

Commodity Futures Trading Commission
CEA CASES

NAME: IRWIN M. EISEN

DOCKET NUMBER: 106

DATE: FEBRUARY 13, 1962

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Irwin M. Eisen, Respondent

CEA Docket No. 106

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

There is reason to believe that the respondent, Irwin M. Eisen, has violated the provisions of the Commodity Exchange Act (7 U.S.C. § 1 et seq.), hereinafter referred to as the Act. In accordance with the provisions of § 6(b) of the Act (7 U.S.C. § 9), this complaint and notice of hearing is issued stating the charges as follow:

I

The respondent, Irwin M. Eisen, an individual, whose address is Room 1214, Chicago Board of Trade, 141 West Jackson Boulevard, Chicago 4, Illinois, is now and was at all times material to this complaint a registered floor broker under the Act and a member of the Board of Trade of the City of Chicago, hereinafter referred to as the Chicago Board of Trade.

II

The Chicago Board of Trade is now and was at all times material to this complaint a duly designated contract market under the Act.

III

The contracts resulting from the transaction hereinafter described were capable of being used for hedging transactions in interstate commerce in wheat or the products or by-products thereof, or for determining the price basis of transactions in interstate commerce in wheat, or for delivering wheat sold, shipped, or received in interstate commerce.

IV

On December 14, 1961, Mr. Albert W. Kibby, Exchange Supervisor in charge of the Chicago office of the Commodity Exchange Authority, at the request of the respondent, witnessed a transaction by the respondent in the wheat pit with a floor broker. The floor broker was offering to buy and sell the December 1961 wheat future at \$ 2.03 7/8. The respondent entered into a transaction with the floor broker in which the respondent simultaneously bought and sold five thousand bushels of the future at \$ 2.03 7/8. By reason of such facts, the respondent willfully entered into a transactions which is, or as of the character of, a "wash sale," in violation of § 4c(A) of the Act (7 U.S.C. § 6c(A)). In addition, the effect of the transaction was to enable the floor broker's buying customer to buy from his selling customer and, therefore, the respondent willfully entered into a transaction which is, or is of the character of, an "accommodation trade," in violation of § 4c(A) of the Act (7 U.S.C. § 6c(A)).

WHEREFORE, the said respondent, Irwin M. Eisen, is hereby notified

to be and appear at a hearing to be held at 10:00 a.m. local time, on the 24th day of April, 1962, in Chicago, Illinois, at a place to be hereafter designated, before a referee designated to conduct such hearing, and then and there show cause, if any there be, why an order should not be made directing that all contract markets 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 allegation of this complaint. Allegations 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

13th day of February, 1962.

/s/ John P. Duncan, Jr.

John P. Duncan, Jr.

Assistant Secretary

LOAD-DATE: June 12, 2008

