

Commodity Futures Trading Commission
CEA CASES

NAME: GASTON GODOY

DOCKET NUMBER: 56

DATE: FEBRUARY 21, 1953

DOCUMENT TYPE: COMPLAINT

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re: Gaston Godoy Respondent

CEA Docket No. 56

Complaint and notice of hearing under the Commodity Exchange Act

The Secretary of Agriculture has reason to believe that the respondent, Gaston Godoy, has violated the provisions of the Commodity Exchange Act (7 U.S.C., Chapter 1), and the rules and regulations made pursuant to its requirements. In accordance with the provisions of section 6(b) of the Commodity Exchange Act (7 U.S.C. 9), this complaint is issued alleging as follows:

I

The respondent, Gaston Godoy, is an individual whose address is Vedado, 17 No. 752, Esq. Paseo, Havana, Cuba.

II

The Board of Trade of the City of Chicago (hereinafter called the Chicago Board of Trade) and the New York Cotton Exchange were at all times material to this complaint duly designated contract markets under the Commodity Exchange Act.

III

From August 1952 through January 1953, the respondent traded in commodity futures on the Chicago Board of Trade and the New York Cotton

Exchange, by means of accounts in his own name and in the names of Felipe Godoy and Gaston Godoy, Jr., carried by various futures commission on merchants in the United States and Cuba.

IV

A. On each day between August 13, 1952 and November 10, 1952. the respondent's not long open contract position in lard futures on the Chicago Board of Trade, as reflected by the above-described accounts, ranged from approximately 1,550,000 pounds to approximately 8,680,000 pounds in a single future. By reason of the fact that such quantities were in excess of 600,000 pounds, the amount specified for reporting purposes, the respondent was required to report to the Commodity Exchange Authority, during such periods with respect to all transactions, deliveries, and open contract positions in all lard futures in accounts owned or controlled by him, as provided in section 41 of the Commodity Exchange Act (7 U.S.C. 6i) and sections 9.00, 9.10, 9.11, 9.13, and 9.21 of the rules and regulations thereunder (17 CFR 9.00, 9.10, 9.11, 9.12, 9.21).

B. During the said period and while the respondent was in reporting status as above described, the following purchases and sales of lard futures and deliveries of lard in satisfaction of open contracts were and on the Chicago Board of Trade for accounts earned or controlled by the respondents:

See original document—page 2

Date 1952	1952 Future	Bought (Pounds)	Sold (Pounds)	Received on Delivery (Pounds)
Aug. 29	(September October November)	2,120,000 2,120,000	4,240,000	
Oct. 1	October			3,400,000
Oct. 2	October			280,000
Oct. 3	October			40,000
Oct. 6	October			40,000
Oct. 7	October			240,000
Oct. 8	October			360,000
Oct. 15	October			320,000
Oct. 16	October			480,000
Oct. 17	October			760,000
Oct. 20	October			160,000
Oct. 21	(October November December)	880,000	880,000	240,000
Oct. 22	(October November December)	680,000	660,000	240,000
Oct. 23	(October November December)	800,000	800,000	
Oct. 27	(November December)	40,000	40,000	
Nov. 3	November			2,040,000
Nov. 5	November		440,000	
Nov. 6	November		200,000	
Nov. 7	November		120,000	
Nov. 10	November		2,040,000	

The respondent failed to report to the Commodity Exchange Authority with respect to such purchases, sales, and deliveries, and the resulting open contract positions, as required by the aforesaid sections of the Commodity Exchange Act and the rules and regulations.

V

A. On each day between August 18, 1962 and August 25, 1962, and on each day between October 16, 1962 and November 19, 1962, the respondent a net long open contract position in soybean oil futures on the Chicago Board of Trade, as reflected by the above-described accounts, ranged from approximately 1,020,000 pounds to approximately 2,400,000 pounds in a single future. By reason of the fact that such quantities were in excess of 900,000 pounds, the amount specified for reporting purposes, the respondent was required to report; to the Commodity Exchange Authority, during such periods, with respect to all transactions and open contract positions in all soybean oil futures in accounts owned or controlled by him, as prodded by section 4i of the Commodity Exchange Act (7 U.S.C. 61) and sections 10.00, 10.10, 10.11, 10.12, and 10.21 of the rules and regulations thereunder (17 CFR 10.00, 10.10, 10.11, 10.12, 10.21).

B. During the said periods and while the respondent was in reporting status as above described, the following purchase and sales of bean oil futures were made on the Chicago Board of Trade for accounts or controlled by the respondent:

See original document-page 4

Date 1952	Future	Bought (Pounds)	Sold (Pounds)
Aug. 19	December 1952	840,000	
Aug. 22	October 1952		840,000
Aug. 25	October 1952		1,020,000
Oct. 16	March 1953	840,000	
Oct. 17	May 1953	840,000	
Oct. 21	May 1953	480,000	
Oct. 28	May 1953	480,000	
Nov. 5	May 1953	180,000	
Nov. 6	(March 1953 May 1953)	240,000 420,000	
Nov. 17	May 1953		1,200,000
Nov. 18	(March 1963 May 1953)		960,000 1,200,000
Nov. 19	March 1953		1,080,000

The respondent failed to report to the Commodity Exchange Authority with respect to such purchases and sales and the resulting open contract positions, as required by the aforesaid sections of the Commodity Exchange Act and the rules and regulations.

VI

On each day between December 18, 1952 and January 9, 1953, the respondent's net long open contract position in cotton futures on the

New York Cotton Exchange, as reflected by the above-described accounts ranged from approximately 5,600 bales to approximately 7,000 bales in a single future, By reason of the fact that such quantities were in excess of 5,000 bales, the amount specified for reporting purposes the respondent was required to report to the Commodity Exchange Authority, during such period, with respect to all transactions and open contract positions in all cotton futures in accounts owned or controlled by him, as provided by section 4i of the Commodity Exchange Act (7 U.S.C. 6i) and sections 3.10, 3.11, 3.12, and 3.81 of the rules and regulative thereunder (17 CFR 3.10, 3.11, 3.12, 3.21).

B. During the said period and while the respondent was in reporting status as above described, the following purchases of cotton futures were made on the New York Cotton Exchange for accounts owned or controlled by the respondent:

Date	1953 Future	Bought (Bales)
Dec. 19, 1952	March	1,300
Jan. 5, 1953	May	600
Jan. 6, 1953	May	400
Jan. 9, 1953	March	1,000

The respondent failed to report to the Commodity Exchange Authority with respect to such purchases and the resulting open contract positions as required by the aforesaid sections of the Commodity Exchange Act and the rules and regulations.

VII

During the two-year period immediately prior to August 1953, officials of the Commodity Exchange Authority found it necessary to communicate with the respondent thirteen times because of his continued failure to submit reports concerning transactions and positions in commodity futures on contract markets. The respondent was therefore fully informed of his obligation under the act and the regulations to file reports whenever his position in the market placed his

in reporting statue, and his failure to file reports concerning the transactions described above constituted willful violations of section 41 of the Commodity Exchange Act and sections 3.10, 3.11, 5.12, 3.21, 9.00, 9.20, 9.11, 9.12, 9.21, 10.00, 10.10, 10.11, 10.12, and 10.21 of the rules and regulations thereunder.

Therefore, the said respondent, Gaston Godoy, is hereby notified to be and appear at a hearing to be held at 10:00 A.M., eastern standard time, on the 3rd day of April, 1963, in Room 149W Administration Building, United States Department of Agriculture, Washington, D. C., before a referee designated to conduct such hearing and then and there show cause, if any there be why an order should not be made directing that all contract markets refuse all trading privileges to the said respondent for such period of time as may be determined by the Secretary of Agriculture

The respondent will have 20 days after the receipt of this notice of hearing in which to file with the Secretary of Agriculture, in triplicate,

an answer fully and completely stating the nature of the defense sad admitting or denying specifically and in detail each material and relevant allegation of this complaint. Allegations that are not answered will be deemed admitted for the purpose of this proceedings

It is ordered that this complaint and notice of hearing be served on the respondent by delivery of a true copy thereof by employee of the Department of Agriculture, or by registered mail, at least 20 days prior to the date set for hearing.

Done at Washington, D. C. this 21 day of Feb. 1963

/s/ True D. Mores

Acting Secretary of Agriculture

LOAD-DATE: June 11, 2008

