



U.S. COMMODITY FUTURES TRADING COMMISSION

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1999 MAY 17 P 1:25

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C.F.T.C.

ROY M. SIDEWITZ,
Complainant,

v.

LFG, L.L.C.,
CARR INVESTMENTS, INCORPORATED,
TRADERS EDGE, and
EUGENE ANTHONY RATTI,
Respondents.

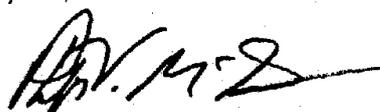
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* CFTC Docket No. 98-R214
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FINAL DECISION

The parties have elected the voluntary decisional procedure. Under the voluntary decisional procedure, the parties are responsible for developing the record, the parties waive the opportunity for an oral hearing, and the parties waive certain rights, including the right to receive a written statement of the findings of fact upon which the final decision is based and the right to appeal this final decision to the Commission and to the federal courts.

After carefully reviewing the parties' submissions, it is hereby concluded that complainant has failed to establish the alleged violation causing damages in connection with the initiation of the short S & P 500 Index option straddle on August 14, 1998, and the related forced liquidation of three S & P calls on August 18, 1998. Accordingly, the complaint is DISMISSED. Also, respondents' request for attorneys fees and costs – based on the indemnification clause of the LFG customer agreement – is DENIED on two grounds. First, CFTC rule 12.106(c) precludes the award of attorneys fees and costs to the prevailing party in a voluntary proceeding. Second, the indemnification clause of the LFG customer agreement, which seeks to vitiate LFG's obligations as a guarantor, is contrary to public policy and thus void and unenforceable. *Violette v. First American Discount Corporation, et al.*, CFTC Docket No. 97-R20 (CFTC February 24, 1999).

Dated May 17, 1999.

A handwritten signature in black ink, appearing to read "P.V. McGuire", with a long, sweeping horizontal stroke extending to the right.

Philip V. McGuire,
Judgment Officer