

Commodity Futures Trading Commission  
CEA CASES

**NAME:** JOHN M. COX

**DOCKET NUMBER:** 216

**DATE:** OCTOBER 2, 1973

**DOCUMENT TYPE:** COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: John M. Cox, Respondent

CEA Docket No. 216

Complaint and Notice of Hearing Under the Commodity Exchange Act

There is reason to believe that the respondent has 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

The respondent, John M. Cox, an individual whose business address is c/o A. J. Riffel & Co. 141 West Jackson Boulevard, Room 1040, Chicago, Illinois 60604, is now and was at all times material herein, a member of the Chicago Board of Trade and a registered floor broker under the Commodity Exchange Act.

II

The Chicago Board of Trade, 141 West Jackson Boulevard, Chicago, Illinois 60604, is now and was at all times material herein a duly designated contract market under the Commodity Exchange Act.

III

The transactions referred to in this complaint relate to the purchase and sale of corn futures contracts on the Chicago Board of Trade. Such contracts could have been used for hedging transactions in interstate commerce in corn or the products or byproducts thereof,

or for determining the price basis of transactions in interstate commerce in corn, or for delivering corn sold, shipped, or received in interstate commerce.

IV

On or about May 21, 1973, the respondent made speculative trades for his own account in corn 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 150.11), as follows:

	In Bushels	
Future	Purchases	Sales
May	795,000	545,000
July	3,455,000	4,015,000
December	1,490,000	1,255,000
 Total	 5,740,000	 5,815,000

V

On or about May 21, 1973, respondent failed to properly prepare trading cards showing his purchases and sales of corn for future delivery. Respondent failed, on every such card, to show the commodity traded; failed, on many cards, to show the identity of the opposite floor broker; and failed, on some cards, to show the identity of the opposite clearing firm.

VI

By reason of the facts alleged in this complaint, the respondent wilfully violated sections 4a and 4g of the Commodity Exchange Act

(7 U.S.C. 6a and 6g), section 150.11 of the orders of the Commodity Exchange Commission (17 CFR 150.11) and section 1.35 of the regulations under the Commodity Exchange Act (17 CFR 1.35).

WHEREFORE, it is hereby ordered that this Complaint and Notice of Hearing be served upon the respondent 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, 0.1.2, 0.4(b), 0.5 through 0.22, 0.28). The respondent 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 respondent is hereby notified that unless hearing is waived, a hearing will be held in Chicago, Illinois, at a place therein and date to be specified later, before a judge designated to conduct such hearing. At such hearing the respondent 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) suspending or revoking the registration of the respondent as floor broker, (2) prohibiting the respondent from trading on or subject to the rules of any contract market, and directing that all contract markets refuse all trading privileges to the respondent for such period of time as may be determined and (3) directing that the respondent shall cease and desist from violating the Act and the regulations in the manner alleged herein.

It is ordered that this Complaint and Notice of Hearing be served on the respondent at least twenty (20) days prior to the date set for hearing.

Done at Washington, D. C.

October 2, 1973.

[SEE SIGNATURE IN ORIGINAL]

CLAYTON YEUTTER

Assistant Secretary

**LOAD-DATE:** June 12, 2008

