

Commodity Futures Trading Commission
CEA CASES

NAME: CHARLES KEESHIN, INC., CHARLES KEESHIN, SEYMOUR M. KEESHIN, AND HAROLD VISION

DOCKET NUMBER: 89

DATE: NOVEMBER 6, 1958

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Charles Keeshin, Inc., Charles Keeshin, Seymour M. Keeshin, and Harold Vision, Respondents

CEA Docket No. 89

Complaint and Notice of Hearing Under Section 6(b) of the Commodity Exchange Act

There is reason to believe that the respondents, Charles Keeshin, Inc., Charles Keeshin, Seymour M. Keeshin, and Harold Vision have violated the provisions of the Commodity Exchange Act (7 U.S.C. 1952 ed., Chapter 1), and the rules and regulations of the Secretary of Agriculture made pursuant thereto (17 CFR, Part I), and in accordance with the provisions of section 6(b) of the said act (7 U.S.C. 1952 ed., § 9), this complaint and notice of hearing is issued alleging as follows:

I

Respondent Charles Keeshin, Inc., a corporation organized under the laws of the State of Illinois with its principal office and place of business at 1019 West Fulton Street, Chicago, Illinois, was at all times material to this complaint a registered futures commission merchant under the Commodity Exchange Act, a clearing member of the Chicago Mercantile Exchange, and a member of the New York Mercantile Exchange.

II

Respondent Charles Keeshin, an individual, whose address is 2933 Sheridan Road, Chicago, Illinois, was at all times material to this complaint chairman of the board of directors and treasurer of the respondent corporation, a registered floor broker under the Commodity Exchange Act, a member of the Chicago Mercantile Exchange, and a member of the New York Mercantile Exchange.

III

Respondent Seymour M. Keeshin, an individual, whose address is 4300 Marine Drive, Chicago, Illinois, was at all times material to this complaint president of the respondent corporation.

IV

Respondent Harold Vision, an individual, whose address is 143 North Parkside Avenue, Chicago, Illinois, was at all times material to this complaint secretary of the respondent corporation, a registered floor broker under the Commodity Exchange Act, and a member of the Chicago Mercantile Exchange.

V

The acts hereinafter described were initiated and carried out under the supervision and direction of respondents Charles Keeshin, Seymour M. Keeshin,

and Harold Vision, acting in their capacities as officers of the respondent corporation.

VI

a. At all times between August 1, 1958, and September 9, 1958, inclusive, the respondent corporation had on its books accounts of customers who were trading in commodity futures subject to the Commodity Exchange Act and the rules and regulations issued thereunder, and had to its credit with a bank or with the Clearing House of the Chicago Mercantile Exchange varying sums of money held in segregated accounts and identified as customers' funds, representing deposits of margin by and trading profits belonging to such customers.

b. On 25 business days during the period August 1, 1958, through September 9, 1958, inclusive, the respondent corporation was undersegregated in amounts ranging from \$ 6,822.00 to \$ 62,530.40 -- that is, on the 25 days mentioned the total amount of customers' funds held in segregation as above described, was from \$ 6,822.00 to \$ 62,530.40 less than the amount necessary to pay all credits and equities due to such customers.

c. On each business day during the above period, except on August 7, 1958, and September 9, 1958, the respondent corporation prepared and kept a record purporting to show the amount required to be held in segregation, and the amount segregated, which record indicated that the respondent corporation had excess funds in segregation in amounts ranging from \$ 473.60 to \$ 24,029.10, whereas, in truth and in fact, the said corporation was undersegregated as specified above.

On August 7, 1958, and September 9, 1958, no record of funds in segregation was prepared.

By reason of such acts, the respondent corporation knowingly failed to treat and deal with customers' funds as belonging to such customers, failed to segregate and to account separately for such funds, used such funds to margin and guarantee the trades and secure and extend the credit of customers other than those for whom such funds were held, commingled customers' funds with funds belonging to the respondent corporation, and prepared and kept false records with respect to customers' funds, all in willful violation of sections 4d(2) and 4g of the Commodity Exchange Act (7 U.S.C. 1952 ed., §§ 6d(2), 6g), and sections 1.20, 1.21 and 1.22 of the rules and regulations (17 CFR 1.20, 1.21, 1.22).

Therefore, the said respondents Charles Keeshin, Inc., Charles Keeshin, Seymour M. Keeshin, and Harold Vision are hereby notified to be and appear at a hearing to be held at 10:00 a.m., local time, on the 16th day of December 1958, in Room 1200, Board of Trade Building, 141 West Jackson Boulevard, Chicago, Illinois, before a referee designated to conduct such hearing, and then and there show cause, if any there be, why an order should not be made suspending

or revoking the registration of respondent Charles Keeshin, Inc., as a futures commission merchant, suspending or revoking the registrations of Charles Keeshin and Harold Vision as floor brokers, and directing that all contract markets refuse all trading privileges to each of respondents for such period of time as may be determined.

The respondents will have twenty (20) days after the receipt of this notice of hearing in which to file with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., an answer with an original and seven copies, fully and completely stating the nature of the defense and admitting or denying specifically and in detail each material and relevant allegation of this complaint. Allegations that are not answered will be deemed admitted for the purpose of this proceeding.

It is ordered that this complaint and notice of hearing be served on the respondents at least twenty (20) days prior to the date set for hearing.

Done at Washington, D. C., this

6th day of November 1958.

/s/ E. L. Peterson

E. L. Peterson

Acting Secretary

LOAD-DATE: June 12, 2008

