

Commodity Futures Trading Commission
CEA CASES

NAME: ULTRADE CORPORATION, OMER D. LABRIE, MELVIN A. ROSS, AND PETER A. THATCHER

DOCKET NUMBER: 180

DATE: AUGUST 19, 1971

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Ultrade Corporation, Omer D. LaBrie, Melvin A. Ross, and Peter A. Thatcher, Respondents

CEA Docket No. 180

Complaint and Notice of Hearing Under the Commodity Exchange Act

There is reason to believe that the respondents have violated the Commodity Exchange Act (7 U.S.C. 1 et seq.) and the regulations made pursuant thereto, and this complaint and notice of hearing is issued stating the charges in that respect as follows:

I

Respondent Ultrade Corporation is now, and was at all times material herein, a corporation organized and existing under the laws of the State of Massachusetts. At all such times up until January 1, 1971, the said corporation was a registered futures commission merchant under the Commodity Exchange Act, and at all such times up until on or about December 8, 1970, was engaged in trading in commodities for future delivery for the accounts of customers and holding for such customers sums of money, representing deposits of margin by and trading profits accruing to such customers. At all times while so engaged, the said corporation was subject to the minimum financial requirements specified in section 1.17 of the regulations under the Commodity Exchange Act (34 F.R. 599). The last known address of the respondent corporation is 850 Boylston Street, Chestnut Hill, Massachusetts.

II

Respondent Omer D. LaBrie was at all times material herein up to July 8, 1970, the president of the respondent corporation. Respondent Melvin A. Ross was at all times material herein after on or about July 10, 1970, the president of the respondent corporation and chairman of its board of directors. Respondent Peter A. Thatcher was at all times material herein after August 17, 1970, the vice-president and general manager of the respondent corporation. In such capacities, the individual respondents had responsibility for the management, direction and control of the activities of the corporate respondent.

III

During the period between June 5 and July 15, 1970, both inclusive, and on August 31, 1970, respondent Ultrade Corporation engaged as a registered futures commission merchant under the Commodity Exchange Act while failing to meet the minimum financial requirements prescribed by section 1.17 of the regulations issued by the Secretary of Agriculture under the Act. The respondent corporation lacked approximately \$ 57,000, \$ 51,000, \$ 31,000 and \$ 16,000, on June 5, June 15, June 30 and August 31, 1970, respectively, of having enough working capital to meet such minimum financial requirements.

IV

By reason of the facts alleged in this complaint, the respondents wilfully violated section 4f of the Commodity Exchange Act (7 U.S.C 6f) and section 1.17 of the regulations thereunder (34 F.R. 599).

WHEREFORE, it is hereby ordered that this complaint and notice of hearing be served upon the respondents and this proceeding shall be governed by sections 0.1, 0.2, 0.4(b), 0.5 through 0.22 and 0.28 of the rules of practice under the Commodity Exchange Act (17 CFR 0.1, 0.2, 0.4(b), 0.5 through 0.22, 0.28). The respondents will have twenty (20) days after the receipt of this complaint in which to file with the Hearing Clerk, United States Department of Agriculture, Washington, D. C. 20250, an answer with an original and three copies, fully and completely stating the nature of the defense and admitting or denying, specifically and in detail, each allegation of this complaint. Allegations not answered will be deemed admitted for the purposes of this proceeding. Failure to file an answer will constitute an admission of all the allegations of this complaint and a waiver of hearing. The filing of an answer in which all of the material allegations of fact contained in the complaint are admitted likewise shall constitute a waiver of hearing unless a hearing is requested. The respondents are hereby notified that unless hearing is waived, a hearing will be held at 10:00 a.m., local time, on October 21, 1971, in Boston, Massachusetts, at a place therein to be specified later, before a referee designated to conduct such hearing. At such hearing, the respondents will have the right to appear and show cause, if any there be, why an appropriate order should not be issued in accordance with the Commodity Exchange Act,

(1) prohibiting the respondents from trading on or subject to the rules of any contract market, and directing that all contract markets refuse all trading privileges to the respondents for such period of time as may be determined, and (2) directing that the respondents shall cease and desist from violating the Act and regulations in the manner alleged herein.

It is ordered that this complaint and notice of hearing be served on the respondents at least twenty (20) days prior to the date set for hearing.

Done at Washington, D. G.

August 19, 1971

[SEE SIGNATURE IN ORIGINAL]

Richard E. Lyng

Assistant Secretary

LOAD-DATE: June 16, 2008

