

Commodity Futures Trading Commission
CEA CASES

NAME: SECRETARY OF AGRICULTURE V. P. B. [ILLEGIBLE TEXT]

DOCKET NUMBER: 20

DATE: SEPTEMBER 12, 1940

DOCUMENT TYPE: COMPLAINT

UNITED STATES OF AMERICA

BEFORE THE SECRETARY OF AGRICULTURE

CE-A DOCKET No. 20

Secretary of Agriculture, Complainant v. P. B. [ILLEGIBLE TEXT], Respondent.

Complaint and Notice of Hearing under the Commodity Exchange Act.

There being reason to believe that the respondent has violated the Commodity Exchange Act § 7 U.S.C. [ILLEGIBLE TEXT] and Supp. 17, [ILLEGIBLE TEXT]), and the rules and regulations promulgated pursuant [ILLEGIBLE TEXT], this complaint is issued alleging the following:

1. U. S. [ILLEGIBLE TEXT] is an individual, formerly trading and doing business under the firm [ILLEGIBLE TEXT] and style of P. S. [ILLEGIBLE TEXT] Company at Chicago, Illinois, and is registered with the Secretary of Agriculture as a futures [ILLEGIBLE TEXT] merchant for the calendar year [ILLEGIBLE TEXT].

2. From January 3, [ILLEGIBLE TEXT], to May 31, [ILLEGIBLE TEXT], the respondent, [ILLEGIBLE TEXT] by and through the [ILLEGIBLE TEXT] of F. [ILLEGIBLE TEXT] & Company, a sole proprietorship [ILLEGIBLE TEXT] by the respondent, was engaged as a future [ILLEGIBLE TEXT] in soliciting orders for the purchase and sale

of transaction for future delivery, on or subject to the rules of the [ILLEGIBLE TEXT] Open Board of Trades, a contract market designated by the Secretary of Agriculture pursuant to the provisions of the Commodity Exchange Act, and while as engaged, did [ILLEGIBLE TEXT] orders from various [ILLEGIBLE TEXT] for the purchase and sale of grain and other commodities, as defined in the Commodity Exchange Act, for future delivery, and did receive funds from said persons to margin and guarantee the respective, trades and [ILLEGIBLE TEXT] of said person in such commodities, and as a result of such trades, received additional funds belonging to such person, and at such time and places while as engaged, the respondent, F. S. [ILLEGIBLE TEXT] violated the provision of the Commodity Exchange Act as follow:

(a) The respondent failed to [ILLEGIBLE TEXT] separately for the funds as received, in that [ILLEGIBLE TEXT] May 13, [ILLEGIBLE TEXT], there were due commodity evidence funds [ILLEGIBLE TEXT] the [ILLEGIBLE TEXT] segregated for the benefits of the customer in the [ILLEGIBLE TEXT] of [ILLEGIBLE TEXT] \$ 7,441.53, and the respondent did in fact, use the funds as received to assure the credit of other customers and for the personal use of the respondent.

3. The respondent was a member of Chicago Open Board of Trade, a contract market, designated by the Secretary of Agriculture pursuant to the provisions of the Commodity Exchange Act, from August 1, [ILLEGIBLE TEXT] to May 19, [ILLEGIBLE TEXT], and during that period in [ILLEGIBLE TEXT] with orders to make and the making of futures contracts for

the commodities [ILLEGIBLE TEXT] in the Commodity Exchange Act, [ILLEGIBLE TEXT] contract [ILLEGIBLE TEXT], which contracts may be used for [ILLEGIBLE TEXT] or determining the price basis of transactions in [ILLEGIBLE TEXT] in the commodities involved wilfully made and caused to be made misleading and false reports and statements [ILLEGIBLE TEXT] such [ILLEGIBLE TEXT] contracts to such persons, and wilfully [ILLEGIBLE TEXT] to and did [ILLEGIBLE TEXT] such persons in regard to each contracts and [ILLEGIBLE TEXT] of agency performed with respect to such contracts by reporting to such persons balance being hold as a result such trading for the benefit of such [ILLEGIBLE TEXT] other than the balances which were actually being held for the benefits of such person. Among others, such reports were made to [ILLEGIBLE TEXT] E. [ILLEGIBLE TEXT] on August 20, [ILLEGIBLE TEXT] various [ILLEGIBLE TEXT] thereafter to and [ILLEGIBLE TEXT] September 3, [ILLEGIBLE TEXT] to this [ILLEGIBLE TEXT] on January [ILLEGIBLE TEXT], and various dates thereafter to and including August 23, [ILLEGIBLE TEXT], and in Alfred [ILLEGIBLE TEXT] on March [ILLEGIBLE TEXT], [ILLEGIBLE TEXT], and various dates thereafter to and including May [ILLEGIBLE TEXT].

WHEREFORE the respondent is hereby notified to be and appear before a referee to be appointed by the Secretary of Agriculture, at a hearing to be held at 10:00 a.m. on September 20, [ILLEGIBLE TEXT], in Room [ILLEGIBLE TEXT], Building, Department of Agriculture, Washington, D. C., or at such other time and places as may be determined by the referee and then and there [ILLEGIBLE TEXT], if any there be, why on order shall not be made revoking the registration of the

respondent as a futures commission merchant and directing that all contract markets, until further advice of the Secretary of Agriculture, refuse all trading privileges to the respondent.

IT IS ORDERED that this complaint and notice of hearing be served on the named respondent by the delivery of a true copy hereof to him by an employee of the Department of Agriculture, or by registered mail, at least three days prior to the date herein set for hearing.

Done at Washington D. C., this

12th Day of September, [ILLEGIBLE TEXT]

Witness may [ILLEGIBLE TEXT] and the seal of the Department of Agriculture.

[SEE SIGNATURE IN ORIGINAL]

Secretary of Agriculture.

LOAD-DATE: June 11, 2008

