

Commodity Futures Trading Commission
CEA CASES

NAME: THOMAS JORDAN & COMPANY THOMAS JORDAN EDMUND H. CRANE, AND FRANK W. VAN KIRK

DOCKET NUMBER: 44

DATE: FEBRUARY 12, 1948

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Thomas Jordan & Company Thomas Jordan Edmund H. Crane, and Frank W. Van Kirk, Respondents

CE-A Docket No. 44

Complaint and notice of hearing under Section 6(b) of the Commodity Exchange Act

The Secretary of Agriculture has reason to believe that the respondents. Thomas Jordan & Company, Thomas Jordan, Edmund H. Crane and Frank W. Van Kirk, have violated the provisions of the Commodity Exchange Act (7 U.S.C. 1-17a), and the rules and regulations promulgated thereunder. In accordance with the provisions of Section 6(b) of the said Act, this complaint is issued alleging as follows:

1.

Respondent Thomas Jordan & Company is a partnership doing business at 615 Commercial Place, New Orleans, Louisiana. The said partnership was at all times material to this complaint and is now registered as a futures commission merchant under the provisions of the Commodity Exchange Act. The said partnership enjoys membership trading privileges on the New Orleans Cotton Exchange and the New York Cotton Exchange, and is a member of the New Orleans Cotton Exchange Clearing Associations.

2.

The New Orleans Cotton Exchange and the New York Cotton Exchange are duly designated contract markets under the provisions, of the Commodity Exchange Act.

3.

Thomas Jordan, an individual, is a member of the partnership of Thomas Jordan & Company and a member of the New Orleans Cotton Exchange and the New York Cotton Exchange.

4.

Edmund H. Crane, an individual, is a member of the partnership of Thomas Jordan & Company and a member of the New Orleans Cotton Exchange.

5.

Frank W. Van Kirk, an individual, is a member of the partnership of Thomas Jordan & Company and a member of the New Orleans Cotton Exchange. The said Frank W. Van Kirk was at all times material to this complaint and is now a registered floor broker under the provisions of the Commodity Exchange Act.

6.

On or about December 16, 1947, respondent Thomas Jordan caused the execution on the New Orleans Cotton Exchange of a purchase of

17,200 bales of 1948 March cotton futures for his personal account, against a reciprocal sale on the said Exchange of 17,200 bales of 1948 March cotton futures for his personal account.

7.

On or about December 16, 1947, respondent Thomas Jordan caused the execution on the New Orleans Cotton Exchange of a purchase of 14,600 bales of 1948 May cotton futures for his personal account, against a reciprocal sale on the said Exchange of 14,600 bales of 1948 May cotton futures for his personal account.

8.

On or about December 16, 1947, respondent Edmund He Crane caused and directed the execution of a reciprocal purchase, and sale on the New Orleans Cotton Exchange of 17,200 bales of 1948 March cotton futures at 36.98 cents per pound, for the personal account of respondent Thomas Jordan carried on the books of respondent Thomas Jordan & Company.

9.

On or about December 16, 1947, respondent Edmund H. Crane caused and directed the execution of a reciprocal purchase and sale on the New Orleans Cotton Exchange of 14,600 bales of 1948 May cotton futures at 35.60 cents per pound, for the personal account of respondent Thomas Jordan carried on the books of respondent Thomas Jordan & Company.

10.

On or about December 16, 1947, respondent Frank W. Van Kirk received an order or orders from his firm, respondent Thomas Jordan & Company, to buy and sell 17,200 bales of 1948 March cotton futures on the New Orleans Cotton Exchange at 36.98 cents per pound. Respondent Frank W. Van Kirk, acting for the said Thomas Jordan & Company, executed such order or orders on the floor of the New Orleans Cotton Exchange by offsetting a purchase of 17,200 bales of 1948 March cotton futures at 35.98 cents per pound against a sale of 17,200 bales of 1948 March cotton futures at the same price. These transactions were for the personal account of respondent Thomas Jordan, carried on the books of Thomas Jordan & Company.

11.

On or about December 16, 1947, respondent Frank W. Van Kirk received an order or orders from his firm, respondent Thomas Jordan & Company, to buy and sell 14,600 bales of 1946 May cotton futures on the New Orleans Cotton Exchange at 36.60 cents per pound. Respondent Frank W. Van Kirk, acting for the said Thomas Jordan & Company, executed such order or orders on the floor of the New Orleans Cotton Exchange by offsetting a purchase of 14,600 bales of 1948 May cotton futures at 35.60 cents per pound against a sale of 14,600 bales of 1948 May cotton futures at the same price. These transactions were

for the personal account of respondent Thomas Jordan, carried on the books of Thomas Jordan & Company.

12.

The transactions in cotton futures described in paragraphs 6, 7, 8, 9, 10 and 11, above, were capable of being used for hedging a transaction in interstate commerce in cotton, or the products or by products thereof, or for determining

the price some of a the transaction in interstate commerce in cotton, or for delivering cotton sold, shipped or received in interstate commerce.

13.

By reason of the transactions described in paragraphs 6, 7, 8, 9, 10 and 11 above, the said respondents offered to enter into, entered into, executed and confirmed the execution of transactions which were wash sales and fictitious sales, in violation of Section 4(a) of the Commodity Exchange Act.

Therefore, the said respondents, Thomas Jordan & Company, Thomas Jordan, Edmund H. Crane, and Frank W. Van Kirk are hereby notified to be and appear at a hearing to be held at 10 o'clock, a.m., c.s.t. on the 31st day of March, 1948, in Room 306, New Orleans Cotton Exchange Building, New Orleans, Louisiana, before a referee designated to conduct such hearing and then and there show cause, if any there be, why

an order should not be made suspending or revoking their registrations as futures commission merchants or floor brokers under the Commodity Exchange Act, and directing that all contract markets refuse all trading privileges to the said respondents for such period of time as the Secretary of Agriculture may determine.

The respondents will have 20 days after the receipt of this notice of hearing in which to file with the Secretary of Agriculture, in triplicate, an answer 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 respondents by delivery of a true copy thereof by an employee of the Department of Agriculture, or by registered mail, at least 20 days prior to the date set for hearing.

Done at Washington, D. C., this

12th day of February 1948.

/s/ Clinton P. Anderson

Secretary of Agriculture

LOAD-DATE: June 16, 2008

