

Commodity Futures Trading Commission
CEA CASES

NAME: MARK J. GAMBER

CITATION: 31 Agric. Dec. 1592

DOCKET NUMBER: 196

DATE: DECEMBER 14, 1972

DOCUMENT TYPE: DECISION AND ORDER

(No. 14,891)

In re MARK J. GAMBER. CEA Docket No. 196. Decided December 14, 1972.

**Excess speculative trades -- Incorrect and incomplete records and reports --
Stipulation -- Denial of trading privileges -- Suspension**

The stipulation filed by respondent herein has been accepted, the complainant's recommendation has been adopted, and the Order herein is issued, denying trading privileges to respondent for 30 days and suspending respondent as a floor broker for 30 days, as stated in the Order.

Richard W. Davis, Jr., for complainant.

John J. Enright, Chicago, Illinois, 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 August 25, 1972, under section 6(b) and (c) of the said Act (7 U.S.C. 9 and 13b). The respondent is charged with violating sections 4a, 4i and 6(b) of the said Act (7 U.S.C. 6a, 6i and 9), section 1.35 of the regulations

of the Secretary of Agriculture issued under the said Act (17 CFR 1.35), and section 150.4 of the orders of the Commodity Exchange Commission issued under the said Act (17 CFR 150.4).

No hearing has been held in this proceeding. On December 6, 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) admits the facts hereinafter set forth in paragraphs 1 through 3 of the Findings of Fact, (2) admits, for the purposes of this proceeding and for such purposes only, the remaining facts set forth in the Findings of Fact and (3) waives the report of the referee and consents to the entry of the order contained herein.

FINDINGS OF FACT

1. The respondent, Mark J. Gamber, an individual whose business address is 316 South LaSalle, Room 1135, Chicago, Illinois 60604, is now, and was at all times material herein, a member of the Chicago Board of Trade and a partner in the firm of M. F. Gamber, a clearing member of the Chicago Board of Trade. The respondent was registered on February 14, 1972, as a floor broker under the Commodity Exchange Act and is presently so registered.

2. The Chicago Board of Trade is now, and was at all times material herein, a duly designated contract market under the Commodity Exchange Act.

3. The transactions in soybean futures referred to in this complaint were capable of being used for hedging transactions in interstate commerce in soybeans or the products or by-products thereof, or for determining the price basis of transactions in interstate commerce in such commodities, or for delivering such commodities sold, shipped or received in interstate commerce for the fulfillment of such futures contracts.

4. On the dates listed below, the respondent made speculative trades for his own account in soybean futures on the Chicago Board of Trade, which were in excess of the maximum permissible limits established by the order of the Commodity Exchange Commission (17 CFR 150.4), as follows:

See original document--page 2

Date	No. of Bushels	
1971	Purchased	Sold
April 6	2,420,000	2,400,000
April 23	2,365,000	2,320,000
April 26	2,040,000	2,025,000
April 27	2,355,000	2,415,000
May 25	2,165,000	2,195,000

5. In an effort to conceal from the Commodity Exchange Authority his trading in excess of the maximum permissible limits on the three days he was required to submit trading reports (Form 203) to the Authority -- April 26 and 27 and May 25, 1971 -- the respondent: (1) with respect to the trades made on April 26, marked his trading cards to indicate that 95,000 bushels of the purchases and 95,000 bushels of the sales had been made for the house account of the firm of M. F. Gamber, and omitted such transactions from his trading report to the Commodity Exchange Authority; (2) with respect to the trades made on April 27, marked his trading cards to indicate that 400,000 bushels of the purchases and 400,000 bushels of the sales had been made for the house account of the firm of M. F. Gamber, and omitted such transactions from his trading report to the Commodity Exchange Authority; and (3) with respect to the trades made on May 25, marked his trading cards to indicate that 205,000 bushels of the purchases and 205,000 bushels of the sales had been made for the house account of the firm of M. F. Gamber, and omitted such transactions from his trading report to the Commodity Exchange Authority. The respondent, in connection with the trades referred to in paragraph 4 above, followed the general practice of failing to identify on his trading cards the opposite floor brokers and traders with whom he traded, and frequently used trading cards which failed to reveal that he executed such trades.

CONCLUSIONS

By reason of the facts set forth in the Findings of Fact, it is concluded that the respondent has violated sections 4a, 4i and 6(b) of the Commodity Exchange Act (7 U.S.C. 6a, 6i and 9, section 1.35 of the regulations of the Secretary of Agriculture under the said Act (17 CFR 1.35), and section 150.4 of the orders of the Commodity Exchange Commission issued under the said Act (17 CFR 150.4). 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 Mark J. Gamber shall cease and desist from:

a. Making speculative trades in futures which are in excess of the maximum permissible limits established by order of the Commodity Exchange Commission.

b. Maintaining incorrect and incomplete records of his trading and submitting to the Commodity Exchange Authority incorrect trading reports.

2. Effective on the thirtieth day after the date this order is issued, respondent Mark J. Gamber is prohibited from trading in any commodity on any contract market subject to the provisions of the Commodity Exchange Act for 30 days and all contract markets shall deny trading privileges to the respondent for that period. Such prohibition and denial 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, including the firm of M. F. Gamber.

3. Effective on the thirtieth day after the date this order is issued, the registration of respondent Mark J. Gamber as a floor broker under the Commodity Exchange Act is suspended for 30 days.

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

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