

Commodity Futures Trading Commission
CEA CASES

NAME: RICHARD D. KOHN, MARSHALL J. STEIN, THOMAS CURTEAN, AND BRIAN H. MCGUIRE

DOCKET NUMBER: 199

DATE: DECEMBER 18, 1972

DOCUMENT TYPE: DECISION AND ORDER

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Richard D. Kohn, Marshall J. Stein, Thomas Curtean, and Brian H. McGuire,
Respondents

CEA Docket No. 199

Decision and Order as to Richard D. Kohn, Marshall Stein and Thomas Curtean
Preliminary Statement

This is an administrative proceeding under the Commodity Exchange Act (7 U.S.C. Chapter 1), instituted by a complaint and notice of hearing issued on September 1, 1972, under section 6(b) and (c) of the said Act (7 U.S.C. 9 and 13b). The respondents are charged with willfully violating section 1.38 of the regulations issued under the said Act (17 CFR 1.38).

No hearing has been held in this proceeding. A Decision and Order as to respondent Brian H. McGuire was entered on October 25, 1972. Respondents Richard D. Kohn, Marshall J. Stein and Thomas Curtean have filed stipulations under section 0.4(b) of the rules of practice (17 CFR 0.4(b)) in which they (1) admit the facts hereinafter set forth in paragraphs 1 and 2 of the Findings of Fact, (2) admit, for the purpose of this proceeding and for such purposes only, the remaining facts set forth in the Findings of Fact, and (3) waive oral hearing on the charges in the complaint and the report of the Referee and consent to the entry, without further proceedings, of the order contained herein.

Findings of Fact

1. Respondents Richard D. Kohn, Marshall J. Stein, and Thomas Curtean are now, and were at all times material herein, registered floor brokers under the Commodity Exchange Act and members of the Chicago Mercantile Exchange, a duly designated contract market under the Commodity Exchange Act.

2. The transactions specified herein were in live cattle futures and were entered into on or subject to the rules of the Chicago Mercantile Exchange. Such transactions could have been used for hedging transactions in interstate commerce in cattle or the products or by-products thereof, or for determining the price basis of transactions in interstate commerce in cattle, or for delivering cattle sold, shipped, or received in interstate commerce.

3. On August 21, 1969, and March 24, 1970, the respondents entered into transactions as specified in the tabulation below. In entering into such transactions the respondents acted pursuant to, and in accordance with, an understanding or arrangement (1) that on August 21, 1969, respondent Stein would enter into a spread transaction with respondent McGuire and that respondent Kohn would enter into a reciprocal spread transaction with respondent Curtean, (2) that on March 24, 1970, respondent Stein would enter into a spread transaction with respondent McGuire offsetting that entered into between them on August 21, 1969, and that respondent Kohn would enter into a spread transaction with respondent Curtean offsetting that entered into on August 21, 1969.

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Purchase					
Date	Commodity and Future	Respondent for Whose Account Purchase Was Made	Respondent Acting as Floor Broker or Trader	Respondent Acting as Floor Broker or Trader	Quantity (No. of Contracts)
8/21/69	October Cattle	Stein	Stein	Stein	100
8/21/69	December Cattle	McGuire	McGuire	McGuire	100
8/21/69	October Cattle	Curtean	Curtean	Curtean	100
8/21/69	December Cattle	Kohn	Kohn	Kohn	100
3/24/70	October Cattle	McGuire	McGuire	McGuire	100
3/24/70	December Cattle	Stein	Kohn	Kohn	100
3/24/70	October Cattle	Kohn	Stein	Stein	100
3/24/70	December Cattle	Curtean	Curtean	Curtean	100

Sale					
Date	Commodity and Future	Price (Per Cwt.)	Respondent Acting as Floor Broker or Trader	Respondent Acting as Floor Broker or Trader	Respondent for Whose Account Sale Was Made
8/21/69	October Cattle	26.00	McGuire	McGuire	McGuire
8/21/69	December Cattle	26.00	Stein	Stein	Stein
8/21/69	October Cattle	26.00	Kohn	Kohn	Kohn
8/21/69	December Cattle	26.00	Curtean	Curtean	Curtean
3/24/70	October Cattle	30.55	Kohn	Stein	Stein
3/24/70	December Cattle	30.35	McGuire	McGuire	McGuire
3/24/70	October Cattle	30.55	Curtean	Curtean	Curtean
3/24/70	December Cattle	30.35	Stein	Kohn	Kohn

Conclusions

By reason of the facts set forth in the Findings of Fact, it is concluded that respondents Richard D. Kohn, Marshall J. Stein and Thomas Curtean, as charged in the complaint, executed purchases and sales of commodities for future delivery in a manner that was not open and competitive, in willful violation of section 1.38 of the regulations under the Commodity Exchange Act (17 CFR 1.38).

The complainant states that the administrative officials of the Commodity Exchange Authority have carefully considered the stipulations and the terms of the proposed order and they believe that the entry of such an order without further proceedings would constitute a satisfactory disposition of this case as to Richard D. Kohn, Marshall J. Stein, and Thomas Curtean, serve the public interest and effectuate the purposes of the Commodity Exchange Act. The complainant, therefore, recommends that the stipulations be accepted and the proposed order be issued, terminating this proceeding as to respondents Richard D. Kohn, Marshall J. Stein and Thomas Curtean.

It is concluded that the complainant's recommendation should be adopted.

Order

1. Effective upon the date of service of this order upon respondents Richard D. Kohn, Marshall J. Stein and Thomas Curtean, they shall cease and desist from executing any futures transaction subject

to the Commodity Exchange Act if such transaction is not executed openly and competitively in accordance with section 1.38 of the regulations issued under the Commodity Exchange Act (17 CFR 1.38).

2. Effective on the fifteenth day after the date of entry of this order (1) the registration of respondent Richard D. Kohn as floor broker under the

Commodity Exchange Act is suspended for a period of 15 days, and (2) the said respondent is prohibited from trading on or subject to the rules of any contract market for a period of 15 days and all contract markets shall refuse all trading privileges to the respondent during this period. Such prohibition and refusal shall apply to all trading done and positions held directly by the respondent for his own account and also to all trading done and positions held indirectly through persons or firms owned wholly or in substantial amount by the said respondent or in any way subject to his direction or control, wholly or substantially, including but not limited to Stein-Kohn & Co.

3. Effective on the thirtieth day after the date of entry of this order, (1) the registration of respondent Marshall J. Stein a floor broker under the Commodity Exchange Act is suspended for a period of 15 days, and (2) the said respondent is prohibited from trading on or subject to the rules of any contract market for a period of 15 days and all contract markets shall refuse all trading privileges to the respondent during this period. Such prohibition and refusal shall apply to all trading done and positions held directly by the respondent

for his own account and also to all trading done and positions held indirectly through persons or firms owned wholly or in substantial amount by the said respondent or in any way subject to his direction or control, wholly or substantially, including but not limited to Stein-Kohn & Co.

4. Effective upon the thirtieth day after the date of entry of this order (1) respondent Thomas Curtean is prohibited from trading on or subject to the rules of any contract market for a period of 15 days, and all contract markets shall refuse all trading privileges to the said respondent during this period, such prohibition and refusal to apply to all trading done and all positions held by the said respondent directly or indirectly, and (2) the registration of the respondent as floor broker under the Commodity Exchange Act is suspended for a period of 15 days.

A copy of this Decision and Order shall be served on each of the parties and on each contract market.

Done at Washington, D.C.

DEC 18 1972

[SEE SIGNATURE IN ORIGINAL]

Judicial Officer

Office of the Secretary

LOAD-DATE: June 16, 2008

