

Commodity Futures Trading Commission
CEA CASES

NAME: THOMAS JORDAN

CITATION: 24 Agric. Dec. 430

DOCKET NUMBER: 124

DATE: APRIL 22, 1965

DOCUMENT TYPE: DECISION AND ORDER

(No. 9742)

In re THOMAS JORDAN. CEA Docket No. 124. Decided April 22, 1965.

Position limit -- Reporting requirements -- Denial of trading privileges -- Consent

All contract markets are ordered to refuse all trading privileges to respondent for a period of 30 days for exceeding the position limit in wheat futures and for violation of the reporting requirements of the act.

Mr. Earl L. Saunders for Commodity Exchange Authority. *Mr. Charles D. Marshall*, New Orleans, La., for respondent.

Decision by Thomas J. Flavin, Judicial Officer

PRELIMINARY STATEMENT

This is an administrative proceeding under the Commodity Exchange Act (7 U.S.C. 1 *et seq.*), in which the respondent, a trader in commodity futures, is charged with exceeding the 2,000,000 bushel speculative position limit in wheat futures in violation of section 4a of the act (7 U.S.C. 6a) and the order of the Commodity Exchange Commission (17 CFR 150.1), and with violating the reporting requirements of section 4i of the act (7 U.S.C. 6i) and

sections 15.01, 15.02, 15.03, 18.00, 18.01 and 18.03 of the regulations issued under the act (17 CFR 15.01, 15.02, 15.03, 18.00, 18.01, 18.03).

No hearing has been held with respect to this proceeding. On April 14, 1965, the respondent submitted a stipulation under section 0.4(b) of the rules of practice (17 CFR 0.4(b)), in which he admits the facts hereinafter set forth, waives hearing on the charges, and consents to the entry of the order contained herein.

FINDINGS OF FACT

1. Respondent, Thomas Jordan, is an individual whose business address is 800 Whitney Building, New Orleans, Louisiana. At all times material herein he was a member of the Board of Trade of the City of Chicago, hereinafter referred to as the Chicago Board of Trade.

2. The Chicago Board of Trade is now and was at all times material herein a duly designated contract market under the Commodity Exchange Act.

3. During the period February 20 through May 25, 1964, the respondent made trades in wheat futures on the Chicago Board of Trade in accounts carried in the names of Thomas Jordan, Thomas Jordan, Inc., and Ingersoll Jordan. All transactions in such accounts during such period belonged to or were controlled by the respondent.

4. On each day during the periods February 20 through March 10, 1964, and April 24 through May 25, 1964, the respondent held or controlled total speculative net short open contract positions in all wheat futures combined on the Chicago Board of Trade in the above named accounts, which positions were in excess of 2,000,000 bushels. Such positions ranged from 2,005,000 bushels to 2,315,000 bushels. By reason thereof, the respondent traded in wheat for future delivery on a contract market in amounts which resulted in positions in excess of the maximum permissible quantity of 2,000,000 bushels in all wheat futures combined.

5. On March 25 and 26, 1964, the respondent held or controlled a speculative net long open contract position in the May 1964 wheat future and a speculative net short open contract position in the September 1964 wheat future on the Chicago Board of Trade in the above-named accounts, each of which positions amounted to 2,100,000 bushels. By reason thereof, the respondent

traded in wheat for future delivery on a contract market in amounts which resulted in positions in excess of the maximum permissible quantity of 2,000,000 bushels in a single future.

6. On each day during the periods specified in paragraphs 4 and 5 above, the respondent held or controlled net short or net long open contract positions in wheat futures on the Chicago Board of Trade in the above-named accounts, which positions exceeded 200,000 bushels in a single future. The respondent was, therefore, in reporting status during such periods and was required to report to the Commodity Exchange Authority with respect to all transactions executed and all positions held or controlled by him, in all wheat futures on all contract markets during such periods and with respect to all 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), 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, 18.03). On February 20 and 24, 1964, March 5 and 26, 1964, and May 15, 1964, the respondent executed wheat futures transactions in one or more of the above-named accounts, but the respondent filed no reports with respect to such transactions and his positions on such dates.

7. The respondent filed reports with the Commodity Exchange Authority with respect to trading and positions in wheat futures on the Chicago Board of Trade in the accounts carried in his name and in the name of Thomas Jordan, Inc., on March 9, 10 and 25, 1964, April 24 and 28, 1964, and May 5, 6, 22 and 25, 1964. However, the respondent failed to include in such reports the trading and positions in the account carried in the name of Ingersoll Jordan, which belonged to or were controlled by the respondent.

CONCLUSIONS

By reason of the facts set forth in the Findings of Fact, it is concluded that the respondent violated sections 4a and 4i of the Commodity Exchange Act (7 U.S.C. 6a, 6i), the order of the Commodity Exchange Commission establishing limits on positions and trading in wheat for future delivery (17 CFR 150.1), and sections 15.01, 15.02, 15.03, 18.00, 18.01 and 18.03 of the regulations issued under the Commodity Exchange Act (17 CFR 15.01, 15.02, 15.03, 18.00, 18.01, 18.03).

The complainant states that the administrative officials of the Commodity Exchange Authority have carefully considered the

proposed stipulation and order and that they believe that the proposed sanction is adequate and that the prompt entry, without further proceedings, of the order to which the respondent has consented will constitute a satisfactory disposition of this case, serve the public interest, and effectuate the purposes of the

Commodity Exchange Act. The complainant, therefore, recommends that the stipulation and waiver submitted by the respondent be accepted and that the proposed order be issued. It is so concluded.

ORDER

Effective on the thirtieth day after the date of issuance of this order, all contract markets shall refuse all trading privileges to the respondent, Thomas Jordan, for a period of thirty (30) days, such refusal to apply to all trading done and positions held by him directly or indirectly.

A copy of this decision and order shall be served on the respondent and on each contract market.

LOAD-DATE: June 8, 2008

