

Commodity Futures Trading Commission
CEA CASES

NAME: JOHN C. WEAVER & SONS

CITATION: 33 Agric. Dec. 1519

DOCKET NUMBER: 231

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(No. 16,107)

In re JOHN C. WEAVER & SONS. CEA Docket No. 231. Decided November 1, 1974.

Futures commission merchant -- failure to submit accurate and timely financial statements

Respondent's stipulation has been accepted, and the order herein is issued against respondent for violations of the Act and regulations in connection with its operations as a futures commission merchant in the submission of untimely and inaccurate financial statements. Respondent is ordered to cease and desist from such violations.

Michael D. Weiner, for complainant.

Ronald Lee Gilman, Memphis, Tenn., for respondent.

Decision by John A. Campbell, Administrative Law Judge.

DECISION AND ORDER

PRELIMINARY STATEMENT

This is an administrative proceeding under the Commodity Exchange Act (7 U.S.C. 1 *et seq.*), instituted by a Complaint and Notice of Hearing, alleging that the respondent John C. Weaver & Sons was at all times material a Tennessee partnership composed of John C. Weaver, Dudley S. Weaver, II, and Robert L. Weaver and has been since May 3, 1972, a registered futures commission merchant under the Commodity Exchange Act. The Complaint charges that the respondent filed delinquent and incorrect Statements of Financial Condition, CEA Form 1-FR. Such acts were alleged to have been wilfull and in violation of section 4f of the Commodity Exchange Act (7 U.S.C. 6f) and section 1.10 of the regulations issued thereunder (17 CFR 1.10).

Prior to hearing the respondent agreed to a stipulation under section 0.4(b) of the Rules of Practice (17 CFR 0.4(b)) in which he

(1) admits the facts hereunder as set forth in paragraphs 1 through 3 of the Findings of Fact, (2) waives oral hearing on the charges in the Complaint and (3) consents to the entry, without further proceedings, of a Decision and Order containing the facts admitted in such stipulation as the Findings of Fact for the purposes of this proceeding only, conclusions of law based on such findings, and the Order contained herein.

FINDINGS OF FACT

1. Respondent John C. Weaver & Sons, a Tennessee partnership composed of John C. Weaver, Dudley S. Weaver, II, and Robert L. Weaver is now and has been since May 3, 1972, a registered futures commission merchant under the Commodity Exchange Act, engaged in trading in commodities for future delivery. Prior to

May 3, 1972, the firm did business under the name of Noland-Weaver and was registered as a futures commission merchant as of June 24, 1971. The partnership and each of the above-named partners are members of the New York Cotton Exchange, a designated contract market under the Commodity Exchange Act.

2. As of December 31, 1971, and every six months thereafter, the firm was required by section 1.10 of the regulations issued pursuant to the Commodity Exchange Act (17 CFR 1.10) to prepare and submit to the Commodity Exchange Authority Form 1-FR, Statement of Financial Condition.

3. Despite numerous reminders, CEA Form 1-FR was received as set forth in the following table:

"As of" Date	Due Date	Date Received	Certified By
12-31-71	3-31-72	4-11-72	Dudley S. Weaver, II
6-30-72	9-30-72	10-16-72	Dudley S. Weaver, II
12-31-72	3-31-73	4-27-73	Dudley S. Weaver, II
6-30-73	9-30-73	10-18-73	Dudley S. Weaver, II

In addition to the delinquent filing of Form 1-FR detailed above, material errors, such as improper classifications, omission of required supporting dates, and erroneous computation of a proprietary safety factor were found in those Form 1-FR submitted for the years 1972 and 1973, including that of December 31, 1973, due on March 31, 1974, certified by Robert L. Weaver.

CONCLUSIONS

By reason of the facts set forth above, John C. Weaver & Sons violated section 4f of the Commodity Exchange Act (7 U.S.C. 6f) and section 1.10 of the regulations issued thereunder (17 CFR 1.10) by failing to submit accurate and timely Statements of Financial Condition, CEA Form 1-FR.

The complainant states that Administrative Officials of the Commodity Exchange Authority have carefully considered the stipulation submitted by the respondent. The Administrative Officials believe that the prompt entry of the proposed Order would constitute a satisfactory disposition of this case, serve the public interest, and effectuate the purposes of the Act. The complainant recommends, therefore, that the stipulation be accepted and the proposed Order be issued.

ORDER

Effective on the date of service of this Order upon the respondent John C. Weaver & Sons, the respondent shall cease and desist from filing with the Commodity Exchange Authority required Form 1-FR more than three months after the date as of which it reports the respondent's financial condition, and (2) filing with the Commodity Exchange Authority required Form 1-FR when said form contains material errors including, but not limited to, improper classifications, omission of required supporting dates, and erroneous computation of the proprietary safety factor.

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

LOAD-DATE: June 9, 2008

