

Commodity Futures Trading Commission
CEA CASES

NAME: ELLIOTT ALKOW

CITATION: 31 Agric. Dec. 1353

DOCKET NUMBER: 189

DATE: NOVEMBER 3, 1972

DOCUMENT TYPE: DECISION AND ORDER

(No. 14,843)

In re ELLIOTT ALKOW. CEA Docket No. 189. Decided November 3, 1972.

Customer's account -- Orders placed without prior knowledge and consent of customer -- Net loss to customer -- Stipulation -- Denial of trading privileges

Where respondent violated the Act as found herein, and the stipulation filed by him has been accepted, respondent is denied trading privileges on all contract markets for a period of 120 days.

Richard W. Davis, Jr., for complainant.

Ira Rubin, New York, New York, for respondent.

Decision by Donald A. Campbell, Judicial Officer

DECISION AND ORDER

PRELIMINARY STATEMENT

This is an administrative proceeding under the Commodity Exchange Act (7 U.S.C. Chapter 1, 1970), instituted by a complaint

and notice of hearing issued on May 12, 1972, under section 6(b) and 6(c) of the said Act (7 U.S.C. 9 and 13b). The respondent is charged with violating section 4b of the said Act (7 U.S.C. 6b).

No hearing has been held in this proceeding. On October 18, 1972, the respondent filed a stipulation under section 0.4(b) of the rules of practice (17 CFR 0.4(b)), in which he (1) withdrew his answer previously filed by him, (2) admits the facts hereinafter set forth in paragraphs 1 through 3 of the Findings of Fact, (3) consents, for the purposes of this proceeding and for such purposes only, to a finding of the remaining facts set forth in the Findings of Fact, while neither admitting nor denying such facts for any other purpose, and (4) waives the report of the Referee and consents to the entry of the order contained herein.

FINDINGS OF FACT

1. The respondent Elliott Alkow, an individual whose address is 200 Linwood Avenue, Apartment 21 V, Ft. Lee, New Jersey, was at all times material herein employed by Rittenhouse Investments, Inc., to handle commodity customer accounts in its Bayonne, New Jersey office. The said firm was at all times material herein a registered futures commission merchant under the Commodity Exchange Act, with membership privileges on the Chicago Mercantile Exchange and the Citrus Associates of the New York Cotton Exchange, Inc., both duly designated contract markets under the Commodity Exchange Act.

2. At all times material herein, John Wagner maintained a commodity futures account at Rittenhouse Investments, Inc., and at all such times the respondent personally handled the trading in such account.

3. The futures transactions, hereinafter referred to, relate to the purchase and sale of July 1970 frozen concentrated orange juice futures contracts on or subject to the rules of the Citrus Associates of the New York Cotton Exchange, Inc. Such transactions could have been used for (a) hedging transactions in interstate commerce in orange juice, (b) determining the price basis of transactions in interstate commerce in orange juice and (c) delivering orange juice sold, shipped or received in interstate commerce for the fulfillment of such futures contracts.

4. Acting without the knowledge or consent of John Wagner, the respondent, on the dates specified below, placed July 1970 frozen

concentrated orange juice futures contracts in his account at Rittenhouse Investments, Inc., as follows:

Date 1970	Purchase (No. of contracts)	Sale
April 30	5	
May 6	1	
May 7	5	
May 8		11
May 11	10	
May 13		10

Such transactions resulted in a net loss of \$ 7,342.50 to John Wagner's account.

CONCLUSIONS

By reason of the facts set forth in the Findings of Fact, it is concluded that the respondent has violated section 4b of the Commodity Exchange Act (7 U.S.C. 6b). The complainant states that the administrative officials of the Commodity Exchange Authority have carefully considered the stipulation and the terms of the proposed order and they believe that the entry of such an order without further proceedings would constitute a satisfactory disposition of this case, serve the public interest and effectuate the purposes of the Commodity Exchange Act. The complainant, therefore, recommends that the stipulation be accepted and the proposed order be issued, terminating this proceeding. It is concluded that the complainant's recommendation should be adopted.

ORDER

1. Effective on the date of service of this order upon him, respondent Elliott Alkow shall cease and desist from placing or causing to be placed in any customer's account, any commodity futures transactions, without the prior knowledge and consent of such customers.

2. Effective on the thirtieth day after the date this order is issued, respondent Elliott Alkow is prohibited from trading in any commodity on any contract market subject to the provisions of the Commodity Exchange Act for 120 days and all contract markets shall deny trading privileges to the respondent for that period. Such prohibition and refusal shall apply to all trading done and positions held directly by the said respondent, either for his own account or as the agent or representative of any other

person or firm, and also to all trading done and positions held indirectly through persons or firms owned or controlled by the said respondent, or otherwise.

3. A copy of this Decision and Order shall be served on each of the parties and on each contract market.

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