

Commodity Futures Trading Commission
CEA CASES

NAME: ASA V. WILDER

DOCKET NUMBER: 154

DATE: APRIL 8, 1968

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re: Asa V. Wilder, Respondent

CEA Docket No. 154

Complaint and Notice of Hearing Under Section 6(b) of the Commodity Exchange Act

There is reason to believe that the respondent, Asa V. Wilder, has violated the Commodity Exchange Act (7 U.S.C. 1 et seq.), and the regulations made pursuant thereto (17 CFR, Part I), and in accordance with the provisions of section 6(b) of the said act (7 U.S.C. 9), this complaint and notice of hearing is issued stating the charges in that respect as follows:

I

The respondent, Asa V. Wilder, an individual whose address is 316 Virginia Avenue, San Mateo, California, was, at all times material to this complaint, employed as the commodity manager of a branch office of Harris, Upham & Co., a stock and commodity brokerage firm. The said firm was, at all times material to this complaint, a registered futures commission merchant under the Commodity Exchange Act and entitled to membership privileges on various markets, which were duly designated contract markets under the said act.

II

At all times material to this complaint, the respondent personally handled the stock and commodity futures trading accounts of one Mrs. Bertha Hecht, a customer of Harris, Upham & Co., and in so doing gained her confidence to the extent that the trading in such accounts was conducted on the respondent's advice or at his discretion.

III

Acting for the purpose and with the intent of concealing from Mrs. Bertha Hecht the extent of the losses sustained by her in trading in commodity futures, the respondent:

(1) In 14 instances during the period February 20, 1963 through July 25, 1963, in closing out offsetting transactions in soybean, wheat and rye futures for her account, selectively closed out certain transactions in a manner which reflected larger profits or smaller losses than would have resulted had the oldest trades been closed out. Thereby, the respondent, for a period of time, concealed from Mrs. Hecht the actual amount of her losses.

(2) On or about March 29, 1963, prepared and delivered a "summary of operations" statement to Mrs. Hecht purportedly showing the status of her trading accounts as of such date, but the respondent did not show in such statement, and concealed from Mrs. Hecht, the fact that as of March 29, 1963, she had unrealized

losses in her commodity futures trading account of over \$ 34,000. Of such losses, \$ 9,200 would have been reported to Mrs. Hecht by Harris, Upham & Co. on March 28, 1963, if on that date the respondent had not selectively closed out certain transactions for her account.

IV

By reason of the facts set forth in this complaint, the respondent, in connection with the disposition or execution of commodity futures contracts, and in regard to acts of agency performed with respect to such contracts, deceived the person on behalf of whom such contracts were made, in wilfull violation of section 4b of the Commodity Exchange Act (7 U.S.C. 6b); and applied and closed out off-setting long and short positions in wilfull violation of section 1.46 of the regulations issued under the said act (17 CFR 1.46).

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the respondent. 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 Purposes of this proceeding. Failure to file an answer will constitute an admission of all the 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 the complaint are admitted likewise shall constitute a waiver of hearing unless a hearing is requested. The respondent is hereby notified that unless hearing is waived, a hearing will be held at 10:00 a.m., local time, on May 28, 1968, in San Francisco, 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 order should not be made directing that all contract markets refuse all trading privileges to the respondent for such period of time as may be determined.

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.

April 8, 1968.

[SEE SIGNATURE IN ORIGINAL]

Assistant Secretary

George L. Mehren

LOAD-DATE: June 16, 2008

