

Commodity Futures Trading Commission
CEA CASES

NAME: THOMAS JORDAN

DOCKET NUMBER: 124

DATE: JANUARY 22, 1965

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Thomas Jordan, Respondent

CEA Docket No. 124

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

There is reason to believe that the respondent, Thomas Jordan, has violated the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), and the rules and regulations made pursuant thereto (17 CFR, Part 1), 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

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

II

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

III

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.

IV

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, in willful violation of section 4a of the Commodity Exchange Act (7 U.S.C. 6a), and the order of the Commodity Exchange Commission establishing limits on positions and trading in wheat for future delivery (17 CFR 150.1).

V

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, in willful violation of section 4a of the Commodity Exchange Act (7 U.S.C. 6a), and the order of the Commodity Exchange Commission establishing limits on positions and trading in wheat for future delivery (17 CFR 150.1).

VI

On each day during the periods specified in paragraphs IV and V hereof, 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. By reason of such facts, the respondent willfully violated the foregoing provisions of the Commodity Exchange Act and regulations.

VII

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. By reason of such facts the respondent filed false reports in willful violation of section 4i of the Commodity Exchange Act 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).

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the said 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 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 waiver of hearing. The respondent is 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 March 17, 1965, in New Orleans, Louisiana, 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.

January 22 1965

[SEE SIGNATURE IN ORIGINAL]

George L. Mehren

Assistant Secretary

LOAD-DATE: June 12, 2008

