

Commodity Futures Trading Commission
CEA CASES

NAME: FARMERS NATIONAL GRAIN CORPORATION V. THE BOARD OF TRADE OF THE CITY OF CHICAGO AND THE BOARD OF TRADE CLEARING CORPORATION

DOCKET NUMBER: GFA-5

DATE: 1934

DOCUMENT TYPE: SUMMARY OF CASE

NOTE: PROCEEDING BEFORE THE GRAIN FUTURES COMMISSION UNDER THE GRAIN FUTURES ACT

GFA Docket No. 5

Farmers' National Grain Corporation, complainant

vs.

The Board of Trade of the City of Chicago

and the

Board of Trade Clearing Corporation, respondents

As a result of a complaint filed with the Secretary of Agriculture by the Farmers' National Grain Corporation on April 8, 1932, and a supplemental complaint filed on April 14, 1932, the Grain Futures Commission held a hearing on June 8, 1932.

Complainant, a co-operative, admitted to membership on the Chicago Board of Trade and was denied membership in the Clearing Corporation. The Grain Futures Commission ruled that the privilege of clearing grain futures trades was a privilege of contract market membership. This ruling was sustained on appeal to the Court of Appeals for the Seventh Circuit but was remanded to the Commission for further proceedings, and a definite finding as to whether the complainant co-operative was transacting 50 percent or more of its business with its own members.

Certiorari was denied by the United States Supreme Court on March 5, 1934. The co-operative subsequently obtained membership in the Clearing Corporation.

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