent filed a timely answer. On October 3, 2003, the Court found Respondents Fidelity, Alexson, and Kohler to be in default and ordered them to show cause on or before October 17, 2003, why all the allegations set forth in the Complaint should not be deemed true with judgment in favor of Complainants. Respondent Kohler filed an unverified statement on October 24, 2003, requesting that the complaint be dismissed. That request was denied and Respondent Kohler was ordered to file a properly verified answer to the complaint on or before November 14, 2003. Respondents Fidelity and Alexson did not file responses.

On October 3, 2003, the Court ordered Complainants and Respondent Broadstreet to file pre-hearing memoranda on or before January 13, 2004. Complainants complied with this order. Respondent Broadstreet did not respond to the order. On December 4, 2003, the Court afforded Kohler an opportunity to file a late answer on or before December 15, 2003. Kohler filed nothing in response.

Broadstreet was the only Respondent to file an answer to the complaint. On December 4, 2003, Respondent Broadstreet and the Complainants were ordered to file pre-hearing memoranda

on or before February 5, 2004. Complainant complied with this order. Respondent Broadstreet did not respond. On January 22, 2004, the Court ordered Broadstreet to Show Cause on or before February 6, 2004, why its failure to file a pre-hearing memorandum should not be deemed a waiver of hearing and why Respondent should not be subject to default judgment. As of this date Broadstreet has neither filed a pre-hearing memorandum nor responded to the Order to Show Cause.

Respondents Fidelity, Alexson, and Kohler have not filed answers to the Complaint. Respondent Broadstreet has neither filed a pre-hearing memorandum nor responded to the Order to Show Cause. Accordingly, Broadstreet's answer to the complaint is struck.

Respondents Michael MacLean Alexson, Michael Andrew Kohler, Fidelity Trading Group, Inc., and Broadstreet Financial Corp. are in default. The allegations set forth in the Complaint are deemed to be true.

CONCLUSIONS OF LAW

Respondents Kohler, Alexson, and Fidelity Trading Group violated Section 4b(a) of the Commodity Exchange Act by fraudulently inducing Complainants to open an account with Broadstreet Financial Corp., a registered futures commission merchant.

Respondents Kohler and Alexson violated Section 4b(a) of the Act by engaging in a scheme to churn the Complainant's account, contrary to the interests of Complainants, and for the benefit of Respondents.

Respondent Broadstreet violated Commission regulation 166.3 by failing to supervise the handling of Complainant's account.

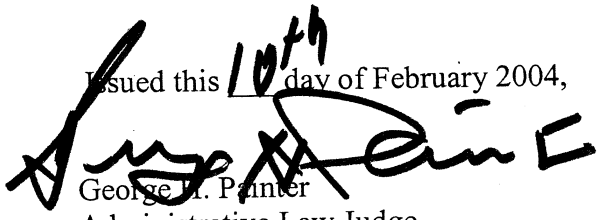
Respondents' violations of the Act and Commission regulation 166.3 resulted in direct monetary damages to the Complainants in the amount of $36,924.24.

ORDER

Respondents are ORDERED to pay to Complainants the sum of $36,924.24 within 30 days from the date this judgment becomes final, plus interest at the rate of 1.30 per annum from April 1, 2001 to the date of payment, plus the filing fee of $250.00.

so ordered

Issued this 10th day of February 2004,



George H. Painter
Administrative Law Judge