

Commodity Futures Trading Commission  
CEA CASES

**NAME:** ALVIS R. DAVIS

**DOCKET NUMBER:** 50

**DATE:** MAY 23, 1949

**DOCUMENT TYPE:** COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re Alvis R. Davis Respondent

CE-A Docket No. 50

Complaint and Notice of Hearing under the Commodity Exchange Act

The Secretary of Agriculture has reason to believe that the respondent, Alvis R. Davis, has violated the provisions of the Commodity Exchange Act (7 U.S.C., Chapter I) and the rules and regulations thereunder. In accordance with the provisions of Section 6(b) of the said Act (7 U.S.C. 9), this complaint is issued alleging as follows:

1.

The respondent, Alvis R. Davis, an individual doing business as Alvis R. Davis and Company, 208 Woodruff Building, Springfield, Missouri, was at all times material to this complaint a non-clearing member of the Board of Trade of the City of Chicago (hereinafter called the Chicago Board of Trade) and of the Chicago Mercantile Exchange, both duly designated contract markets under the Commodity Exchange Act. The said respondent had an agreement or arrangement with the Uhlmann Grain Company of Chicago, Illinois, a registered futures commission merchant and a clearing member of the Chicago Board of Trade and of the Chicago Mercantile Exchange, under which the respondent acted as agent and correspondent of the said Uhlmann Grain Company in soliciting and

accepting orders from customers for the purchase or sale of commodities for future delivery on or subject to the rules of contract markets, receiving money, securities and property to margin, guarantee or secure the trades or contracts accruing to such customers as a result of such orders, transmitting such orders to the said Uhlmann Grain Company for execution, and remitting such money, securities and property to the said Uhlmann Grain Company for credit to the accounts of such customers.

2.

On or about January 23, 1948, the respondent, acting in the capacity of agent for Uhlmann Grain Company, accepted funds in the sum of one thousand dollars (\$ 1,000.00) from one A. J. Sams, to margin, guarantee and secure transactions in commodity futures in the account of the said A. J. Sams with Uhlmann Grain Company. The said respondent thereupon converted the said funds to his own use. By reason of such act, the respondent cheated, defrauded and wilfully deceived the said A. J. Sams, in violation of Section 4b of the Commodity Exchange Act (7 U.S.C. 6b).

3.

On or about January 16, 1949, the respondent, acting in the capacity of agent for Uhlmann Grain Company, accepted funds in the sum of one thousand three

hundred dollars (\$ 1,300.00) from one Lawrence J. Haymes to margin, guarantee and secure transactions

in commodity futures in the account of the said Lawrence J. Haymes with Uhlmann Grain Company. The said respondent thereupon converted the said funds to his own use. By reason of such act, the respondent cheated, defrauded and wilfully deceived the said Lawrence J. Haymes, in violation of Section 4b of the Commodity Exchange Act (7 U.S.C. 6b).

4.

On or about February 10, 1949, and February 12, 1949, the respondent, acting in the capacity of agent for Uhlmann Grain Company, accepted funds in the sum of one thousand two dollars and fifty-six cents (\$ 1,002.56) from one Leonard A. Voeltz to margin, guarantee and secure transactions in commodity futures in the account of the said Leonard A. Voeltz with Uhlmann Grain Company. The said respondent thereupon converted the said funds to his own use. By reason of such act, the respondent cheated, defrauded and wilfully deceived the said Leonard A. Voeltz, in violation of Section 4b of the Commodity Exchange Act (7 U.S.C. 6b).

5.

On or about February 8, 1949, the respondent, acting in the capacity of agent for Uhlmann Grain Company, sold 40,000 lbs. of March lard futures on the Chicago Board of Trade at 11.82 cents per lb. for the account and risk of the said Leonard A. Voeltz, pursuant to an order received from the said Leonard A. Voeltz. On the same day, on his own initiative and without any authority from

or notification to the said Leonard A. Voeltz, the respondent ordered Uhlmann Grain Company to purchase 40,000 lbs. of March lard futures on the Chicago Board of Trade at 11 cents per lb. and caused such executed purchase to be entered in the account of the said Leonard A. Voeltz with Uhlmann Grain Company. By reason of such act, the respondent wilfully deceived the said Leonard A. Voeltz, in violation of Section 4b of the Commodity Exchange Act (7 U.S.C. 6b).

6.

On or about February 9, 1949, the respondent, acting in the capacity of agent for Uhlmann Grain Company, received an order for the purchase of 40,000 lbs. of March lard futures and the sale of 40,000 lbs. of May lard futures for the account of the said Leonard A. Voeltz with Uhlmann Grain Company. The respondent subsequently reported to the said Leonard A. Voeltz that 40,000 lbs. of March lard futures had been bought on the Chicago Board of Trade at 11.45 cents per lb. and that 40,000 lbs. of May lard futures had been sold on the Chicago Board of Trade at 11.50 cents per lb. for his account and risk whereas, in truth and in fact, the respondent had not transmitted such orders for execution and no such purchase or sale had been executed. By reason of such acts, the respondent wilfully deceived the said Leonard A. Voeltz, and falsely represented to him that his orders had been executed on a contract market, in violation of

Sections 4b and 4h(2), respectively, of the Commodity Exchange Act (7 U.S.C. 6b, 6h(2)).

7.

The transactions in commodity futures contracts described in paragraphs 2, 3, 4, 5, and 6 above, were capable of being used for hedging transactions in interstate commerce in such commodities or the products or by-products thereof, or for determining the price basis for transactions in interstate commerce in

such commodities, or for delivering such commodities sold, shipped, or received in interstate commerce.

Therefore, the said respondent, Alvis R. Davis, is hereby notified to be and appear at a hearing to be held at 10 o'clock A. M. c.d.s.t., on the 28 day of June, 1949 in Room 1200, Board of Trade Building, 141 West Jackson Boulevard, Chicago, Illinois, before a referee designated to conduct such hearing 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 respondent for such period of time as the Secretary of Agriculture may determine.

The respondent will have twenty 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 in triplicate 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 that are not answered will be deemed admitted for the purpose 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 twenty days prior to the date set for hearing.

Done at Washington, D. C., this 23 day of May 1949.

/s/ Charles F. Brannan  
Secretary of Agriculture

**LOAD-DATE:** June 11, 2008

