

Commodity Futures Trading Commission
CEA CASES

NAME: A. E. ALBERT A. E. ALBERT & SONS, INC.

DOCKET NUMBER: 64

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NOTE: STIPULATION WAS NEVER USED. DECISION AND ORDER REPORTED AT 13 AGRIC. DEC. 1140

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: A. E. Albert A. E. Albert & Sons, Inc.

Stipulation of Compliance under the Commodity Exchange Act

WHEREAS, the Secretary of Agriculture has reason to believe that A. E. Albert and A. E. Albert & Sons, Inc. have violated the Commodity Exchange Act (7 U.S.C. 1-17a) and the rules and regulations thereunder (17 CFR, Part 5) by virtue of certain transactions involving the purchase and sale of commodities for future delivery on contract market, and

WHEREAS, no complaint with respect to such violations has been issued, and

WHEREAS, the said A. E. Albert and A. E. Albert & Sons, Inc. desire to enter into a stipulation pursuant to the provisions of section 0.4(a) of the Rules of Practice under the Commodity Exchange Act (17 CFR 0.4(a)),

NOW, THEREFORE, the said A. E. Albert and A. E. Albert & Sons, Inc. hereby stipulate and agree that the following facts are true:

1. A. E. Albert is an individual controlling the trading in commodity futures in accounts carried in the name of A. E. Albert & Sons, Inc. and is a member of the New York Mercantile Exchange.

2. At all times material to this stipulation, the New York Mercantile Exchange was a board of trade, which is duly designated as a contract market under the Commodity Exchange Act.

3. During the periods indicated the long or short positions of said A. E. Albert & Sons, Inc. in individual potato futures on the New York Mercantile Exchange ranged in size as follows:

Period (Dates inclusive)	Future	Range in Position
Sept. 10, 1953-Nov. 17, 1953	Mar. 1954	41 to 174 carlots short
Sept. 14, 1953-Nov. 15, 1953	Apr. 1954	28 to 75 carlots short
Dec. 17, 1953-Nov. 31, 1954	Nov. 1954	27 to 80 carlots long
Jan. 8, 1954-Jan. 10, 1954	Apr. 1954	27 carlots short
Jan. 20, 1954-Feb. 16, 1954	Mar. 1954	27 to 37 carlots long
Feb. 17, 1954-Mar. 23, 1954	May. 1954	52 to 60 carlots short
May 13, 1954-May. 16, 1954	Nov. 1954	25 carlots long
July 22, 1954-Aug. 4, 1954	Nov. 1954	25 to 35 carlots long
July 22, 1954-Aug. 12, 1954	Mar. 1954	25 to 68 carlots long

(a) By reason of the fact that such positions in the aforementioned periods were equal to or in excess of 25 carlots in one potato future on the New York Mercantile Exchange, the said A. E. Albert & Sons, Inc. 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 in all potato futures

on all boards of trade during the aforementioned periods as provided in section 41 of the Commodity Exchange Act (7 U.S.C. 6i) and sections 6.10, 6.11, 6.12, and 6.21 of the rules and regulations thereunder (17 CFR 6.10, 6.11, 6.12, 6.21).

(b) The said A. E. Albert & Sons, Inc. failed to report to the Commodity Exchange Authority with respect to purchases and sales and the resulting open contracts in 28 instances during the aforementioned periods and moreover reports on Form 603 that were filed in behalf of A. E. Albert & Sons, Inc. during the aforementioned periods were inaccurate and incomplete in 36 instances in that they did not show all purchases and sales and all resulting open contracts held by said A. E. Albert & Sons, Inc. in all potato futures on all boards of trade as required in section 6.11 of the regulations.

4. By letter dated July 17, 1952, the Commodity Exchange Authority informed the said A. E. Albert & A. E. Albert & Sons, Inc. of the reporting requirements under the Commodity Exchange Act and the regulations. On July 25, 1952, September 16, 1952, September 25, 1952, October 9, 1952 and on October 7, 1953, officials of the Commodity Exchange Authority found it necessary to communicate with the said A. E. Albert and A. E. Albert & Sons, Inc. because of failure to submit various reports concerning reportable transactions and positions in potato futures on the New York Mercantile Exchange and because of its submission of incomplete and inaccurate reports concerning

reportable transactions and positions. Again on January 12, 1954, it was necessary for an official of the Commodity Exchange Authority to communicate with the said A. E. Albert because of failure to report and failure to file accurate and complete reports of said A. E. Albert & Sons, Inc. In this letter the said A. E. Albert was advised that his arrangements made with futures commission merchants to file reports covering transactions and positions in accordance with reporting requirements were unsatisfactory and that it was the responsibility of said A. E. Albert and A. E. Albert & Sons, Inc. to insure the submittal of full and complete reports. The said A. E. Albert and A. E. Albert & Sons, Inc. was therefore fully informed as to their obligation under the Act and the regulations to file complete reports whenever trades and positions by said A. E. Albert & Sons, Inc. placed it in reporting status, and the failure to file reports as required by the Act and the regulations with respect to transactions and positions described in paragraphs 3, 3(a), 3(b) above constituted wilful violations of section 4i of the Commodity Exchange Act and sections 6.10, 6.11, 6.12 and 6.21 of the rules and regulations thereunder.

In addition to admitting the foregoing facts, the said A. E. Albert and A. E. Albert & Sons, Inc. hereby agree to discontinue all such acts and practices and all other acts and practices which are in violation of the Commodity Exchange Act or the rules and regulations

thereunder, and do further specifically agree to promptly file for each day on which a report is required by the Commodity Exchange Act and regulations a single report on Form 603 including all of the information required by section 6.11 of the regulations (7 CFR 6.11), and to keep books and records showing complete details of all reportable transactions and positions as required by section 4i of the Act (7 U.S.C. 5i) and sections 1.31, as amended, and 6.14 of the regulations (17 CFR and 1952 Supp. 1.31, 6.14). The said A. E. Albert and A. E. Albert & Sons, Inc. further specifically agree that this stipulation shall be admissible as evidence of acts and practices in violation of section 4i of the Commodity Exchange Act in any subsequent proceeding brought against the said A. E. Albert and A. E. Albert & Sons, Inc. under the provisions of the said Act.

Done at
this day , 1954.

A. E. Albert

Witnessed by:

A. E. Albert & Sons, Inc. by:

LOAD-DATE: June 12, 2008

