

Commodity Futures Trading Commission
CEA CASES

NAME: JOSEPH J. CRILLY, AND WILLIAM E. HENNER

DOCKET NUMBER: 95

DATE: NOVEMBER 30, 1960

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Joseph J. Crilly, and William E. Henner, Respondents

CEA Docket No. 95

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

There is reason to believe that respondents, Joseph J. Crilly and William E. Henner, have violated the Commodity Exchange Act (7 U.S.C. 1958 ed., Chapter 1) and the rules and regulations made pursuant thereto, and in accordance with the provisions of section 6(b) of the said act (7 U.S.C. 1958 ed., § 9), this complaint and notice of hearing is issued stating the charges in that respect as follows:

I

Respondent Joseph J. Crilly, an individual whose address is 110 North Franklin Street, Chicago 6, Illinois, is now and was at all times material to this complaint a registered floor broker under the Commodity Exchange Act and a member of the Chicago Mercantile Exchange.

II

Respondent William E. Henner, an individual whose address is 110 North Franklin Street, Chicago 6, Illinois, is now and was at all times material to this complaint a registered floor broker under the Commodity Exchange Act and a member of the Chicago Mercantile Exchange.

III

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.

IV

On August 4, 1960, respondent Joseph J. Crilly, in his capacity as floor broker representing various registered futures commission merchants, had received and had in his possession for execution on behalf of his various principals, a number of orders to sell October 1960 egg futures on the Chicago Mercantile Exchange and a number of orders to buy such futures on the said Exchange. Thereupon the said Joseph J. Crilly, shortly prior to the opening of the trading session on that day, turned over several of such orders to respondent William E. Henner for handling by the said William E. Henner - to wit, orders to sell 7 carlots of October 1960 egg futures and an order to buy one carlot of such future.

V

Shortly after respondent Henner had received the above-described orders from respondent Crilly, and during the opening period of the trading session on the

Chicago Mercantile Exchange, respondent Henner sold 20 carlots of October 1960 egg futures to respondent Crilly at 30.65 cents per dozen, applied 7 carlots of the said sale against the selling orders which he had theretofore received from respondent Crilly, and took the remaining 13 carlots into his personal account. Respondent Crilly applied the purchase of the said 20 carlots against buying orders which he had in his possession, as described in paragraph IV. The said 20-carlot sale by respondent Henner to respondent Crilly established the high price quotation for August 4, 1960, on the Chicago Mercantile Exchange and was the only transaction at that price during that day. Immediately thereafter, respondent Henner purchased one carlot of October 1960 egg futures from respondent Crilly at 30.50 cents per dozen and applied such purchase against the buying order which he had theretofore received from respondent Crilly, and respondent Crilly took the sale side of the said transaction into his personal account.

VI

By reason of the acts and transactions described in paragraphs IV and V, respondent Crilly offset orders for the sale of October 1960 egg futures against the orders of other persons for the purchase of such futures, in willful violation of section 4b(D) of the Commodity Exchange Act (7 U.S.C. 1958 ed., § 6b(D)); and respondents Crilly and Henner executed purchases and sales of a commodity for future delivery in a manner which was not open and competitive, as required by section 1.38 of the rules and regulations (17 CFR 1.38), and in willful violation thereof.

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the respondents. The respondents will have twenty (20) days after the receipt of this notice of hearing in which to file with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., an answer with an original and five copies, fully and completely stating the nature of the defense and admitting or denying, specifically and in detail, each material and relevant 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 the material allegations of this complaint and a waiver of hearing. The respondents are hereby notified that unless hearing is waived, either expressly or by failure to file an answer and request a hearing, a hearing will be held at 10:00 a.m. local time on the 10th day of January 1961, in Chicago, Illinois, at a place therein to be specified later, before a referee designated to conduct such hearing. At such hearing the respondents will have the right to appear and show cause, if any there be, why an order should not be made revoking or suspending the registrations of the respondents as floor brokers under the act and directing that all contract markets refuse all trading privileges to the respondents for such period of time as may be determined.

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

Done at Washington, D. C.,

November 30 , 1960.

/s/ Clarence L. Miller

Clarence L. Miller

Assistant Secretary

LOAD-DATE: June 12, 2008

