

Commodity Futures Trading Commission
CEA CASES

NAME: ARTHUR P. GUMZ, DOROTHY GUMZ, FREDERICK D. GUMZ, AND PAUL A. GUMZ

DOCKET NUMBER: 135

DATE: MARCH 30, 1966

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UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Arthur P. Gumz, Dorothy Gumz, Frederick D. Gumz, and Paul A. Gumz,
Respondents

CEA Docket No. 135

Complaint and Notice of Hearing Under Section 6(b) of the Commodity Exchange Act

There is reason to believe that the respondents, Arthur P. Gumz, Dorothy Gumz, Frederick D. Gumz, and Paul A. Gumz, have violated the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), and the rules and regulations issued thereunder (17 CFR, Part I), and in accordance with the provisions of section 6(b) of the said act (7 U.S.C. 9), this complaint and notice of hearing is issued stating the charges in that respect as follows:

I

Each of the respondents is an individual whose address is 201 Wilson Street, North Judson, Indiana.

II

The New York Mercantile Exchange is now and was at all times material herein a duly designated contract market under the Commodity Exchange Act.

III

From June 30, 1965, through February 28, 1966, the respondents, acting pursuant to an expressed or implied agreement or understanding,

made trades and held speculative open positions in potato futures on the New York Mercantile Exchange. During the periods set forth below, the range of the aggregate speculative net long open positions in each single potato future and in all potato futures combined so held by the respondents was as follows:

Future	Period Held	Range of Positions (carlots)
March 1966	July 20, 1965, through February 2, 1966	160 to 260
April 1966	September 28, 1965, through February 28, 1966	165 to 270
May 1966	June 30, 1965, through February 28, 1966	184 to 522
All Futures Combined	July 12, 1965, through February 28, 1966	370 to 1047

By reason of the facts described above, the respondents traded in potatoes for future delivery on a contract market in amounts which resulted in positions in excess of the maximum permissible quantity of 350 carlots in all potato futures combined, and in excess of the maximum permissible quantity of 150 carlots in each of the March, April and May potato futures, in willful violation of section 4a of the Commodity Exchange Act (7 U.S.C. 6a), and the order of the

Commodity Exchange Commission establishing limits on positions and trading in potatoes for future delivery (17 CFR 150.10).

IV

From September 28, 1965, through February 24, 1966, respondent Arthur P. Gumz held speculative net long open positions in all potato

futures combined on the New York Mercantile Exchange which ranged between 362 carlots and 495 carlots. From October 8, 1965, through February 14, 1966, respondent Arthur P. Gumz held speculative net long open positions in the April 1966 potato future on the New York Mercantile Exchange which ranged between 167 carlots and 180 carlots. From October 8, 1965, through December 7, 1965, the said respondent held speculative net long open positions in the May 1966 potato future on the New York Mercantile Exchange which ranged between 155 carlots and 170 carlots, and from January 17, 1966, through February 14, 1966, the said respondent held a speculative net long open position of 155 carlots in such future. By reason of such facts, respondent Arthur P. Gumz traded in potatoes for future delivery on a contract market in amounts which resulted in positions in excess of the maximum permissible quantity of 350 carlots in all potato futures combined, and in excess of the maximum permissible quantity of 150 carlots in each of the April and May potato futures, in willful violation of section 4a of the Commodity Exchange Act (7 U.S.C. 6a), and the order of the Commodity Exchange Commission establishing limits on positions and trading in potatoes for future delivery (17 CFR 150.10).

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the said respondents. The respondents will have twenty (20) days after the receipt of this complaint in which to file with the Hearing Clerk, United States Department of Agriculture,

Washington, D. G. 20250, an answer with an original and five copies, fully and completely stating the nature of the defense and admitting or denying, specifically and in detail, each material and relevant allegation of this complaint. Allegations not answered will be deemed admitted for the purpose of this proceeding. Failure to file an answer will, constitute an admission of all the material allegations of this complaint and a waiver of hearing. The respondents are hereby notified that unless hearing is waived, either expressly or by failure to file an answer and request a hearing, a hearing will be held at 10:00 a.m., local time, on May 11, 1966, in Chicago, Illinois, at a place therein to be specified later, before a referee designated to conduct such hearing. At such hearing, the respondents will have the right to appear and show cause, if any there be, why an order should not be made directing that all contract markets refuse all trading privileges to each of the respondents for such period of time as may be determined.

It is ordered that this complaint and notice of hearing be served on the respondents at least twenty (20) days prior to the date set for hearing.

Done at Washington, D. C.

MAR 30 1966

[SEE SIGNATURE IN ORIGINAL]

Assistant Secretary

LOAD-DATE: June 12, 2008

