

Commodity Futures Trading Commission
CEA CASES

NAME: STUART N. GIMBEL

DOCKET NUMBER: STIPULATION 118

DATE: DECEMBER 14, 1970

DOCUMENT TYPE: STIPULATION OF COMPLIANCE

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Stuart N. Gimbel

Stipulation of Compliance Under the Commodity Exchange Act No. 118

The Secretary of Agriculture has reason to believe that Stuart N. Gimbel has violated the provisions of the Commodity Exchange Act (7 U.S.C., Chapter 1) and the regulations of the Secretary of Agriculture promulgated thereunder (17 CFR, Chapter 1). No complaint with respect to such violations has been issued and the said Stuart N. Gimbel is desirous of disposing of the matter by entering into a stipulation of compliance as authorized by section 0.4(a) of the Rules of Practice under the Commodity Exchange Act (17 CFR, Part 0). Therefore, the said Stuart N. Gimbel for the purposes of this stipulation of compliance and administrative proceedings under the Commodity Exchange Act and for such purposes only, stipulates the following facts are true:

(1) Stuart N. Gimbel an individual whose address is 110 N. Franklin Street, Chicago, Illinois 60606 is now and was at all times material herein a registered floor broker under the Commodity Exchange Act and a member of the Chicago Mercantile Exchange, a duly designated contract market under the Commodity Exchange Act.

(2) The futures transactions hereinafter referred to relate to pork belly futures contracts on the Chicago Mercantile Exchange, Each of such contracts called for the delivery of 30,000 pounds of pork bellies, Such contracts could have been used for hedging transactions in interstate commerce in pork bellies, or for determining

the price basis of transactions in interstate commerce in pork bellies, or for delivering pork bellies, sold, shipped, or received in interstate commerce.

(3) On February 11, 1969, Stuart N. Gimbel took the opposite side of customers' orders for the purchase of ten contracts of March pork bellies noncompetitively without obtaining the prior consent of such customers. The purchases were made by Stuart N. Gimbel for the accounts of customers of Imperial Securities, Inc. The opposite side of the transactions were made by Stuart N. Gimbel for his own account at Imperial Securities, Inc. In connection with these transactions Stuart N. Gimbel prepared records purporting to show that the opposite side of the transactions had been made with another floor broker.

On February 17, 1969, Stuart N. Gimbel, acting for the accounts of customers of Imperial Securities, Inc., purchased six contracts of March pork bellies from Leonard B. Feldman who was acting for his own account at Imperial Securities, Inc. Such transactions between these two brokers who were both qualified to trade for the same clearing member were reported as being made with another floor broker.

On February 14, 1969, Stuart N. Gimbel acting for his personal account at Imperial Securities, Inc. purchased one contract of March pork bellies from Lawrence S. Shepard who was also acting for his personal account at Imperial Securities, Inc. Such transaction between these two brokers who were both qualified to trade for the same clearing member was reported as being made with another floor broker.

On February 14, 1969, Stuart N. Gimbel acting for his personal account at Imperial Securities, Inc., purchased four contracts of March pork bellies from Lawrence S. Shepard who was acting for the account of a customer of Imperial Securities, Inc. Such transaction between these two brokers who were both qualified to trade for the same clearing member was reported as being made with another floor broker.

The Commodity Exchange Authority has advised Stuart N. Gimbel that his actions as described above, were in violation of section(s) 4b and 4g of the Commodity Exchange Act and section(s) 1.35 and 1.38 of the regulations under the Commodity Exchange Act.

The said Stuart N. Gimbel agrees to desist from such acts and practices in the future. He further understands and agrees that this stipulation, which the Secretary of Agriculture is accepting only as to the acts and practices set forth above, shall be admissible as evidence of such acts and practices in any future proceeding based upon acts or practices occurring subsequent to the date of his signing of this stipulation of compliance which may be brought against him by the Secretary of Agriculture under the provisions of the said Act. He also understands that it is the practice of the Commodity Exchange Authority to issue press releases on stipulations of compliance and to make them a matter of public record.

Done at Chicago, Illinois

this day of

[SEE SIGNATURE IN ORIGINAL]

Witnessed by:

[SEE SIGNATURE IN ORIGINAL]

LOAD-DATE: June 16, 2008

