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UNITED STATES OF AMERICA  
Before the  
COMMODITY FUTURES TRADING COMMISSION

_____	:	CFTC Docket No. 17
In the Matter of	:	
	:	FINDINGS AND ORDER
PACIFIC COMMODITIES	:	TERMINATING CONTRACT
EXCHANGE, INC.	:	MARKET DESIGNATIONS AND
_____	:	DISMISSING COMPLAINT
		WITH PREJUDICE

ORDER

In this proceeding under the Commodity Exchange Act, as amended, the Pacific Commodities Exchange, Inc. (the "respondent") was charged in a complaint and notice of hearing dated May 7, 1976, with violating, inter alia, Section 5a(8) of the Act, 7 U.S.C. §7a(8) (Supp. V, 1975), and Rule 1.51 of the Commission's regulations thereunder, 17 C.F.R. §1.51. In particular, the complaint alleged that respondent had failed to enforce its rules of government as it is required to do as a condition of contract market designation, and, indeed, that it did not have the capability to do so; that its current assets did not exceed its current liabilities by \$25,000; and that the activity on the exchange had decreased to the point that only two brokers were active and that at times during trading hours, there were no floor brokers or only one floor broker on the exchange. The complaint concluded that respondent no longer provided a market for competitive futures trading.

For the purpose of settling this proceeding and any other proceeding brought by the Commission arising from the facts in the complaint, the respondent, without admitting or denying any violations, has submitted an offer of settlement. In the offer of settlement, respondent agrees to terminate voluntarily its contract market designations on the condition that the Commission thereafter dismiss the subject proceeding with prejudice. The Commission has determined to accept the offer of settlement.

On the basis of the pleadings in this case, the offer of settlement and certified copies of minutes and resolutions provided to the Commission by respondent, the Commission hereby finds that:

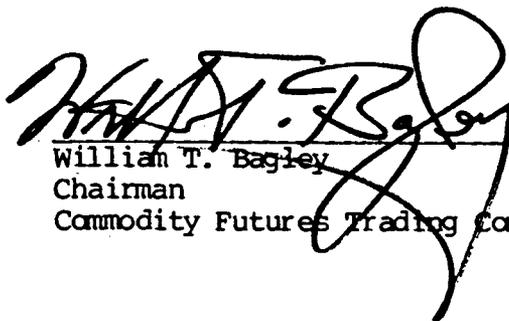
- (A) The respondent acknowledged service of the complaint;
- (B) The respondent admitted to the jurisdiction of the Commission with respect to the matters set forth in the complaint;
- (C) On October 1, 1976 and December 7, 1976, respondent's Board of Directors and stockholders, respectively, approved the offer of settlement which the Commission had tentatively approved on September 9, 1976, and, thereby, consented to the voluntary termination of respondent's contract market designations.

Accordingly, IT IS ORDERED that:

- (1) Effective immediately, all contract market designations heretofore granted respondent by the Commission, or its predecessors administering the Commodity Exchange Act, are hereby revoked with respondent's consent;

(2) The proceeding initiated against respondent by the Commission's complaint and notice of hearing dated May 7, 1976, is hereby terminated and the complaint dismissed with prejudice.

By the Commission (Chairman BAGLEY, Vice-Chairman RAINBOLT, and Commissioners SEEVERS, DUNN and MARTIN).

  
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William T. Bagley  
Chairman  
Commodity Futures Trading Commission

Dated: May 4, 1977