

Commodity Futures Trading Commission
CEA CASES

NAME: JOHN G. MCCARTHY, JR.

DOCKET NUMBER: STIPULATION 54

DATE: JULY 13, 1960

DOCUMENT TYPE: STIPULATION OF COMPLIANCE

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: John G. McCarthy, Jr.

Stipulation of Compliance under the Commodity Exchange Act No.54

The Secretary of Agriculture has reason to believe that John G. McCarthy, Jr. has violated the provisions of the Commodity Exchange Act (17 CFR, Chapter 1) by virtue of certain transactions in rye futures as set forth below.

No complaint with respect to such violation has been issued and the said John G. McCarthy, Jr. is desirous of disposing of the matter by entering into a stipulation of compliance, as authorized by section 0.4(a) of the Rules of Practice under the Commodity Exchange Act (17 CFR, 0.0-0.28).

Therefore, the said John G. McCarthy stipulates that the following facts are true:

1. John G. McCarthy, Jr., an individual whose address is 141 West Jackson Boulevard, Chicago, Illinois, is now and was at all times mentioned herein a registered floor broker under the Commodity Exchange Act and a member of the Board of Trade of the City of Chicago, hereinafter called the Chicago Board of Trade, a duly designated contract market.

2. On October 27, 1959, John G. McCarthy, Jr. received verbal orders from Merrill Lynch, Pierce, Fenner & Smith, Incorporated to sell and buy for the account of a customer 40,000 bushels of December rye on the Chicago Board of Trade as close to the same price as possible, to close out and then reinstate the customer's position.

3. John G. McCarthy, Jr. executed the above orders on the Chicago Board of Trade as follows:

*2Bought		Sold		
Broker	Clearing Member	Quantity in Bushels and Price	Clearing Member	Broker
J. G. McCarthy, Jr.	Merrill Lynch	10,000 @ \$ 1.36 3/8		A
" "	" "	15,000 @ 1.36 3/8		B
" "	" "	10,000 @ 1.36 1/2		C
" "	" "	5,000 @ 1.36 1/2		D
"D"		10,000 @ 1.36 3/8	Merrill Lynch	J.G.McCarthy, Jr.
"F"		15,000 @ 1.36 3/8	" "	" "
"F"		15,000 @ 1.36 1/2	" "	" "

The Secretary of Agriculture has advised John G. McCarthy, Jr. that these were "wash trades" in violation of section 4c(A) of the Commodity Exchange Act.

John G. McCarthy, Jr. agrees to desist from such transactions in the future, and to refrain from entering into "wash trades". He further understands and agrees that this stipulation shall be admissible as evidence of such acts and practices in any proceeding based upon transactions in

addition to those referred to herein which may hereafter be brought by the Secretary of Agriculture against him under the provisions of the said act. He also understands that it is the practice of the Commodity Exchange Authority to make stipulations of compliance a matter of public record.

Done at Chicago Illinois, this

13 day of July 1960.

/s/ John G. McCarthy, Jr.

John G. McCarthy, Jr.

Witnessed by:

/s/ Albert W. Kibby

/s/ Samuel F. Gordon

LOAD-DATE: June 16, 2008

