

Commodity Futures Trading Commission
CEA CASES

NAME: JOSEPH M. DANIEL

CITATION: 5 Agric. Dec. 819

DOCKET NUMBER: 41

DATE: NOVEMBER 12, 1946

DOCUMENT TYPE: DECISION AND ORDER

(A. D. 1350)

In re JOSEPH M. DANIEL. CEA Doc. No. 41. Decided November 12, 1946.

Suspension of Registration and Trading Privileges on Contract Markets

For respondent's failure to segregate the customer's funds and his failure to keep a written record of trades which he confirmed, respondent's registration and trading privileges on contract markets are suspended as consented to by respondent and recommended by the complainant in this proceeding. *

* Reference to other points involved in this case will be found in Index-Digest in this issue of Agriculture Decisions. -- Ed.

Mr. Benj. M. Holstein for complainant. *Mr. Joseph M. Daniel*, pro se.

Decision by Thomas J. Flavin, Judicial Officer.

ORDER

This is a disciplinary proceeding under the Commodity Exchange Act (7 U.S.C. Chapter 1), instituted by a complaint issued by the Secretary of Agriculture on August 14, 1946. The respondent, Joseph M. Daniel, Chicago, Illinois, was charged with failing to segregate a customer's funds and failing to keep the required written record of futures trades which he confirmed. By a document filed on October 23, 1946, respondent waived hearing, admitted the facts, and consented to the issuance of an order suspending his registration and trading privileges for 60 days. On October 30 the Commodity Exchange Authority filed its recommendation of such an order. Thereafter the record was submitted to this office, where this order has been prepared.

FINDINGS OF FACT

1. During May, June, July, and August, 1945, Joseph Meredith Daniel, the respondent, doing business at 176 West Adams Street, Chicago, Illinois, registered under the act as a futures commission merchant, received a total of \$ 1,329 from a customer, Harry J. Diacou, to margin and secure contracts in rye futures on the Chicago Open Board of Trade, a contract market, but did not keep the funds

received and accruing to the customer, nor the resulting contracts, separate or segregated from his own funds and futures contracts.

2. Respondent kept no written record of rye futures contracts on the Chicago Open Board of Trade which he confirmed to Diacou during the period above-mentioned.

CONCLUSIONS

Respondent's failure to segregate the customer's funds violated section 4d of the act (7 U.S.C. 6d), and his failure to keep a written record of trades which he confirmed violated section 4 of the act (7 U.S.C. 6). Such violations authorize suspension of his registration and trading privileges on contract markets. Accordingly, the suspension consented to and recommended by the parties should be ordered.

SANCTION

Beginning on the 30th day after this date, the registration of respondent as a futures commission merchant is suspended for 60 days.

Beginning on the 30th day after this date, all contract markets shall refuse respondent all trading privileges thereon for a period of 60 days.

Copies of this order shall be served on the parties and on each contract market.

LOAD-DATE: March 12, 2008

