

Commodity Futures Trading Commission
CEA CASES

NAME: JAMES E. BAGGOT, JR.

DOCKET NUMBER: STIPULATION 37

DATE: April 24, 1958

DOCUMENT TYPE: STIPULATION OF COMPLIANCE

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: James E. Baggot, Jr.

Stipulation of Compliance under the Commodity Exchange Act No. 37

WHEREAS, the Secretary of Agriculture has reason to believe that James E. Baggot, Jr. has violated the provisions of the Commodity Exchange Act (17 CFR, Chapter 1) and the rules and regulations of the Secretary of Agriculture promulgated thereunder by virtue of certain transactions involving the purchase and sale of wheat and soybean futures, and

WHEREAS, no complaint with respect to such violations has been issued, and

WHEREAS, section 0.4(a) of the rules of practice under the Commodity Exchange Act (17 CFR 0.4(a)) provides that at any time prior to the issuance of a complaint in any proceeding, the Secretary of Agriculture may, in his discretion, enter into a stipulation with a prospective respondent whereby the latter admits the material facts and agrees to discontinue the acts or practices which are intended to be set up as violative of the Act, and

WHEREAS, the said James E. Baggot, Jr. is desirous of disposing of this matter by entering into such a stipulation,

NOW, THEREFORE, the said James E. Baggot, Jr. hereby stipulates and represents that the following facts are true:

1. James E. Baggot, Jr. is a member of the Chicago Board of Trade and partner in the firm of Baggot and Morrison. The firm of Baggot and Morrison is a clearing member of the Chicago Board of Trade and is registered as a futures commission merchant under the Commodity Exchange Act.

2. Section 1.38 of the rules and regulations under the Commodity Exchange Act (17 CFR, 1954 Supp., 1.38) provides as follows:

All purchases and sales of any commodity for future delivery on or subject to the rules of a contract market shall be executed openly and competitively as to price by open outcry or posting of bids and offers or by other equally open and competitive methods, in the trading pit or ring or similar place provided by the contract market, during the regular hours prescribed by the contract market for trading in such commodity: Provided, however, That this requirement shall not apply to such transactions as are executed in accordance with written rules of the contract market which have been submitted to and not disapproved by the Secretary of Agriculture, specifically providing for the noncompetitive execution of such transactions.

3. On March 5, 1958, James E. Baggot, Jr., acting for his own account, entered on his trading card the following transactions in wheat futures on the Chicago Board of Trade:

Bot	Sold	Future	Price	Clearing Member	Opposite Broker	Opposite Clearing Member
400		Sept.	1.99 1/4	Baggot & Morrison	D. W. Morrison	Baggot & Morrison

Bot	Sold	Future	Price	Clearing Member	Opposite Broker	Opposite Clearing Member
	400	July	1.96	" "	"	" "

These transactions were cleared through the Chicago Board of Trade Clearing Corporation on March 6, 1958.

The above transactions were made in the pit by negotiation with Donald W. Morrison and were not made openly and competitively, and were not within any of the exceptions specified in section 1.38 of the rules and regulations under the Commodity Exchange Act (17 CFR, 1954 Supp., 1.38).

4. On March 5, 1958, James E. Baggot, Jr., acting upon instructions received from William E. Henner, a member of the Chicago Board of Trade, entered on his trading card, for the account of Daniel R. Jesser, a customer of the firm of Baggot & Morrison, the following transactions in soybean futures traded on the Chicago Board of Trade:

Bot	Sold	Future	Price	Clearing Member	Opposite Broker	Opposite Clearing Member
100		May	2.26 1/4	Baggot & Morrison	W. E. Henner	Baggot & Morrison
	100	July	2.27 1/4	" "	"	" "

These transactions were not cleared through the Chicago Board of Trade Clearing Corporation until March 14, 1958.

The above transactions were made in the pit by negotiation with William E. Henner and were not made openly and competitively, and were not within the exceptions specified in section 1.38 of the rules and regulations under the Commodity Exchange Act (17 CFR, 1954 Supp., 1.38).

In addition to admitting the foregoing facts, the said James E. Baggot, Jr. hereby agrees to discontinue all such acts and practices

and to refrain from all other acts and practices which are in violation of the Commodity Exchange Act or the rules and regulations thereunder, and further understands that this stipulation shall be admissible as evidence of acts and practices in violation of the rules and regulations under the Commodity Exchange Act in any proceeding based upon transactions in addition to those referred to in paragraphs 3 and 4 hereof which may hereafter be brought by the Secretary of Agriculture against the said James E. Baggot, Jr. under the provisions of the said Act.

Done at Chicago, Illinois, this

day of April 24, 1958.

/s/ J. E. Baggot

Witnessed by:

/s/ Charles E. Robinson

/s/ Samuel F. Gordon

LOAD-DATE: June 16, 2008

