

Commodity Futures Trading Commission
CEA CASES

NAME: GEORGE REX ANDREWS

DOCKET NUMBER: 195

DATE: AUGUST 25, 1972

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: George Rex Andrews, Respondent

CEA Docket No. 195

Complaint and Notice of Hearing Under the Commodity Exchange Act

There is reason to believe that the respondent has violated the Commodity Exchange Act (7 U.S.C. 1 et seq.) and this complaint and notice of hearing is issued stating the charges in that respect as follows:

I

Respondent, George Rex Andrews, an individual whose address is 159 Ponce de Leon Drive, Ormond Beach, Florida, was at all times material herein a salesman of duPont Glore Forgan Incorporated, a brokerage firm dealing in securities and commodities. At all such times the said firm was a registered futures commission merchant under the Commodity Exchange Act and entitled to membership privileges on various contract markets.

II

At all times material herein, John F. Selle, an individual, maintained stock and commodity futures trading accounts at duPont Glore Forgan Incorporated.

III

During the period from June 25 through August 14, 1970, the respondent, acting without the knowledge or authorization of John F. Selle: (1) transferred approximately \$ 14,000 from John F. Selle's stock account to the regulated commodity account of John F. Selle and thereafter transferred a portion of the said amount to the non-regulated commodity account of John F. Selle; and (2) made trades in the regulated and nonregulated commodity accounts of John F. Selle.

To further such course of conduct, the respondent, at various times during such period deceived John F. Selle as to the true status of his accounts. The trades so made subsequently were closed out at prices which resulted in the loss of the entire \$ 14,000.

IV

The transactions in commodity futures referred to in this complaint were capable of being used for hedging transactions in interstate commerce in such commodities or the products or by-products thereof, or for determining the price basis of transactions in interstate commerce in such commodities sold, shipped or received in interstate commerce, or for delivering such commodities sold, shipped or received in interstate commerce for the fulfillment of such futures contracts.

V

By reason of the facts alleged in this complaint, the respondent wilfully violated sections 4b, 4d and 9 of the Commodity Exchange Act (7 U.S.C. 6b, 6d and 13), and section 1.20 of the regulations thereunder (17 CFR 1.20).

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the respondent and this proceeding shall be governed by sections 0.1, 0.2, 0.4(b), 0.5 through 0.22 and 0.28 of the rules of practice under the Commodity Exchange Act (17 CFR 0.1, 0.2, 0.4(b), 0.5 through 0.22, 0.28). The respondent 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. C. 20250, an answer with an original and three 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. Failure to file an answer will constitute an admission of all the allegations of this complaint and a waiver of hearing. The filing of an answer in which all of the material allegations of fact contained in the complaint are admitted likewise shall constitute a waiver of hearing unless a hearing is requested. The respondent is hereby notified that unless hearing is waived, a hearing will be held in Jacksonville, Florida at a place therein and date to be specified later, before a referee designated to conduct such hearing. At such hearing, the respondent will have the right to appear and show cause, if any there be, why an appropriate order should not be issued in accordance with the

Commodity Exchange Act, (1) prohibiting the respondent from trading on or subject to the rules of any contract market, and directing that all contract markets refuse all trading privileges to the respondent for such period of time as may be determined, and (2) directing that the respondent shall cease and desist from violating the Act and regulations in the manner alleged herein.

Done at Washington, D. C.

August 25, 1972

[SEE SIGNATURE IN ORIGINAL]

Richard E. Lyng

Assistant Secretary

LOAD-DATE: June 16, 2008

