



U.S. COMMODITY FUTURES TRADING COMMISSION

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581

OFFICE OF PROCEEDINGS
APR 17 7 33 AM '98

FILED

OFFICE OF
PROCEEDINGS

KELLY M. THOMSON, and
ERIC M. THOMSON,
Complainants,

v.

FIRST AMERICAN DISCOUNT
CORPORATION,
Respondent.

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CFTC Docket No. 98-R73

**ORDER VACATING DEFAULT
and
ORDER OF DISMISSAL ON SETTLEMENT**

Respondent First American Discount Corporation ("FADC") has filed a motion to vacate the April 7 default. In support of its motion, FADC asserts that it settled this reparations case the day that its answer was due, and that complainants represented that they would file a notification of the settlement.^{1/} The settlement provides that complainants have agreed to withdraw their reparations complaint seeking \$3,045.97 in damages and have agreed to assist FADC in recovering its \$15,809 debit balance from the independent introducing broker, Curtis Dearing, who made the allegedly unauthorized trade.^{2/} In exchange, FADC has agreed not to initiate any action against complainants seeking payment of the debit balance or seeking attorneys fees pursuant to the hold-harmless clause in the customer contract.^{3/}

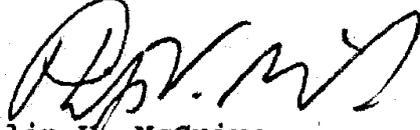
Accordingly, the default order is VACATED, and the reparations complaint of Kelly Thomson and Eric Thomson against First American Discount Corporation is DISMISSED.

^{1/} Counsel for FADC has been advised that the better practice in these circumstances would be for a respondent to file a motion for more time before the last day that an answer is due, and also for the respondent to notify the CFTC of a settlement.

^{2/} In this connection, FADC is reminded of its litigation reporting obligations under CFTC rule 160.

^{3/} Eric Thomson has confirmed the terms of the settlement by telephone, and also has confirmed that complainants do not oppose FADC's motion.

Dated April 17, 1998.

A handwritten signature in black ink, appearing to read 'P.V. McGuire', written in a cursive style.

Philip V. McGuire,
Judgment Officer