

Commodity Futures Trading Commission  
CEA CASES

**NAME:** LOUIS ROMOFF

**DOCKET NUMBER:** 166

**DATE:** FEBRUARY 17, 1970

**DOCUMENT TYPE:** COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re Louis Romoff, Respondent

CEA Docket No. 166

Complaint and Notice of Hearing Under the Commodity Exchange Act

There is reason to believe that the respondent has violated the Commodity Exchange Act (7 U.S.C. Chapter 1, 1964 ed., as amended, Supp. IV, 1969), and the regulations made pursuant thereto. In accordance with the provisions of sections 6(b) and 6(c) of the said Act (7 U.S.C. 9 and 13b, Supp. IV, 1969), this complaint and notice of hearing is issued alleging as follows:

I

The respondent, Louis Romoff, is an individual whose business address is 3026 East Vernon, Los Angeles, California 90058.

II

The Chicago Mercantile Exchange is now, and was at all times material to this complaint, a duly designated contract market under the Commodity Exchange Act.

III

(a) On each day during the period from September 1 through October 8, 1969, the respondent held open contract positions in live beef cattle futures on the Chicago Mercantile Exchange of 25 or more contracts in a single future.

(b) On each day during the periods from September 24 through October 30, 1969, and from November 7 through November 11, 1969, the respondent held open contract positions in frozen pork belly futures on the Chicago Mercantile Exchange of 25 or more contracts in a single future.

(c) By reason of such positions, the respondent was in reporting status, and was required to report to the Commodity Exchange Authority (1) with respect to all transactions executed and all open contract positions held for his account in all live beef cattle futures on all boards of trade during the period from September 1 through October 8, 1969, (2) with respect to all transactions executed and all open contract positions held for his account in all frozen pork belly futures on all boards of trade during the periods from September 24 through October 30, 1969, and from November 7 through November 11, 1969, and (3) with respect to all such transactions by reason of which the respondent's positions were reduced below reporting levels, as provided in section 4i of the Commodity Exchange Act (7 U.S.C. 6i, Supp. IV, 1969), and sections 15.01, 15.02, 15.03, 18.00, 18.01 and 18.03 of the regulations thereunder (17 CFR 15.01, 15.02, 15.03, 18.00, 18.01 and 18.03).

IV

On September 3 and 10, 1969, while the respondent was in reporting status as described in paragraph III above, and on October 9, 1969, when the respondent's

positions in live beef cattle futures were reduced below the reporting level, transactions in such futures on the

Chicago Mercantile Exchange were executed for his account, but the respondent failed and refused to submit reports to the Commodity Exchange Authority with respect to such transactions, as required under the aforesaid provisions of the Commodity Exchange Act and regulations.

V

On September 24, 25, 26 and 30, 1969, October 1, 2, 3, 13, 20, 21, 22, 24, 27, 28, 29 and 30, 1969, and November 7 and 11, 1969, while the respondent was in reporting status as described in paragraph III above, and on October 31, 1969, when the respondent's positions in frozen pork belly futures were reduced below the reporting level, transactions in such futures on the Chicago Mercantile Exchange were executed for his account, but the respondent failed and refused to submit reports to the Commodity Exchange Authority with respect to such transactions, as required under the aforesaid provisions of the Commodity Exchange Act and regulations.

VI

Between June 25, 1968 and August 14, 1969, the Commodity Exchange Authority found it necessary to communicate with the respondent on numerous occasions because of his failure to transmit reports. On September 24, 1969, the Administrator of the Commodity Exchange Authority addressed a letter to the respondent calling attention to his delinquencies in submitting reports, and advising the respondent that he should file

all required reports on or before October 10, 1969, and warning him that continued failure to file such reports could result in the institution of administrative proceedings directed toward the denial of trading privileges on all contract markets. Notwithstanding such letter, no reports were filed. In the circumstances, the respondent was aware of his obligations under the Commodity Exchange Act and regulations with respect to the filing of reports, and the failure to submit reports, as required, constituted a knowing and willful violation of section 4i of the Commodity Exchange Act (7 U.S.C. 6i, Supp. IV, 1969), and sections 15.01, 15.02, 15.03, 18.00, 18.01 and 18.03 of the regulations thereunder.

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the respondent and this proceeding shall be governed by sections 0.1, 0.2, 0.4(b), 0.5 through 0.22, and 0.28 of the rules of practice under the Commodity Exchange Act (17 CFR 0.1, 0.2, 0.4(b), 0.5 through 0.22, 0.28). The respondent will have twenty (20) days after the receipt of this complaint in which to file with the Hearing Clerk, United States Department of Agriculture, Washington, D.C. 20250, an answer with an original and three copies, fully and completely stating the nature of the defense and admitting or denying, specifically and in detail, each allegation of this complaint. Allegations not answered will be deemed admitted for the purpose of this proceeding. Failure to file an answer will constitute an admission of all allegations of this complaint and a waiver of

hearing. The filing of an answer in which all of the material allegations of fact contained in this complaint are admitted likewise shall constitute a waiver of hearing unless a hearing is requested. The respondent is hereby notified that unless a hearing is waived, a hearing will be held at 10:00 a.m., local time, on April 8, 1970, in Los Angeles, California, at a place therein to be specified later, before a referee designated to conduct such hearing. At such hearing, the respondent will have the right to appear and show cause, if any

there be, why an appropriate order should not be issued in accordance with the Commodity Exchange Act, (1) prohibiting the respondent from trading on or subject to the rules of any contract market, and directing that all contract markets refuse all trading privileges to the respondent for such period of time as may be determined, and (2) directing that the respondent shall cease and desist from violating the Commodity Exchange Act in the manner alleged herein.

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

Done at Washington, D.C.

February 17, 1970

[SEE SIGNATURE IN ORIGINAL]

Richard E. Lying

Assistant Secretary

**LOAD-DATE:** June 16, 2008

