

Commodity Futures Trading Commission
CEA CASES

NAME: SECRETARY OF AGRICULTURE V. MOSES EISEMANN

DOCKET NUMBER: 23

DATE: NOVEMBER 7, 1940

DOCUMENT TYPE: COMPLAINT

UNITED STATES OF AMERICA

BEFORE THE SECRETARY OF AGRICULTURE

CE-A Docket No. 23

Secretary of Agriculture, Complainant, v. Moses Eisemann, Respondent.

Complaint and Notice of Hearing Under Section 6(b) of the Commodity Exchange Act.

There being reason to believe that the respondent has violated the Commodity Exchange Act (7 U.S.C. 1954 ed., and Supp. v, §§ 1-17a), and the rules and regulations promulgated pursuant thereto, this complaint is issued alleging the following:

1.

Moses Eisemann is an individual trading and doing business at Chicago, Illinois.

2.

The respondent, at the times mentioned in the complaint, was a member of the Board of Trade of the City of Chicago, a contract market designated by the Secretary of Agriculture, pursuant to the provisions of the Commodity Exchange Act.

3.

The respondent made purchases of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below:

Item	Date	Quantity	Future & Grain	Price	Clearing Member
	1940	(Thousands	1940	Cents per	Carrying
	Jan.	of bushels)		bushel	the Account
1	2	10	July Wheat	102	I. P. Skolly
2		30	" "	"	W. D. Hegerty & Co.
3	3	10	" Rye	75 1/2	I. P. Skolly
4	4	25	May Wheat	104 3/4	W. D. Hegerty & Co.
5		25	July "	103 1/4	I. P. Skolly
6	5	30	" Corn	60 3/8	Continental Grain Co.
7	5	5	May Wheat	105 1/8	I. P. Skolly
8		3	" "	103 7/8	W. D. Hegerty & Co.
9		15	" Corn	59 3/4	I. P. Skolly
10		5	July "	60 1/4	" " "
11		5	May "	59 3/4	Faroll Bros.
12		5	July "	60 1/4	" "
13		15	" Rye	73 3/8	I. P. Skolly
14	6	5	May Wheat	104	Faroll Bros.
15		5	" "	104	W. D. Hegerty & Co.
16		10	July Corn	59 7/8	E. D. Norton

Item	Date 1940 Jan.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940			
17	8	20	"	"	59 1/2	I. P. Skolly
18	10	20	Sept.	Wheat	97 5/8	W. D. Hegerty & Co.
19		10	"	"	97 3/4	" " "
20		40	"	"	99	I. P. Skolly
21	11	5	May	"	101 1/2	" " "
22		25	Sept.	"	96 3/4	W. D. Hegerty & Co.
23	12	10	"	"	96	I. P. Skolly
24		10	July	"	97 1/8	W. D. Hegerty & Co.
25	13	10	May	Corn	57 3/8	I. P. Skolly
26		10	July	"	57 7/8	W. D. Hegerty & Co.
27	16	3	May	Wheat	100 1/2	Faroll Bros.
28		15	Sept.	"	96 3/8	W. D. Hegerty & Co.
29		4	May	Corn	58 3/4	I. P. Skolly
30	17	20	July	Rye	69	E. D. Norton
31		10	"	"	"	Continental Grain Co.
32		10	"	"	58 3/4	" " "
33	18	20	"	"	70	" " "
34		10	"	"	"	I. P. Skolly
35		10	"	"	72	" " "
36		3	May	Wheat	101	Faroll Bros.
37		10	July	"	98 1/2	Continental Grain Co.
38	20	10	"	"	98 3/8	I. P. Skolly

See original document-page 2

Item	Date 1940 Jan.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940			
39	20	10	Sept.	Wheat	98	I. P. Skolly
40		5	May	Rye	70 5/8	W. D. Hagerty & Co.
41		5	July	"	70 1/2	" " "
42	22	10	May	"	70	" " "
43		5	"	"	70 7/8	E. D. Norton
44	23	20	"	Wheat	100	W. D. Hagerty & Co.
45	24	15	"	"	100 1/8	I. P. Skolly
46	25	25	"	"	99 1/2	W. D. Hagerty & Co.
47		25	"	"	98 1/2	W. D. Hagerty & Co.
48		6	May	Corn	57 3/4	I. P. Skolly
49	26	15	"	Wheat	98 3/4	" " "
50		5	"	"	98 7/8	" " "
51		10	"	"	98 1/2	" " "
52		5	July	"	96 1/2	" " "
53	27	20	"	Rye	70 1/4	E. D. Norton
54		20	"	"	69 7/8	W. D. Hagerty & Co.
55		3	May	Wheat	99 3/8	E. D. Norton
56		3	"	"	98	W. D. Hagerty & Co.
57		20	July	"	95 5/8	" " "
58		25	"	"	96 3/4	E. D. Norton
59		10	"	"	96	W. D. Hagerty & Co.
60		5	"	"	96 1/2	" " "
61		5	"	"	96 5/8	" " "
62	29	15	May	"	96 3/4	" " "
63		15	"	"	98 5/8	Faroll Bros.
64		6	July	"	95 7/8	" "
65		5	Sept.	"	95 3/8	" "
66		10	July	Rye	69 1/2	" "
67	30	10	"	"	66 1/2	W. D. Hagerty & Co.

Item	Date 1940	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940	1940		
68		10	May	"	67 7/8	I. P. Skolly
69		5	"	Wheat	96 1/8	W. D. Hagerty & Co.
70		25	"	"	97 1/4	I. P. Skolly
71		25	"	"	96 7/8	Continental Grain Co.
72	31	15	July	"	94 7/8	Faroll Bros.
73		15	"	"	93 7/8	W. D. Hagerty & Co.
74		10	"	"	93 5/8	" " "
75	Feb. 1	25	May	"	96 3/8	E. D. Norton
76		40	July	"	93 1/4	I. P. Skolly
77		25	"	"	93 1/4	" " "
78	2	30	"	"	94 5/8	Faroll Bros.
79		5	May	Corn	54 3/4	I. P. Skolly
80	1	5	"	"	55 1/2	Faroll Bros.

See original document-page 3

Item	Date 1940	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940	1940		
81	2	6	May	Corn	54 3/4	I. P. Skolly
82	1	5	July	"	55 5/8	Faroll Bros.
83	2	25	May	Wheat	96 5/8	E. D. Norton
84		10	July	"	93 1/2	Faroll Bros.
85		10	"	"	93 5/8	" " "
86		5	May	Corn	54 5/4	W. D. Hagerty & Co.
87		10	July	Rye	63 1/2	" " "
88		35	Sept.	"	65	I. P. Skolly
89		10	Sept.	Corn	55 1/4	W. D. Hagerty & Co.
90	3	15	"	"	55 1/4	E. D. Norton
91		5	May	"	54 3/4	W. D. Hagerty & Co.
92		5	July	"	54 5/8	" " "
93		2	May	"	55	E. D. Norton
94		5	"	Rye	65 1/4	Faroll Bros.
95		5	July	"	63 3/4	W. D. Hagerty & Co.
96		20	May	Wheat	97	I. P. Skolly
97		15	"	"	96 1/8	W. D. Hagerty & Co.
98		10	July	"	93 3/8	" " "
99		10	"	"	93 1/2	E. D. Norton
100		10	Sept.	"	92 3/4	" " "
101	5	30	May	"	97 1/8	Continental Grain Co.
102		10	"	"	97 3/4	Faroll Bros.
103		5	"	"	"	I. P. Skolly
104		5	"	"	97 5/8	" " "
105		5	"	"	96 3/8	W. D. Hagerty & Co.
106		4	"	"	96 3/8	" " "
107		5	July	"	94 3/4	Faroll Bros.
108		10	"	"	94	" " "
109		4	"	"	93 5/8	W. D. Hagerty & Co.
110		5	Sept.	"	93	" " "
111		5	July	Corn	54 3/4	" " "
112		5	May	Rye	64 1/4	" " "
113		5	"	"	64 1/4	" " "
114		5	July	"	65 1/4	I. P. Skolly
115		5	"	"	65 1/4	Faroll Bros.
116		10	Sept.	"	65 5/8	" " "
117		5	"	"	65 5/8	I. P. Skolly
118	6	10	"	Wheat	94	W. D. Hagerty & Co.

Item	Date	Quantity	Future & Grain	Price	Clearing Member
	1940	(Thousands	1940	Cents per	Carrying
	Feb.	of bushels)		bushel	the Account
119		15 "	"	95	I. P. Skolly
120		15 May	Corn	56 1/2	" " "

See original document-page 4

Item	Date	Quantity	Future & Grain	Price	Clearing Member
	1940	(Thousands	1940	Cents per	Carrying
	Feb.	of bushels)		bushel	the Account
121	6	25 May	Wheat	97 1/4	Continental Grain Co.
122		40 "	"	"	Gerstenberg & Co.
123		15 "	"	"	Continental Grain Co.
124		20 "	"	97 7/8	I. P. Skolly
125		65 "	"	98 5/8	Faroll Bros.
126		5 "	"	97 1/2	W. D. Hagerty & Co.
127	7	30 "	"	99 1/8	E. D. Norton
128		30 "	"	"	Continental Grain Co.
129		20 July	"	95 3/8	Faroll Bros.
130		30 "	"	"	Gerstenberg & Co.
131		10 "	"	"	W. D. Hagerty & Co.
132		50 "	"	"	Gerstenberg & Co.
133		40 "	"	"	" " " "
134		20 "	"	96 3/8	Continental Grain Co.
135		20 "	"	96 1/2	E. D. Norton
136		10 Sept.	"	95 3/4	" " "
137		10 "	"	"	Continental Grain Co.
138		20 "	"	"	Faroll Bros.
139		15 July	Rye	65 7/8	E. D. Norton
140		15 Sept.	"	65 3/8	W. D. Hagerty & Co.
141	8	15 May	Wheat	99	Gerstenberg & Co.
142		10 "	"	99	" " "
143		10 "	"	98 3/4	" " "
144		60 July	"	97 1/4	E. D. Norton
145	9	40 May	"	99 5/8	Gerstenberg & Co.
146		10 "	"	100 1/2	Continental Grain Co.
147		40 "	"	100 3/4	" " "
148		50 "	"	"	E. D. Norton
149		9 "	"	99 5/8	W. D. Hagerty & Co.
150		20 July	"	97 3/4	Faroll Bros.
151		10 "	"	97 3/4	I. P. Skolly
152		20 "	"	97	Gerstenberg & Co.
153		30 "	"	96 3/4	Faroll Bros.
154		10 Sept.	"	97	E. D. Norton
155		30 "	"	95 7/8	W. D. Hagerty & Co.
156		15 May	Corn	56 1/4	" " "
157	10	20 "	Wheat	99	Faroll Bros.
158		20 "	"	"	Gerstenberg & Co.
159		10 "	"	99 7/8	E. D. Norton
160		20 Sept.	"	95 3/4	W. D. Hagerty & Co.
161		15 "	"	95 3/4	Faroll Bros.

See original document-page 5

Item	Date	Quantity	Future & Grain	Price	Clearing Member
	1940	(Thousands	1940	Cents per	Carrying
	Feb.	of bushels)		bushel	the Account

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940	1940		
162	10	10	July	Wheat	97 3/8	Continental Grain Co.
163		25	"	"	"	E. D. Norton
164		10	"	"	"	" " "
165		20	"	"	"	I. P. Skolly
166		10	"	"	"	Continental Grain Co.
167		30	"	"	97 1/2	" " "
168		30	"	"	"	Faroll Bros.
169		10	"	"	97 1/4	Continental Grain Co.
170		55	"	"	96 1/2	Gerstenberg & Co.
171		10	"	Rye	66 1/4	I. P. Skolly
172		15	Sept.	"	66 3/4	" " "
173	13	15	May	Wheat	98 3/4	E. D. Norton
174		10	"	"	99 3/4	" " "
175		10	July	"	97 5/8	" " "
176		20	Sept.	"	96	Gerstenberg & Co.
177		20	"	"	97	E. D. Norton
178	14	20	May	"	99 3/8	Gerstenberg & Co.
179		20	July	"	97 3/8	Faroll Bros.
180		30	Sept.	"	95 7/8	W. D. Hagerty & Co.
181	15	10	May	"	99 3/4	" " "
182		15	"	"	99	" " "
183		9	"	"	99 3/8	E. D. Norton
184		10	July	"	97 3/4	W. D. Hagerty & Co.
185		25	"	"	97	Faroll Bros.
186		3	"	"	97	" " "
187		15	Sept.	"	96 1/2	" " "
188		15	"	"	97 1/4	I. P. Skolly
189		13	"	"	97 1/4	E. D. Norton
190		15	May	Rye	66 7/8	W. D. Hagerty & Co.
191		5	July	"	66 1/2	E. D. Norton
192	16	10	Sept.	Wheat	100 1/4	Faroll Bros.
193	17	5	May	"	103 3/4	" " "
194		5	July	"	101 1/2	" " "
195	19	10	May	"	103 1/8	" " "
196		5	"	"	102 5/8	" " "
197		10	Sept.	"	100	W. D. Hagerty & Co.
198	20	10	"	"	102 5/8	Faroll Bros.
199	21	10	"	"	104 1/2	" " "
200		10	"	"	103	W. D. Hagerty & Co.
201		3	"	"	103	" " "

See original document-page 6

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940	1940		
202	23	5	July	Wheat	105 3/8	Faroll Bros.
203		5	Sept.	"	103 7/8	W. D. Hagerty & Co.
204	27	5	"	"	99 5/8	" " "
205		5	"	"	99	" " "
206		5	May	Rye	68	Faroll Bros.
207	28	15	July	"	67 3/4	" " "
208		5	"	"	67 3/4	" " "
209		15	"	"	57 1/4	W. D. Hagerty & Co.
210		2	May	Corn	57 1/8	Faroll Bros.
211	Mar. 1	5	July	Rye	66 1/4	E. D. Norton
212		15	"	"	66 1/2	" " "

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
				1940		
213		5	"	Wheat	99 3/4	W. D. Hagerty & Co.
214		10	"	"	98 3/4	" " "
215	2	5	"	"	98 1/4	" " "
216		20	May	"	100 1/4	Faroll Bros.
217	4	5	"	"	100 1/2	W. D. Hagerty & Co.
218	5	10	July	"	100 1/4	Faroll Bros.
219		10	"	"	100 5/8	" "
220		1	"	"	99 3/4	W. D. Hagerty & Co.
221		1	"	"	99 7/8	" " "
222		1	"	"	100	" " "
223		1	"	"	100 1/8	" " "
224		1	"	"	100 1/4	" " "
225		1	"	"	100 3/8	" " "
226		1	"	"	100 1/2	" " "
227		1	"	"	100 5/8	" " "
228		1	"	"	100 3/4	" " "
229		5	Sept.	"	100	" " "
230		2	May	Corn	57	" " "
231		2	July	"	57	Faroll Bros.
232	13	10	May	Wheat	102 3/4	" "
233	25	3	July	"	103 1/2	D. F. Rice & Co.
234		1	"	"	105	Faroll Bros.
235		1	"	"	105	" "
236		1	"	"	105 1/4	" "
237	26	2	"	"	104 3/4	Max Nierman
238		2	May	"	105 7/8	Faroll Bros.
239	27	3	"	"	106	W. D. Hagerty & Co.
240		3	"	"	105	Faroll Bros.
241		1	"	"	104 3/4	W. D. Hagerty & Co.
242		1	"	"	104 7/8	" " "

See original document-page 7

Item	Date 1940 Mar.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
				1940		
243	27	5	May	Wheat	106	Faroll Bros.
244	28	5	"	"	104 7/8	D. F. Rice & Co.
245		5	"	"	105 7/8	Faroll Bros.
246		4	July	"	104 3/8	Max Nierman
247		2	May	"	105 1/2	" "
248		2	"	"	105 3/8	" "
249		2	"	"	105	Faroll Bros.
250		2	"	"	104 7/8	" "
251	29	2	"	"	104 3/8	" "
252	30	2	"	"	104 5/8	" "
253		2	"	"	104 1/2	Max Nierman
254	Apr. 1	5	"	"	105 5/8	Faroll Bros.
255		5	"	"	105	D. F. Rice & Co.
256		5	July	"	103 3/4	W. D. Hagerty & Co.
257	2	5	May	"	104 3/8	D. F. Rice & Co.
258		5	"	"	105 1/8	Faroll Bros.
259	3	1	"	"	104 3/4	Max Nierman
260		2	"	"	104 1/4	Faroll Bros.
261		4	"	"	103 3/4	" "
262		10	July	"	103 3/4	" "
263		1	"	"	103 3/4	Max Nierman

Item	Date 1940	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
				1940		
264	Mar.		5	Sept.	"	102 3/4 D. F. Rice & Co.
265			5	"	"	102 1/2 " " "
266	4		2	"	"	104 1/8 Max Nierman
267			1	May	"	105 7/8 Faroll Bros.
268			2	"	"	105 3/4 " " "
269			3	July	"	104 D. F. Rice & Co.
270			2	"	"	104 3/4 E. D. Norton
271			1	"	"	104 7/8 " " "
TOTAL			3,264			

The respondent made sales of grain futures contract's on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
				1940		
1	2	10	July	Wheat	102	W. D. Hagerty & Co.
2		30	"	"	"	I. P. Skolly
3	3	10	"	Rye	75 1/2	W. D. Hagerty & Co.
4	4	25	May	Wheat	104 3/4	I. P. Skolly
5		25	July	"	103 1/4	W. D. Hagerty & Co.
6	5	30	"	Corn	60 3/8	I. P. Skolly
7	5	5	May	Wheat	105 1/8	W. D. Hagerty & Co.
8		3	"	"	103 7/8	I. P. Skolly
9		15	"	Corn	59 3/4	Continental Grain Co.
10		5	July	"	60 1/4	W. D. Hagerty & Co.
11		5	May	"	59 3/4	Continental Grain Co.
12		5	July	"	60 1/4	" " "
13		15	"	Rye	73 3/8	E. D. Norton
14	6	5	May	Wheat	104	I. P. Skolly
15		5	"	"	104	" " "
16		10	July	Corn	59 7/8	W. D. Hagerty & Co.
17	8	20	"	"	59 1/2	E. D. Norton
18	10	20	Sept.	Wheat	97 5/8	Continental Grain Co.
19		10	"	"	97 3/4	" " "
20		40	"	"	99	W. D. Hagerty & Co.
21	11	5	May	"	101 1/2	Faroll Bros.
22		25	Sept.	"	96 3/4	I. P. Skolly
23	12	10	"	"	96	W. D. Hagerty & Co.
24		10	July	"	97 1/8	E. D. Norton
25	13	10	May	Corn	57 3/8	W. D. Hagerty & Co.
26		10	July	"	57 7/8	I. P. Skolly
27	16	3	May	Wheat	100 1/2	E. D. Norton
28		15	Sept.	"	96 3/8	I. P. Skolly
29		4	May	Corn	58 3/4	E. D. Norton
30	17	20	July	Rye	69	Continental Grain Co.
31		10	"	"	"	I. P. Skolly
32		10	"	"	68 3/4	" " "
33	18	20	"	"	70	E. D. Norton
34		10	"	"	"	Continental Grain Co.
35		10	"	"	72	" " "
36		3	May	Wheat	101	I. P. Skolly
37		10	July	"	98 1/2	" " "
38	20	10	"	"	98 3/8	W. D. Hagerty & Co.

See original document-page 9

Item	Date 1940 Jan.	Quantity (Thousands of bushels)	Future & Grain 1940	Price Cents per bushel	Clearing Member Carrying the Account
39	20	10	Sept.	98	W. D. Hagerty & Co.
40		5	May	70 5/8	I. P. Skolly
41		5	July	70 1/2	I. P. Skolly
42	22	10	May	70	" " "
43		5	"	70 7/8	W. D. Hagerty & Co.
44	23	20	"	100	I. P. Skolly
45	24	15	"	100 1/8	W. D. Hagerty & Co.
46	25	25	"	99 1/2	I. P. Skolly
47		25	"	98 1/2	" " "
48		6	May	57 3/4	E. D. Norton
49	26	15	"	98 3/4	W. D. Hagerty & Co.
50		5	"	98 7/8	" " "
51		10	"	98 1/2	" " "
52		5	July	96 1/2	" " "
53	27	20	"	7 1/4	" " "
54		20	"	69 7/8	I. P. Skolly
55		3	May	99 3/8	W. D. Hagerty & Co.
56		3	"	98	Faroll Bros.
57		20	July	95 5/8	" "
58		25	"	96 3/4	W. D. Hagerty & Co.
59		10	"	96	I. P. Skolly
60		5	"	96 1/2	" " "
61		5	"	96 5/8	" " "
62	29	15	May	96 3/4	" " "
63		15	"	98 5/8	E. D. Norton
64		6	July	95 7/8	" " "
65		5	Sept.	95 3/8	" " "
66		10	July	69 1/2	" " "
67	30	10	"	66 1/2	Faroll Bros.
68		10	May	67 7/8	W. D. Hagerty & Co.
69		5	"	96 1/8	Faroll Bros.
70		25	"	97 1/4	W. D. Hagerty & Co.
71		25	"	96 7/8	E. D. Norton
72	31	15	July	94 7/8	W. D. Hagerty & Co.
73		15	"	93 7/8	I. P. Skolly
74		10	"	93 5/8	I. P. Skolly
75	Feb. 1	25	May	93 3/8	W. D. Hagerty & Co.
76		40	July	93 1/4	Faroll Bros.
77		25	"	93 1/4	E. D. Norton
78	2	30	"	94 5/8	W. D. Hagerty & Co.
79	2	5	May	54 3/4	Faroll Bros.
80	1	5	"	55 1/2	W. D. Hagerty & Co.

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain 1940	Price Cents per bushel	Clearing Member Carrying the Account
81	2	6	May	54 3/4	Faroll Bros.
82	1	5	July	55 5/8	W. D. Hagerty & Co.
83	2	25	May	96 5/8	I. P. Skolly
84		10	July	93 1/2	" " "
85		10	"	92 5/8	" " "
86		5	May	54 3/4	E. D. Norton

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940			
87		10	July	Rye	63 1/2	" " "
88		35	Sept.	"	65	W. D. Hagerty & Co.
89		10	Sept.	Corn	55	E. D. Norton
90	3	15	"	"	55 1/4	I. P. Skolly
91		5	May	"	55 3/4	Faroll Bros.
92		5	July	"	54 5/8	I. P. Skolly
93		2	May	"	55	" " "
94		5	"	Rye	65 1/4	W. D. Hagerty & Co.
95		5	July	"	63 3/4	Faroll Bros.
96		20	May	Wheat	97	W. D. Hagerty & Co.
97		15	"	"	96 1/8	E. D. Norton
98		10	July	"	93 3/8	Faroll Bros.
99		10	"	"	93 1/2	I. P. Skolly
100		10	Sept.	"	92 3/4	" " "
101	5	30	May	"	97 1/8	" " "
102		10	"	"	97 3/4	W. D. Hagerty & Co.
103		5	"	"	"	Faroll Bros.
104		5	"	"	97 5/8	" " "
105		5	"	"	96 3/8	" " "
106		4	"	"	96 3/8	" " "
107		5	July	"	94 3/4	I. P. Skolly
108	6	10	"	"	94	" " "
109		4	"	"	93 5/8	Faroll Bros.
110		5	Sept.	"	93	" " "
111		5	July	Corn	54 3/4	" "
112		5	May	Rye	64 1/4	" "
113		5	"	"	64 1/4	I. P. Skolly
114		5	July	"	65 1/4	W. D. Hagerty & Co.
115		5	"	"	65 1/4	" " "
116		10	Sept.	"	65 5/8	" " "
117		5	"	"	65 5/8	" " "
118		10	"	Wheat	94	Faroll Bros.
119		15	"	"	95	W. D. Hagerty & Co.
120		15	May	Corn	56 1/2	" " "

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940			
121	6	25	May	Wheat	97 1/4	I. P. Skolly
122		40	"	"	"	Continental Grain Co.
123		15	"	"	"	E. D. Norton
124		20	"	"	97 7/8	Faroll Bros.
125		65	"	"	98 5/8	Gerstenberg & Co.
126		5	"	"	97 1/2	Faroll Bros.
127	7	30	"	"	99 1/8	Continental Grain Co.
128		30	"	"	"	Gerstenberg & Co.
129		20	July	"	95 3/8	I. P. Skolly
130		30	"	"	" " " "	" " " "
131		10	"	"	" " " "	" " " "
132		50	"	"	"	Faroll Bros.
133		40	"	"	"	E. D. Norton
134		20	"	"	96 3/8	Gerstenberg & Co.
135		20	"	"	96 1/2	Continental Grain Co.
136		10	Sept.	"	95 3/4	" "
137		10	"	"	"	Gerstenberg & Co.

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940	1940		
138		20	"	"	"	W. D. Hagerty & Co.
139		15	July	Rye	65 7/8	" " "
140		15	Sept.	"	65 3/8	I. P. Skolly
141	8	15	May	Wheat	99	I. P. Skolly
142		10	"	"	99	W. D. Hagerty & Co.
143		10	"	"	98 3/4	Faroll Bros.
144		60	July	"	97 1/4	Gerstenberg & Co.
145	9	40	May	"	99 5/8	Faroll Bros.
146		10	"	"	100 1/2	Gerstenberg & Co.
147		40	"	"	100 3/4	" " "
148		50	"	"	"	Continental Grain Co.
149		9	"	"	99 5/8	E. D. Norton
150		20	July	"	97 3/4	W. D. Hagerty & Co.
151		10	"	"	97 3/4	" " "
152		20	"	"	97	" " "
153		30	"	"	96 3/4	E. D. Norton
154		10	Sept.	"	97	Gerstenberg & Co.
155		30	"	"	95 7/8	E. D. Norton
156		15	May	Corn	56 1/4	" " "
157	10	20	"	Wheat	99	I. P. Skolly
158		20	"	"	"	Faroll Bros.
159		10	"	"	99 7/8	W. D. Hagerty & Co.
160		20	Sept.	"	95 3/4	E. D. Norton
161		15	"	"	95 3/4	I. P. Skolly

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
			1940	1940		
162	10	10	July	Wheat	97 3/4	Gerstenberg & Co.
163		25	"	"	"	"
164		10	"	"	"	Continental Grain Co.
165		20	"	"	"	"
166		10	"	"	"	W. D. Hagerty & Co.
167		30	"	"	97 1/2	Gerstenberg & Co.
168		30	"	"	"	Continental Grain Co.
169		10	"	"	97 1/4	Gerstenberg & Co.
170		55	"	"	96 1/2	Faroll Bros.
171		10	"	Rye	66 1/4	E. D. Norton
172		15	Sept.	"	66 3/4	" " "
173	13	15	May	Wheat	99 3/4	Faroll Bros.
174		10	"	"	99 3/4	Gerstenberg & Co.
175		10	July	"	97 5/8	" " "
176		20	Sept.	"	96	Faroll Bros.
177		20	"	"	97	W. D. Hagerty & Co.
178	14	20	May	"	99 3/8	" " "
179		20	July	"	97 3/8	E. D. Norton
180		30	Sept.	"	95 7/8	Faroll Bros.
181	15	10	May	"	99 3/4	" " "
182		15	"	"	99	E. D. Norton
183		9	"	"	99 3/8	Faroll Bros.
184		10	July	"	97 3/4	" " "
185		25	"	"	97	E. D. Norton
186		3	"	"	97	" " "
187		15	Sept.	"	96 1/2	W. D. Hagerty & Co.
188		15	"	"	97 1/4	" " "

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
				1940		
189		13	"	"	97 1/4	" " "
190		15	May	Rye	66 7/8	E. D. Norton
191		5	July	"	66 1/2	W. D. Hagerty & Co.
192	16	10	Sept.	Wheat	100 1/4	" " "
193	17	5	May	"	103 3/4	" " "
194		5	July	"	101 1/2	" " "
195	19	10	May	"	103 1/8	" " "
196		5	"	"	102 5/8	" " "
197		10	Sept.	"	100	Faroll Bros.
198	20	10	"	"	102 5/8	W. D. Hagerty & Co.
199	21	10	"	"	104 1/2	" " "
200		10	"	"	103	Faroll Bros.
201		3	"	"	103	" "

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain		Price Cents per bushel	Clearing Member Carrying the Account
				1940		
202	23	5	July	Wheat	105 3/8	W. D. Hagerty & Co.
203		5	Sept.	"	103 7/8	Faroll Bros.
204	27	5	"	"	99 5/8	" "
205		5	"	"	99	" "
206		5	May	Rye	68	W. D. Hagerty & Co.
207	28	15	July	"	67 3/4	" " "
208		5	"	"	67 3/4	E. D. Norton
209		15	"	"	67 1/4	" " "
210		2	May	Corn	57 1/8	W. D. Hagerty & Co.
211	Mar. 1	5	July	Rye	66 1/4	Faroll Bros.
212		15	"	"	66 1/2	" "
213		5	"	Wheat	99 3/4	" "
214		10	"	"	98 3/4	" "
215	2	5	"	"	98 1/4	" "
216		20	May	"	100 1/4	E. D. Norton
217	4	5	"	"	100 1/2	Faroll Bros.
218	5	10	July	"	100 1/4	W. D. Hagerty & Co.
219		10	"	"	100 5/8	W. D. Hagerty & Co.
220		1	"	"	99 3/4	Faroll Bros.
221		1	"	"	99 7/8	" "
222		1	"	"	100	" "
223		1	"	"	100 1/8	" "
224		1	"	"	100 1/4	" "
225		1	"	"	100 3/8	" "
226		1	"	"	100 1/2	" "
227		1	"	"	100 5/8	" "
228		1	"	"	100 3/4	" "
229		5	Sept.	"	100	" "
230		2	May	Corn	57	" "
231		2	July	"	57	W. D. Hagerty & Co.
232	13	10	May	Wheat	102 3/4	D. F. Rice & Co.
233	25	3	July	"	103 1/2	Faroll Bros.
234		1	"	"	105	Max Nierman
235		1	"	"	105	D. F. Rice & Co.
236		1	"	"	105 1/4	" " "
237	26	2	"	"	104 3/4	Faroll Bros.
238		2	May	"	105 7/8	Max Nierman
239	27	3	"	"	106	Faroll Bros.

Item	Date 1940 Feb.	Quantity (Thousands of bushels)	Future & Grain 1940	Price Cents per bushel	Clearing Member Carrying the Account
241		1 "	"	104 3/4	Faroll Bros.
242		1 "	"	104 7/8	" "

Item	Date 1940 Mar.	Quantity (Thousands of bushels)	Future & Grain 1940	Price Cents per bushel	Clearing Member Carrying the Account
244	28	5 "	"	104 7/8	Faroll Bros.
245		5 "	"	105 7/8	D. F. Rice & Co.
246		4 July	"	104 3/8	Faroll Bros.
247		2 May	"	105 1/2	" "
248		2 "	"	105 3/8	" "
249		2 "	"	105	Max Nierman
250		2 "	"	104 7/8	" "
251	29	2 "	"	104 3/8	" "
252	30	2 "	"	104 5/8	" "
253		2 "	"	104 1/2	Faroll Bros.
254	Apr. 1	5 "	"	105 5/8	D. F. Rice & Co.
255		5 "	"	105	W. D. Hagerty & Co.
256		5 July	"	103 3/4	Faroll Bros.
257	2	5 May	"	104 3/8	" "
258		5 "	"	105 1/8	D. F. Rice & Co.
259	3	1 "	"	104 3/4	Faroll Bros.
260		2 "	"	104 1/4	Max Nierman
261		4 "	"	103 3/4	" "
262		10 July	"	103 3/4	D. F. Rice & Co.
263		1 "	"	103 3/4	Faroll Bros.
264		5 Sept.	"	102 3/4	" "
265		5 "	"	102 1/2	" "
266	4	2 "	"	104 1/8	" "
267		1 May	"	105 7/8	E. D. Norton
268		2 "	"	105 3/4	" " "
269		3 July	"	104	Faroll Bros.
270		2 "	"	104 3/4	D. F. Rice & Co.
271		1 "	"	104 7/8	" " "

TOTAL 3,264

5.

The sales appearing in paragraph 4 represent the opposite end of the purchases bearing corresponding item numbers which appear in paragraph 3; for example, the purchase of 10,000 bushels of July wheat futures, shown as item number 1 in paragraph 3, and the sale of 10,000 bushels of July wheat futures, shown as item number 1 in paragraph 4, represent opposite ends of the same transaction, the respondent appearing as purchaser on the records of I. P. Skolly and as seller on the records of W. D. Hagerty & Co.

6.

The respondent, between January 2, 1940, and April 4, 1940, entered into the transactions aggregating 3,264,000 bushels described in paragraphs 3, 4, and 5,

which transactions involved wheat, rye and corn, and could have been used for hedging any transactions, in interstate commerce, in these commodities, or the product or by-products thereof, or in determining the price basis of any such transactions, in interstate commerce, in these commodities, or delivering these commodities sold, shipped, or received in interstate commerce for the fulfillment thereof. These transactions were of the character of and commonly known as wash sales and were fictitious sales in that they involved no change in ownership, and the respondent, by entering into these transactions, was guilty of violating Section 4c (A) of the Commodity Exchange Act.

7.

The respondent prepared trading cards using the name of I. P. Skolly as broker and caused entries to be made in the account of W. A. Anderson on the records of the Continental Grain Company showing transactions in grain futures contracts on the Chicago Board of Trade as set out in detail below:

Item	Date 1940	Quantity (Thousand of bushels)		Future 1940	Price Cents per bushel
		Bought	Sold		
1	Jan. 2		10	May Wheat	107
2			10	July "	104
3			10	" "	103 1/2
4		15		May "	107
5		25		" "	106 1/4
6	4	10		Sept. "	102 1/2
7			5	May "	105
8	8		5	July "	100
9			15	May "	102 3/8
10	9		10	July "	98 5/8
11		10		May "	103 7/8
12			10	" "	101 1/2
13	[ILLEGIBLE TEXT]		5	" "	101 1/2
14	10	5		July "	97 5/8
15	11	15		" "	98 7/8
16		5		" "	97 1/4
17	12	5		May "	98 3/4
18	13	10		July "	95 7/8
19			10	" "	97 3/8
20		10		" "	96 1/2
21	15		10	May Rye	69 3/4
22	16		5	July Wheat	96 5/8
23			5	" "	97 1/4
24		10		May Rye	69
25		10		" "	69 1/2
26		20		May Wheat	100
27		10		" "	100 1/2
28		25		" "	99 3/8
29	17	5		" "	99 1/2
30			10	May Rye	69
31			5	May Wheat	99 1/4
32			5	" "	99 3/4
33			10	" "	101 1/4
34	18		5	May Rye	69 1/2
35	19	10		July Wheat	98 1/2

Item	Date 1940	Quantity (Thousand of bushels)		Future 1940	Price Cents per bushel
		Bought	Sold		

Item	Date	Quantity		Future	Price
		Bought (Thousand of bushels)	Sold		
36	1940 Jan. 20		5	May	Rye 71
37			15	July	Wheat 98 1/8
38	22	10		May	Rye 70 7/8
39	23	20		May	Wheat 100 5/8
40	24		5	"	" 100 1/8
41			5	"	" 99 1/2
42			15	"	" 99 3/4
43	25	50		"	" 99 1/2
44		[ILLEGIBLE TEXT]	10	Sept.	Rye 69 5/8
45			10	"	" 70 1/4
46	26		10	May	Wheat 98
47			10	"	" 98 1/4
48			10	"	" 98 3/8
49	29		10	July	" 95 3/4
50			25	May	" 96 3/4
51		45		"	" 98 5/8
52		5		July	" 95 7/8
53		10		July	Rye 70 1/4
54	30	10		July	Wheat 94 1/2
55			25	May	" 96 1/8
56			10	May	Rye 66 5/8
57	31		20	May	Wheat 96 1/4
58		20		"	" 97 5/8
59		10		July	" 94 7/8
60	Feb. 1		30	"	" 92 3/4
61			10	May	" 95 1/2
62		10		July	Rye 65 3/4
63			10	May	" 63 3/4
64	2		10	"	Wheat 96
65	5	20		"	" 97 3/4
66			20	"	" 96 3/8
67			10	July	Rye 64
68	9	10		May	Wheat 100 7/8
69	27	15		May	Rye 67 3/8
70		5		Sept.	" 68 5/8
71		5		"	" 68 3/4
72	Mar. 2	5		July	Wheat 98 3/4
73			5	"	" 98 1/8
TOTAL		450	430		

The respondent made purchases and sales of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below:
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The items appearing in paragraphs 7 and 8 bearing corresponding numbers represent opposite ends of the same transactions; for example, the sale of 10,000 bushels of May wheat futures, shown as item number 1 in paragraph 7, and the purchase of 10,000 bushels of May wheat futures, shown as item number 1 in paragraph 8, represent opposite ends of the same transactions, the respondent becoming purchaser of the contract which he sold for the account of W. A. Anderson.

10.

The respondent became the seller, in connection with purchases executed for W. A. Anderson, or the purchaser in connection with sales executed for W. A. Anderson in all the transactions appearing in paragraphs 7 and 8, in violation of Section 4b (D) of the Commodity Exchange Act.

11.

The respondent caused transactions to be entered on trading cards prepared in the name of Wm. J. Springer as floor broker showing purchases and sales of grain futures contracts on the Chicago Board of Trade which were cleared through Faroll Bros. for the account of Dr. George Perl, as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bu.
		Bought	Sold		
1	Jan. 3		10	July Corn	59 3/4
2	"		5	" "	60 1/8
3	4	3		May Wheat	106 5/8
4	"		5	July Corn	60 3/8
5	10		5	" "	59 1/2
6	11		3	May Wheat	102 3/8
7	"		5	July Corn	58 3/4
8	12		5	" "	57 1/2
9	17		3	May Wheat	101
10	19		2	" "	100 3/8
11	"		5	" "	100 3/8
12	22	2		" "	100 3/4
13	23		2	" "	100 3/8
14	24		5	" "	99 1/2
15	29	10		" "	97
16	31		5	May Corn	56 3/8
17	"	5		May Wheat	96 3/4
18	"	5		May Cats	39
19	"	5		July "	34
20	Feb. 1	5		May Corn	55 1/2
21	27	10		Sept. Wheat	99 1/2
22	Apr. 3	10		" "	102 1/2
TOTAL		55	60		

12.

The respondent made purchases and sales of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Carrying Price Cents per bushels	Clearing Member the Account
		Bought	Sold			
	Jan.					

Item	Date 1940 Jan.	Quantity		Future & Grain 1940	Carrying Price Cents per bushels	Clearing Member the Account
		Bought (Thousands of bushels)	Sold			
1	3	10		July	Corn	59 3/4 I. P. Skolly
2	"	5		"	"	60 1/8 " " "
3	4		3	May	Wheat	106 5/8 W. D. Hagerty & Co.
4	"	5		July	Corn	60 3/8 " " "
5	10	5		"	"	59 1/2 I. P. Skolly
6	11	3		May	Wheat	102 3/8 " " "
7	"	5		July	Corn	58 3/4 " " "
8	12	5		"	"	57 1/2 " " "
9	17	3		May	Wheat	101 " " "
10	19	2		"	"	101 3/8 " " "
11	"	5		"	"	101 3/8 " " "
12	22		2	"	"	100 3/4 " " "
13	23	2		"	"	100 3/8 " " "
14	24	5		"	"	99 1/2 " " "
15	29		10	"	"	97 " " "
16	31	5		May	Corn	56 3/8 " " "
17	"		5	"	Wheat	96 3/4 " " "
18	"		5	"	Oats	39 " " "
19	"		5	July	"	34 " " "
20	Feb. 1		5	May	Corn	55 1/2 " " "
21	27		10	Sept.	Wheat	99 1/2 W. D. Hagerty & Co.
22	Apr. 3		10	"	"	102 1/2 D. F. Rice & Co.
TOTAL		60	55			

13.

All the transactions shown in paragraph 11 were either executed by Springer, under orders from Eisemann, or were entered on trading cards in Springer's name by Springer, Eisemann, or others acting under instructions from Eisemann.

14.

All the transactions appearing in paragraphs 11 and 12 bearing corresponding item numbers represent opposite ends of the same transactions; for example, the sale of 10,000 bushels of July corn, shown as item number 1 in paragraph 11, and the purchase of 10,000 bushels of July corn, shown as item number 1 in paragraph 12, represent opposite ends of the same transactions, the respondent becoming purchaser of the contract which he caused to be sold for the account of Dr. George Porle.

15.

The respondent became seller in connection with purchases executed for Br. George Porle, or became purchaser in connection with sales executed for Dr. George Porle, in respect to all the transactions appearing in paragraphs 11 and 12, in violation of Section 4b(D) of the Commodity Exchange Act.

16.

The respondent caused transactions to be entered on trading cards prepared in the names of Wm. J. Springer and W. B. Webbe as floor brokers showing purchases and sales of grain futures contracts on the Chicago Board of Trade which were cleared through Faroll Bros. for the account of L. M. Stein, as set out in detail below:

Quantity
(Thousands of

Item	Date 1940	Broker	bushels)		Future & Grain 1940	Price Cents per bu.
			Bought	Sold		
1	Jan. 3	Wm. J. Springer		10	July Rye	74 3/4
2	" " "	" " "	5		May Corn	59 3/8
3	6	" " "	20		July Wheat	101 1/4
4	10	" " "		10	Sept. "	98 1/2
5	11	" " "	10		" "	96 3/4
6	15	" " "		50	May "	100 1/4
7	"	" " "	50		Sept. "	97 1/2
8	Feb. 2	" " "		20	July "	93 7/8
9	"	" " "		5	May "	96 3/4
10	"	" " "		35	Sept. Rye	64 1/4
11	"	" " "	25		Sept. Wheat	93 1/4
12	6	" " "		20	July "	94 3/4
13	17	" " "		10	Sept. "	100 1/3
14	Mar. 18	W. E. Webbe		10	May Rye	64
15	"	W. E. Webbe	10		Sept. Rye	65 3/4
TOTAL			120	170		

17.

The respondent made purchases and sales of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Carrying Price Cents per bushel	Clearing Member the Account
		Bought	Sold			
1	Jan. 3	10		July Rye	74 3/4	W. D. Hagerty & Co.
2	"		5	May Corn	59 3/8	I. P. Skolly
3	6		20	July Wheat	101 1/4	" " "
4	10	10		Sept. Wheat	98 1/2	W. D. Hagerty & Co.
5	11		10	" "	96 3/4	W. D. Hagerty & Co.
6	15	50		May "	100 1/4	I. P. Skolly
7	"		50	Sept. "	97 1/2	" " "
8	Feb. 2	20		July "	93 7/8	" " "
9	"	5		May "	96 3/4	" " "
10	"	35		Sept. Rye	64 1/4	W. D. Hagerty & Co.
11	"		25	Sept. Wheat	93 1/4	I. P. Skolly
12	6	20		July "	94 3/4	W. D. Hagerty & Co.
13	17	10		Sept. "	100 1/8	W. D. Hagerty & Co.
14	Mar. 18	10		May Rye	64	E. D. Morton
15	"		10	Sept. Rye	65 3/4	" " "
TOTAL		170	140			

18.

All the transactions shown in paragraph 16 were either executed by Eisemann or entered on trading cards under Eisemann's instructions.

19.

All the transactions appearing in paragraphs 16 and 17 bearing corresponding item numbers represent opposite ends of the same transactions; for example, the

sale of 10,000 bushels of July rye futures, shown as item number 1 in paragraph 16, and the purchase of 10,000 bushels of July rye futures, shown as item number 1 in paragraph 17, represent opposite ends of the same transaction, the respondent becoming purchaser of contracts which he caused to be sold for the account of L. M. Stein.

20.

The respondent became seller in connection with purchases executed for L. M. Stein, or became the purchaser in connection with sales executed for L. M. Stein, in all the transactions appearing in paragraphs 16 and 17, in violation of Section 4b (D) of the Commodity Exchange Act.

21.

The respondent acted as floor broker in the purchase and sale of grain futures contracts on the Chicago Board of Trade which were cleared through Sincere & Company for L. M. Stein "spreading account" as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940		Price Cents per bushel
		Bought	Sold			
1	Feb. 20	10		Sept.	Wheat	103
2	"	5		"	"	100 5/8
3	"	5		"	"	100 1/2
4	"		15	May	"	103 1/2
5	21		15	Sept.	Rye	70 3/8
6	"		5	July	Rye	69 3/4
7	29		5	"	"	67 5/8
8	"		10	"	"	67 5/8
9	Mar. 1	20		"	"	66 1/2
10	"	10		"	"	66 1/2
11	"	10		May	Wheat	101 5/8
12	2		10	"	"	99 7/8
13	2		10	"	"	100
14	"		10	"	"	100 1/8
15	"		10	"	"	100 1/4
16	4	5		Sept.	"	98 3/4
17	5		5	May	"	102 1/4
18	7		5	May	Rye	68
TOTAL		65	100			

22.

The respondent made purchases and sales of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade, as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940		Price Cents per bu.	Clearing Member Carrying the Account
		Bought	Sold				
1	Feb. 20		10	Sept.	Wheat	103	Faroll Bros.
2	"		5	"	"	100 5/8	" "
3	"		5	"	"	100 1/2	" "
4	"	15		May	"	103 1/2	W. D. Hagerty & Co.
5	21	15		Sept.	Rye	70 3/8	" " "

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bu.	Clearing Member Carrying the Account
		Bought	Sold			
6	"	5		July Rye	69 3/4	" " "
7	29	5		" "	67 5/8	E. D. Norton
8	"	10		" "	67 5/8	Faroll Bros.
9	Mar. 1		20	" "	66 1/2	E. D. Norton
10	"		10	" "	66 1/2	Faroll Bros.
11	"		10	May Wheat	101 5/8	M. D. Hagerty & Co.
12	2	10		" "	99 7/8	Faroll Bros.
13	"	10		" "	100	" "
14	"	10		" "	100 1/8	E. D. Norton
15	"	10		" "	100 1/4	" " "
16	4		5	Sept. "	98 3/4	W. D. Hagerty & Co.
17	5	5		May "	102 1/4	Faroll Bros.
18	7	5		May Rye	68	" "
TOTAL		100	65			

23.

All the items appearing in paragraphs 21 and 22 bearing corresponding item numbers represent opposite ends of the same transactions; for example, the purchase of 10,000 bushels of September wheat futures, shown as item number 1 in paragraph 21, and the sale of 10,000 bushels of September wheat futures, shown as item number 1 in paragraph 22, represent opposite ends of the same transactions, the respondent becoming seller of the contracts which he purchased for the account of L. M. Stein.

24.

The respondent became seller in connection with purchases executed for L. M. Stein, or became purchaser in connection with sales executed for L. M. Stein, in all the transactions appearing in paragraphs 21 and 22, in violation of Section 4b (D) of the Commodity Exchange Act.

25.

The respondent caused transactions to be entered on trading cards prepared in the names of various floor brokers on the Chicago Board of Trade showing purchases and sales of grain futures contracts on the Chicago Board of Trade which were cleared through Continental Grain Company for the account of W. A. Anderson, as set out in detail below.

Item	Date 1940	Broker	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bu.
			Bought	Sold		
1	Jan. 5	F. Springer	5		May Wheat	104 7/8
2	6	Wm. J. Springer	35		July "	101 7/8
3	"	" " "		5	May "	103 1/8
4	Feb. 13	L. C. Isbister	20		" "	99 1/2
5	Mar. 18	Wm. J. Springer		10	July Rye	65 1/8

26.

The respondent made purchases and sales of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below.

Quantity

Item	Date 1940	(Thousands of bushels)		Future & Grain 1940	Price Cents per bu.	Clearing Member Carrying the Account
		Bought	Sold			
1	Jan. 5		5	May Wheat	104 7/8	W. D. Hagerty & Co.
2	6		35	July "	101 7/8	I. P. Skolly
3	"	5		May "	103 1/8	" " "
4	Feb. 13		20	" "	99 1/2	Faroll Pros.
5	Mar. 18	10		July Rye	65 1/8	" "

27.

All the transactions appearing in paragraphs 25 and 26 bearing corresponding item numbers represent opposite ends of the same transactions, for example, the purchase of 5,000 bushels of May wheat futures, shown as item number 1 in paragraph 25, and the sale of 5,000 bushels of May wheat futures, shown as item number 1 in paragraph 25, represent opposite ends of the same transaction, the respondent becoming seller of the contract which he caused to be purchased for the account of W. A. Anderson.

28.

The respondent became seller in respect to purchases and the buyer in respect to sales made for W. A. Anderson, in the transactions appearing in paragraphs 25 and 26, in violation of Section 4b (D) of the Commodity Exchange Act.

29.

The respondent caused transactions to be entered on trading cards prepared in the name of Wm. J. Springer as floor broker showing the sales of grain futures contracts on the Chicago Board of Trade which were cleared through Faroll Bros. for the account of W. A. Anderson, as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bu.
		Sold	Bought		
1	Feb. 6	25		May Wheat	97 1/8
2	16	10		" "	100 3/8
3	"	10		" "	100 1/2
Total		45			

30.

The respondent made purchasers of grain futures contracts on the Chicago Board of Trade for his own account on the records of various members of the Chicago Board of Trade as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bu.	Clearing Member Carrying the Account
		Bought	Sold			
1	Feb. 6	25		May Wheat	97 1/8	Gerstenberg & Co.
2	16	10		" "	100 3/8	W. D. Hagert \$ Co.
3	"	10		" "	100 1/2	" " "
Total		45	0			

31.

All the transactions appearing in paragraphs 29 and 30, bearing corresponding item numbers, represent opposite ends of the same transactions, in all of which the respondent became purchaser in connection with sales executed for W. A. Anderson, in violation of Section 4b (D) of the Commodity Exchange Act.

32.

The respondent caused transactions to be entered on trading cards prepared in the name of Wm. J. Springer as floor broker showing sales of grain futures contracts on the Chicago Board of Trade which were cleared through Sincere & Company for the account of L. M. Stein "spreading", as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bushel
		Sold			
1	Feb. 21		10	Sept. Wheat	104
2	28		20	July Rye	67 1/4
TOTAL			30		

33.

The respondent made purchases in grain futures contracts on the Chicago Board of Trade for his own account on the records of Farrell Bros. and E. D. Norton, members of the Chicago Board of Trade, as set out in detail below:

Item	Date 1940	Quantity (Thousands of bushels)		Future & Grain 1940	Price Cents per bushel	Clearing Member Carrying the Account
		Bought	Sold			
1	Feb. 21	10		Sept. Wheat	104	Faroll Bros.
2	28	20		July Rye	67 1/4	E. D. Norton
TOTAL		30				

34.

The sale of 10,000 bushels of September wheat futures, shown as item number 1 in paragraph 32, and the purchase of 10,000 bushels of September wheat futures, shown as item number 1 in paragraph 33, represent opposite ends of the same transaction, similarly, the sale of 20,000 bushels of July rye futures, shown as item number 2 in paragraph 32, and the purchase of 20,000 bushels of July rye futures, shown as item number 2 in paragraph 33, represent opposite ends of the same transaction, the respondent becoming purchaser of the contracts which he caused to be sold for the account of L. M. Stein "spreading account", all in violation of Section 4b (D) of the Commodity Exchange Act.

35.

The respondent during the period from December 22, 1939, to and including February 1, 1940, offered to enter into and entered into transactions involving grains, which were or could be used for hedging any transaction, in interstate commerce, in such commodity or the products or by-products thereof,

or determining the price basis of any such transactions, in interstate commerce, in such commodity, or delivering these commodities sold, shipped, or received in interstate commerce for the fulfillment thereof, which transactions were of the

character of and commonly known as "privileges" or "bids" or "offers". Such transactions were executed for the account of the respondent and under his instructions by North Star Grain Company of Winnipeg, Manitoba, Canada, all in violation of Section 4c(B) of the Commodity Exchange Act.

36.

In the execution of the transactions set forth in paragraphs 7, 11, 16, 21, 25, 29 and 32, the respondent acted as floor broker without being registered as such with the Secretary of Agriculture, in violation of Section 4c of the Commodity Exchange Act.

THEREFORE, the respondent is hereby notified to be and appear before a referee, to be appointed by the Secretary of Agriculture, at a hearing to be held at 10 o'clock a.m., on December 9, 1940, in Room 1026, at 332 South LaSalle Street, Chicago, Illinois, or at such other times and places as may be determined by the referee, and then and there show cause, if any there be, why an order shall not be made directing that all contract markets, until further notice of the Secretary of

Agriculture, refuse all trading privileges to the respondent.

IT IS ORDERED that this complaint and notice of hearing be served on the named respondent by delivery of a true and correct copy hereof to the respondent, by an employee of the Department of Agriculture or by registered mail, at least twenty days prior to the date herein set for the hearing.

IT IS FURTHER ORDERED that the respondent shall file with the hearing clerk, Office of the Solicitor, Department of Agriculture at Washington, D. C., within fifteen days after the receipt of the complaint, an answer signed by the respondent fully and completely stating the nature of any affirmative defense and admitting or denying specifically, in detail, each material and relevant allegation of the complaint. The failure to file such answer within said fifteen day period may be deemed an admission of the truth of the allegations of the complaint for the purpose of this proceeding.

(SEAL)

Done at Washington, D. C., this 7th day of November, 1940. Witness my hand and the seal of the Department of Agriculture.

/s/ PAUL H. APPLEBY

Under Secretary of Agriculture

LOAD-DATE: June 11, 2008

