

Commodity Futures Trading Commission  
CEA CASES

**NAME:** OTTO F. REHDERS

**DOCKET NUMBER:** STIPULATION 48

**DATE:** DECEMBER 22, 1959

**DOCUMENT TYPE:** STIPULATION OF COMPLIANCE

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Otto F. Rehders

Stipulation of Compliance under the Commodity Exchange Act No. 48

The Secretary of Agriculture has reason to believe that Otto F. Rehders has violated the provisions of the Commodity Exchange Act (17 CFR, Chapter 1) and the rules and regulations of the Secretary of Agriculture promulgated thereunder by virtue of certain transactions in cottonseed oil futures as set forth below.

No complaint with respect to such violations has been issued and the said Otto F. Rehders 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 Otto F. Rehders stipulates that the following facts are true:

1. Otto F. Rehders is an individual whose address is 72 Wall Street, New York 4, New York. He is a member of the New York Produce Exchange and a registered floor broker under the Commodity Exchange Act.

2. On December 5, 1958, Michael J. Corrigan, a floor trader on the New York Produce Exchange, entered the trading ring and advised Otto R. Rehders and other floor traders that a customer had a position in cottonseed oil futures that he wished to liquidate and then reinstate.

3. Otto F. Rehders participated in the liquidation and reinstatement of the position by entering into a so-called "switch" trade with Corrigan as set forth in the table below.

Rehders Bought	Rehders Sold
2 May cottonseed oil @ 1312	2 March cottonseed oil @ 1310
2 March cottonseed oil @ 1310	2 May cottonseed oil @ 1313

The trades made by Otto F. Rehders were for his personal account.

The Commodity Exchange Authority has advised Otto F. Rehders that in its opinion the transactions above described are in violation of the Commodity Exchange Act and the regulations thereunder, particularly those provisions relating to "accommodation trades" and the requirement that all trading be done openly and competitively.

Otto F. Rehders agrees to desist from such practices in the future and to comply fully with the requirements of the Commodity Exchange Act and the regulations of the Secretary of Agriculture thereunder; and specifically to refrain from entering into accommodation trades or executing orders otherwise than by open and competitive means. He further understands and agrees that this stipulation shall be admissible of acts and practices in violation of the Commodity Exchange Act in any proceeding based upon transactions in addition to those referred to herein which

may hereafter be brought by the Secretary of Agriculture against the said Otto F. Rehders under the provisions of the said act.

Done at New York, New York, this 22nd day of December 1959.

/s/ Otto F. Rehders

Otto F. Rehders

Witnessed by:

/s/ Roy Tipton

/s/ Hugh A. Collins

**LOAD-DATE:** June 16, 2008

