

Commodity Futures Trading Commission
CEA CASES

NAME: ARTHUR P. GUMZ, DOROTHY GUMZ, FREDERICK D. GUMZ, AND PAUL A. GUMZ

CITATION: 26 Agric. Dec. 13

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(No. 10,980)

In re ARTHUR P. GUMZ, DOROTHY GUMZ, FREDERICK D. GUMZ, AND PAUL A. GUMZ. CEA Docket No. 135. Decided January 5, 1967.

Position limit -- Denial of trading privileges -- Stipulation

Respondents consented to the issuance of an order directing all contract markets to refuse all trading privileges to them for a period of 30 days for violations of the act in exceeding the maximum speculative trading position limits in potato futures on the New York Mercantile Exchange.

Mr. Earl L. Saunders for Commodity Exchange Authority.

Max and Herman Chill, of Chicago, Ill., for respondents.

Mr. Benj. M. Holstein, Referee.

Decision by Thomas J. Flavin, Judicial Officer

PRELIMINARY STATEMENT

This is an administrative proceeding under the Commodity Exchange Act (7 U.S.C. 1 *et seq.*), in which the respondents are charged with exceeding the maximum speculative trading and position limits in potato futures in wilful violation of section 4a of the act (7 U.S.C. 6a) and the order of the Commodity Exchange Commission (17 CFR 150.10).

No hearing has been held with respect to this proceeding. On January 4, 1967, the respondents submitted a stipulation under section 0.4(b) of the rules of practice (17 CFR 0.4(b)), in which they withdrew their answer previously filed, admit the facts hereinafter set forth, waive hearing on the charges, and consent to the entry of the order contained herein.

FINDINGS OF FACT

1. Each of the respondents is an individual whose address is 201 Wilson Street, North Judson, Indiana.

2. The New York Mercantile Exchange is now and was at all times material herein a duly designated contract market under the Commodity Exchange Act.

3. From June 30, 1965, through February 28, 1966, the respondents, acting pursuant to an expressed or implied agreement or understanding, made trades and held speculative open positions in potato futures on the New York Mercantile Exchange. During the periods set forth below, the range of the aggregate speculative net long open positions in each single potato future and in all potato futures combined so held by the respondents was as follows:

Future	Period Held	Range of Positions (carlots)
March 1966	July 20, 1965, through February 2, 1966	160 to 260

Future	Period Held	Range of Positions (carlots)
April 1966	September 28, 1965, through February 28, 1966	165 to 270
May 1966	June 30, 1965, through February 28, 1966	184 to 522
All Futures Combined	July 12, 1965, through February 28, 1966	370 to 1047

4. From September 28, 1965, through February 24, 1966, respondent Arthur P. Gumz held speculative net long open positions in all potato futures combined on the New York Mercantile Exchange which ranged between 362 carlots and 495 carlots. From October 8, 1965, through February 14, 1966, respondent Arthur P. Gumz held speculative net long open positions in the April 1966 potato future on the New York Mercantile Exchange which ranged between 167 carlots and 180 carlots. From October 8, 1965, through December 7, 1965, the said respondent held speculative net long open positions in the May 1966 potato future on the New York Mercantile Exchange which ranged between 155 carlots and 170 carlots, and from January 17, 1966, through February 14, 1966, the said respondent held a speculative net long open position of 155 carlots in such future.

CONCLUSIONS

The facts admitted by the respondents in their stipulation have been adopted as the findings herein. By reason of these findings, it is concluded that the respondents wilfully violated section 4a of the Commodity Exchange Act (7 U.S.C. 6a), and the order of the Commodity Exchange Commission (17 CFR 150.10), as charged in the complaint.

Complainant states that the administrative officials of the Commodity Exchange Authority have carefully considered the proposed stipulation and order, and that they believe the proposed sanctions are adequate and that the prompt entry, without further proceedings, of the order to which the respondents have consented will constitute a satisfactory disposition of this case, serve the public interest, and effectuate the purposes of the Commodity Exchange Act. Complainant recommends, therefore, that the stipulation and waiver submitted by the respondents be accepted and that the proposed order be issued. It is so concluded.

ORDER

Effective on the thirtieth day after the date of entry of this order, all contract markets shall refuse all trading privileges to the respondents, Arthur P. Gumz, Dorothy Gumz, Frederick D. Gumz and Paul A. Gumz, for a period of 30 days, such refusal to apply to all trading done and positions held by them directly or indirectly.

A copy of this decision and order shall be served on each of the parties and on each contract market.

LOAD-DATE: June 8, 2008

