

UNITED STATE OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

EDWARD LAU

v.

BOARD OF TRADE OF THE
CITY OF NEW YORK, INC.

CFTC Docket No. 06-E-1

ORDER OF SUMMARY AFFIRMANCE

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Appellant Edward Lau seeks reversal of the decision of the Board of Trade of the City of New York, Inc. ("NYBOT") to deny his application for membership. Review of the record in light of the applicable policies and standards establishes that NYBOT's decision is substantially correct. Because we also conclude that the parties have not raised important questions of law or policy that merit discussion, we are affirming NYBOT's decision without opinion pursuant to Commission Rule 9.33(b). In taking this action, we do not necessarily endorse the specific reasoning reflected in NYBOT's decision.¹ Accordingly, NYBOT's decision shall neither be cited as Commission precedent in any proceeding nor deemed an expression of the Commission's views on the issues raised in this case.

IT IS SO ORDERED.

By the Commission (Chairman JEFFERY and Commissioners LUKKEN and DUNN;
Commissioner HATFIELD not participating).



Catherine D. Daniels
Assistant Secretary of the Commission
Commodity Futures Trading Commission

Dated: December 27, 2006

¹We do not endorse the finding of NYBOT's Special Committee that Lau's failure to reduce his positions when instructed by a representative of his clearing firm, Geldermann, Inc. ("Geldermann") subjected Geldermann to "undue risk and the possibility of substantial losses." The record reflects instead that Lau's business associates had pledged several exchange seats to Geldermann. Sept. 12, 2005 Hearing Tr. at 10, 11, 12. The record supports the Special Committee's findings that Lau failed to cooperate with clearing member instructions.