

Commodity Futures Trading Commission
CEA CASES

NAME: RONALD M. SCHILLER

DOCKET NUMBER: STIPULATION 131

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UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Ronald M. Schiller

Stipulation of Compliance Under the Commodity Exchange Act No. 131

The Secretary of Agriculture has reason to believe that Ronald M. Schiller has violated the provisions of the Commodity Exchange Act (7 U.S.C., Chapter 1) and the regulations of the Secretary of Agriculture promulgated thereunder (17 CFR, Chapter 1). No complaint with respect to such violations has been issued and the said Ronald M. Schiller is desirous of disposing of the matter by entering into a stipulation of compliance as authorized by section 0.4(a) of the Rules of Practice under the Commodity Exchange Act (17 CFR, Part 0). Therefore, the said Ronald M. Schiller for the purposes of this stipulation of compliance and administrative proceedings under the Commodity Exchange Act and for such purposes only, stipulates the following facts are true:

(1) Ronald M. Schiller an individual whose address is 110 N. Franklin Street, Chicago, Illinois 60606 is now and was at all times material herein a registered floor broker under the Commodity Exchange Act and a member of the Chicago Mercantile Exchange, a duly designated contract market under the Commodity Exchange Act.

(2) The futures transactions hereinafter referred to relate to pork belly futures contracts on the Chicago Mercantile Exchange. Each of such contracts called for the delivery of 30,000 pounds of pork bellies. Such contracts could have been used for hedging transactions in interstate commerce in pork bellies, or for determining

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

(3) On February 11, 1969, Ronald M. Schiller took the opposite side of a customer's order for the purchase of two contracts of May pork bellies noncompetitively without obtaining the prior consent of such customer. The purchase was made by Ronald M. Schiller for the account of a customer of Francis I. duPont & Co. The opposite side of the transaction was made by Ronald M. Schiller for his own account at B. J. Lind & Company. In connection with this transaction Ronald M. Schiller prepared a record purporting to show that the opposite side of the transaction had been made with another floor broker.

On February 12, 1969, Ronald M. Schiller took the opposite side of two customer's orders for the purchase of one contract on each of May pork bellies noncompetitively without obtaining the prior consent of such customers. The purchases were made by Ronald M. Schiller for the accounts of customers of Francis I. duPont & Co. The opposite sides of the transactions were made by Ronald M. Schiller for his own account by B. J. Lind & Company. In connection with these transactions Ronald M. Schiller prepared records purporting to show

that the opposite sides of the transactions had been made with another floor broker.

The Commodity Exchange Authority has advised Ronald M. Schiller that his actions as described above, were in violation of section(s) 4b and 4g of the Commodity Exchange Act and section(s) 1.35 and 1.38 of the regulations under the Commodity Exchange Act.

The said Ronald M. Schiller agrees to desist from such acts and practices in the future. He further understands and agrees that this stipulation, which the Secretary of Agriculture is accepting only as to the acts and practices set forth above, shall be admissible as evidence of such acts and practices in any future proceeding based upon acts or practices occurring subsequent to the date of his signing of this stipulation of compliance which may be brought against him by the Secretary of Agriculture under the provisions of the said Act. He also understands that it is the practice of the Commodity Exchange Authority to issue press releases on stipulations of compliance and to make them a matter of public record.

Done at Chicago, Illinois

this 3 day of Dec 1970

[SEE SIGNATURE IN ORIGINAL]

Witnessed by:

[SEE SIGNATURE IN ORIGINAL]

[SEE SIGNATURE IN ORIGINAL]

LOAD-DATE: June 16, 2008

