

Commodity Futures Trading Commission
CEA CASES

NAME: COLEMAN & COMPANY, JOHN R. JAKOBSON, AND MICHAEL J. CORRIGAN

DOCKET NUMBER: STIPULATION 50

DATE: DECEMBER 22, 1959

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UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Coleman & Company John R. Jakobson, and Michael J. Corrigan

Stipulation of Compliance under the Commodity Exchange Act No. 50

The Secretary of Agriculture has reason to believe that Coleman & Company, John R. Jakobson, and Michael J. Corrigan have 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 in cottonseed oil futures as set forth below.

No complaint with respect to such violations has been issued and the said Coleman & Company, John R. Jakobson, and Michael J. Corrigan are desirous of disposing of the matter by entering into a stipulation of compliance, as authorized by section 0.4(a) of the Rules of Practice under the Commodity Exchange Act (17 CFR, 0.0-0.28).

Therefore, the said Coleman & Company, John R. Jakobson, and Michael J. Corrigan stipulate that the following facts are true:

1. Coleman & Company is a partnership with an office at 120 Broadway, New York 5, New York, is a clearing member of the New York Produce Exchange, and a registered futures commission merchant under the Commodity Exchange Act.

2. John R. Jakobson is an individual whose business address is 120 Broadway, New York 5, New York.

3. Michael J. Corrigan is an individual whose address is No. 2 Broadway, New York 4, New York. He is a member of the New York Produce Exchange and a registered floor broker under the Commodity Exchange Act.

4. The New York Produce Exchange is a contract market designated as such under the Commodity Exchange Act by the Secretary of Agriculture.

5. At the close of business on December 4, 1958, the said John R. Jakobson held a long position of 20 contracts of May 1959 cottonseed oil futures on the New York Produce Exchange on the books of Coleman & Company. This position had been acquired by purchases made on various dates in November 1958.

6. On or about December 5, 1958, John R. Jakobson instructed Coleman & Company to liquidate his May 1959 cottonseed oil future position and then to reinstate it. His order was relayed by Coleman & Company to Michael J. Corrigan, who executed it by trading with Murray H. Nelson, Julius Wagner, Otto F. Rehders, and Dominick R. Comenzo as follows:

A. By Direct Crossing:

Corrigan Bought from:	Corrigan Sold to:
Nelson 5 May cottonseed oil @ 1313	Nelson 5 May cottonseed oil @ 1312
Wagner 5 May cottonseed oil @ 1313	Wagner 5 May cottonseed oil @ 1312

B. By Switch Trades:

Corrigan Bought from:		Corrigan Sold to:	
Rehders 2 Mar. cottonseed oil @ 1310	Rehders 2 May cottonseed oil @ 1312	Rehders 2 Mar. cottonseed oil @ 1310	
Rehders 2 May cottonseed oil @ 1312			
Wagner 3 Mar. cottonseed oil @ 1310	Wagner 3 May cottonseed oil @ 1312	Wagner 3 Mar. cottonseed oil @ 1310	
Wagner 3 May cottonseed oil @ 1313			
Comenzo 5 Mar. cottonseed oil @ 1310	Comenzo 5 May cottonseed oil @ 1312	Comenzo 5 Mar. cottonseed oil @ 1310	
Comenzo 5 May cottonseed oil @ 1313			

The transactions in May cottonseed oil made by Corrigan were for the account of John R. Jakobson; the trades in March cottonseed oil made by Corrigan were for his own account; and all of the trades made by the other brokers were for their own accounts or accounts in which they had a pecuniary interest.

7. At the close of business on December 10, 1958, the said John R. Jakobson held a long position of 20 contracts of May 1959 cottonseed oil futures on the New York Produce Exchange on the books of Coleman & Company.

8. On or about December 11, 1958, John R. Jakobson instructed Coleman & Company to liquidate his May 1959 cottonseed oil future position and then to reinstate it. His order was relayed by Coleman & Company to Michael J. Corrigan, who executed it by trading with Murray H. Nelson, George A. Elbert, and Jack W. Sommers as follows:

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Corrigan Bought from:		Corrigan Sold to:	
Nelson 5 July cottonseed oil @ 1270	Nelson 5 May cottonseed oil @ 1281	Nelson 5 July cottonseed oil @ 1270	
Nelson 5 May cottonseed oil @ 1282			
Nelson 3 Mar. cottonseed oil @ 1277	Nelson 3 May cottonseed oil @ 1280	Nelson 3 Mar. cottonseed oil @ 1277	
Nelson 3 May cottonseed oil @ 1281			
Elbert 5 July cottonseed oil @ 1270	Elbert 5 May cottonseed oil @ 1281	Elbert 5 July cottonseed oil @ 1270	
Elbert 5 May cottonseed oil @ 1282			
Elbert 4 Mar. cottonseed oil @ 1277	Elbert 4 May cottonseed oil @ 1281	Elbert 4 Mar. cottonseed oil @ 1277	
Elbert 4 May cottonseed oil @ 1281			
Sommers 3 Mar. cottonseed oil @ 1277	Sommers 3 May cottonseed oil @ 1280	Sommers 3 Mar. cottonseed oil @ 1277	
Sommers 3 May cottonseed oil @ 1281			

The transactions in May cottonseed oil made by Corrigan were for the account of John R. Jakobson; the trades in March and July cottonseed oil made by Corrigan were for his own account; and all of the trades made by the other brokers were for accounts in which they had a pecuniary interest.

The Commodity Exchange Authority has advised Coleman & Company, John R. Jakobson, and Michael J. Corrigan that in its opinion the transactions described in paragraphs 6 and 8 above are in violation of the Commodity Exchange Act and the regulations thereunder, particularly those provisions relating to "wash trades" and the requirement that all trading be done openly and competitively.

Coleman & Company, John R. Jakobson, and Michael J. Corrigan agree to desist from such practices in the future and to comply fully with the requirements of the Commodity Exchange Act and the regulations of the

Secretary of Agriculture thereunder; and specifically to refrain from entering into "wash trades" and to refrain from entering orders which call for or encourage execution otherwise than by open and competitive means. They further understand and agree that this stipulation shall be admissible of acts and

practices in violation of the Commodity Exchange Act in any proceeding based upon transactions in addition to those referred to herein which may hereafter be brought by the Secretary of Agriculture against any of them under the provisions of the said act.

Done at New York, New York, this 22 day of December 1959.

/s/ Coleman & Company

Coleman & Company

By /s/ J. C. Louis

/s/ John R. Jakobson

John R. Jakobson

/s/ Michael J. Corrigan

Michael J. Corrigan

Witnessed by:

/s/ Roy Tipton

/s/ Hugh A. Collins

LOAD-DATE: June 16, 2008

