

Commodity Futures Trading Commission
CEA CASES

NAME: CLAUD WILKES

DOCKET NUMBER: 52

DATE: DECEMBER 19, 1949

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re Claud Wilkes, Respondent

CEA Docket No. 52

Complaint and Notice of Hearing under the Commodity Exchange Act

The Secretary of Agriculture has reason to believe that the respondent, Claud Wilkes, has violated the provisions of the Commodity Exchange Act (7 U.S.C., Chapter 1) and the rules and regulations made pursuant to its requirements. In accordance with the provisions of section 6(b) of the Commodity Exchange Act (7 U.S.C. 9), this complaint is issued alleging as follows:

1.

The respondent, Claud Wilkes, is an individual residing in Durant, Mississippi, and doing business at some times in his own name and at other times in the name of The Wilkes Company.

2.

The New York Cotton Exchange was, at all times material to this complaint, a duly designated contract market under the Commodity Exchange Act.

3.

On November 6, 1949, as the result of purchases of 2000 bales of July 1950 cotton futures contracts, executed on the New York Cotton Exchange for the accounts of the respondent by Merrill Lynch, Pierce, Fenner and Beane, registered futures commission merchants, the

respondent's net long position in July 1950 cotton futures contracts on the New York Cotton Exchange, as reflected on the books of Merrill Lynch, Pierce, Fenner and Beane, reached 6000 bales. The respondent thereupon became subject to the requirement contained in section 4i of the Commodity Exchange Act and sections 3.10, 3.11, 3.12, and 3.21 of the rules and regulations that he report to the commodity Exchange Authority with respect to such transactions and with respect to the open contracts in all cotton futures then held or controlled by him on all exchanges. The respondent was aware of the provisions of the aforesaid sections of the Act and regulations, but has wilfully failed to make the required report, in violation of section 4i of the Commodity Exchange Act and sections 3.10, 3.11, 3.12 and 3.21 of the rules and regulations.

4.

On November 8, 1949, on which date the respondent was in reporting status by reason of his position in July 1950 cotton futures contracts as described in paragraph 3 above, purchases of December 1949 cotton futures contracts and March 1950 cotton futures contracts were executed on the New York Cotton Exchange for the respondent's account by Merrill Lynch, Pierce, Fenner and Beane. The

respondent was aware of the aforesaid requirements of the Act and the regulations that such purchases be reported to the Commodity Exchange Authority out has wilfully failed to make such report, in violation of section 4i

of the Commodity Exchange Act and sections 3.10, 3.11, 3.12 and 3.21 of the rules and regulations.

Therefore, the said respondent, Claud Wilkes, is hereby notified to be and appear at a hearing to be held at 10 o'clock A.M., a.s.t., on the 25th day of January, 1950, in Room 141 W, Administration Building, United States Department of Agriculture, Washington, D. C., 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 directing that all contract markets refuse all trading privileges to the said respondent for such period of time as may be determined by the Secretary of Agriculture. If the respondent prefers that this hearing be held at some place more convenient to the respondent's place of business than Washington, D. C., he may make such a request prior to the expiration of the date set for filing of the answer.

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

It is ordered that this complaint and notice of hearing be served on the respondent by delivery of a true copy thereof by an employee of the Department of Agriculture, or by registered mail, at least 20 days prior to the date set for hearing.

Done at Washington, D. C. this 19 day of December, 1949

/s/ Charles F. Brannan

Secretary of Agriculture

LOAD-DATE: June 11, 2008

