



U.S. COMMODITY FUTURES TRADING COMMISSION

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RICHARD SHOFE,
Complainant,

v.

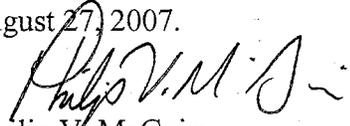
LARRY ALAN KAHN,
STEVE LABELL, and
SOUTH COAST COMMODITIES, INC.,
Respondents.

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* CFTC Docket No. 06-R047
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DEFAULT ORDER

Larry Kahn, Steve Labell, and South Coast Commodities, Incorporated have failed to file answers to the complaint, and thus are in default. The defaults by Kahn, Labell and South Coast constitute, among other things, admissions of the allegations in the complaint, as supplemented. Accordingly, it is concluded: one, that South Coast and an agent of South Coast -- Kevin Alan Rosenberg¹ -- defrauded Richard Shofe during the solicitation and trading of his account, in violation of CFTC rule 33.10 and Section 4c(b) of the Commodity Exchange Act; two, that Larry Alan Kahn and Steve Labell aided and abetted the fraud by Kevin Alan Rosenberg and South Coast Commodities, in violation of Sections 4c(b), 13(a), and 13(b) of the Commodity Exchange Act, and CFTC rule 33.10; three, that Kahn and Labell failed to adequately supervise Rosenberg and South Coast, in violation of CFTC rule 166.3; four, that South Coast is liable for the violations of Rosenberg, Kahn and Labell pursuant to Section 2(a)(1)(B) of the Act; and five, that the various violations by Kahn, Labell, Rosenberg, and South Coast proximately caused \$9,760 in damages. Accordingly, Larry Kahn, Steve Labell, and South Coast Commodities, Incorporated are ordered to pay to Richard Shofe reparations of \$9,760, plus interest on that amount 4.44% compounded annually from September 2, 2005, to the date of payment, plus \$125 in costs for the filing fee.

Dated August 27, 2007.


Philip V. McGuire,
Judgment Officer

¹ The default order against Rosenberg has become a final order of the Commission.