

Commodity Futures Trading Commission  
CEA CASES

**NAME:** JOSEPH R. AWAD

**DOCKET NUMBER:** 79

**DATE:** MARCH 6, 1958

**DOCUMENT TYPE:** COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Joseph R. Awad, Respondent

CEA Docket No. 79

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

There is reason to believe that the respondent, Joseph R. Awad has violated the provisions of the Commodity Exchange Act (7 U.S.C. 1952 ed., Chapter 1), and the rules and regulations of the Secretary of Agriculture made pursuant thereto (17 CFR, Part 1). In accordance with the provisions of section 6(b) of the Commodity Exchange Act (7 U.S.C. 1952 ed. § 9), this complaint and notice of hearing is issued alleging as follows:

I

Respondent Joseph R. Awad is an individual with an office and place of business at 507 Fifth Avenue, Suite 300, New York 17, New York, c/o J.R.A. International Company.

II

The Board of Trade of the City of Chicago, hereinafter called the Chicago Board of Trade, has been at all times material to this complaint, and is now, a duly designated contract market under the Commodity Exchange Act.

III

On July 9 and July 10, 1957, respondent Joseph R. Awad had a net long open contract position in September 1957 lard futures on the Chicago Board of Trade of 1,040,000 pounds and 1,600,000 pounds, respectively. By reason of the fact that such quantities were equal to or in excess of 1,000,000 pounds, said respondent was in reporting status and was required to report to the Commodity Exchange Authority with respect to all transactions executed and all open contract positions held for his account in all lard futures on all boards of trade (exchanges) during the said period, and with respect to all such transactions by reason of which said respondent's position was reduced below reporting levels, as provided in section 4i of the Commodity Exchange Act (7 U.S.C. 1952 ed., § 6i) and sections 9.10, 9.11, 9.12, and 9.21 of the rules and regulations thereunder (17 CFR, 9.10, 9.11, 9.12; 17 CFR, 1957 Supp., 9.21).

IV

On July 9 and July 10, 1957, while respondent was in reporting status as described in paragraph III above, and on the business day immediately thereafter, July 11, 1957, when respondent's position was reduced below 1,000,000 pounds, transactions in lard futures on the Chicago Board of Trade were executed for his account, but said respondent has failed and refused to report to the Commodity Exchange

Authority with respect to such transactions, as required under the aforesaid provisions of the Commodity Exchange Act and the rules and regulations.

V

On June 19, 1957, an order was issued by the Judicial Officer directing all contract markets to refuse to General Commerce Corporation all trading privileges for a period of 60 days effective July 22, 1957, because of said corporation's failure and refusal to file required reports on ten occasions within a period of approximately three months. In re General Commerce Corporation, 16 Agric. Dec. 495 (16 A.D. 495), CEA Docket No. 76. At the time of the violations alleged in the above proceeding, respondent was general manager of said corporation and, on one occasion prior to filing of the formal complaint against said corporation, respondent appeared at the New York Office of the Commodity Exchange Authority to discuss reporting requirements. Subsequently, between July 16 and August 14, 1957, the Commodity Exchange Authority addressed three letters to the respondent calling his attention to his delinquency in reporting the transactions described above and requesting that reports be submitted, but received no reply. On August 27, 1957, the respondent was reached by telephone and promised representatives of the Commodity Exchange Authority that the necessary reports would be filed, but no reports were received. Subsequently, attempts were made by the Commodity Exchange Authority to reach the respondent by telephone at his business address, but

without success. The respondent was, therefore, aware of his obligations under the act and the rules and regulations with respect to the filing of reports, and that failure to submit reports, as required, constituted a knowing and wilful violation of section 4i of the Commodity Exchange Act and sections 9.10, 9.11, 9.12, and 9.21 of the rules and regulations thereunder.

Respondent is hereby notified that a hearing will be held in this matter beginning at 10:00 a.m. local time, on the 30th day of April, 1958, in Room 202, 44 Beaver Street, New York, New York before a referee designated to conduct such hearing. Respondent will have an opportunity at such hearing to show cause, if any there be, why an order should not be made directing all contract markets to refuse all trading privileges to the respondent for such period of time as may be determined. The respondent will have twenty (20) days after the receipt of this notice of hearing in which to file with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., 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 that are not answered will be deemed admitted for the purpose of this proceeding.

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

Done at Washington, D. C., this

6th day of March, 1958.

/s/ Don Paarlberg

Don Paarlberg, Assistant Secretary

**LOAD-DATE:** June 12, 2008

