

Commodity Futures Trading Commission
CEA CASES

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

CITATION: 30 Agric. Dec. 1633

DOCKET NUMBER: 180

DATE: NOVEMBER 8, 1971

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(No. 14,266)

In re ULTRADE CORPORATION, OMER D. LABRIE, MELVIN A. ROSS, and PETER A. THATCHER. CEA Docket No. 180. Decided November 8, 1971.

**Violation of financial requirements -- Cease and desist -- Consent order --
Dismissal of complaint against Peter A. Thatcher**

Respondents Ultrade, LaBrie and Ross consented to the issuance of a cease and desist order against them for their failure to meet minimum financial requirements during the period June 5 -- July 15, 1970. The complaint against Peter A. Thatcher is dismissed on recommendation of complainant.

John Broadley for Commodity Exchange Authority.

Burns & Levison, Boston, Mass., for respondents Ultrade and Ross.

Respondents Thatcher and LaBrie *pro se*.

Decision by Donald A. Campbell, Judicial Officer

PRELIMINARY STATEMENT

This is an administrative proceeding under the Commodity Exchange Act (7 U.S.C. 1 *et seq.*), instituted by a complaint and notice of hearing issued on August 23, 1971. The complaint charged the respondents with wilful violations of section 4f of the Act (7 U.S.C. 6f), and section 1.17 of the regulations issued thereunder (17 CFR 1.17). No hearing has been held. Respondents Ultrade Corporation, Omer D. LaBrie and Melvin A. Ross have filed a document under section 0.4(b) of the rules of practice (17 CFR 0.4(b)), in which they admit the facts set forth in the Findings of Fact, waive hearing and the Report of the Referee, and consent to the entry of the order contained herein. The complainant has recommended that the complaint be dismissed insofar as it relates to respondent Peter A. Thatcher.

FINDINGS OF FACT

1. 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 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 (17 CFR 1.17).

2. 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. In such capacities, the said individual respondents had responsibility for the management, direction and control of the activities of the corporate respondent.

3. 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.

CONCLUSIONS

By reason of the findings set forth in the Findings of Fact, it is concluded that respondents Ultrade Corporation, Omer D. La-Brie and Melvin A. Ross wilfully violated section 4f of the Commodity Exchange Act (7 U.S.C. 6f), and section 1.17 of the regulations thereunder (17 CFR 1.17). The complainant states that the administrative officials of the Commodity Exchange Authority have carefully considered the stipulation submitted by the respondents. The administrative officials believe that the prompt entry of the proposed order would constitute a satisfactory disposition of this case, serve the public interest and effectuate the purposes of the Act. The complainant further states that respondent Thatcher was associated with the respondent corporation

for a brief time during the period in question and that, under all the circumstances, effective administration of the Act does not require further proceedings against respondent Thatcher. The complainant recommends, therefore, that the stipulation of respondents Ultrade Corporation, Omer D. LaBrie and Melvin A. Ross be accepted and the proposed order be issued. Complainant also recommends that the complaint be dismissed insofar as it relates to respondent Peter A. Thatcher. It is concluded that the complainant's recommendation should be adopted.

ORDER

Effective on the date of service of this order upon respondent Ultrade Corporation, it shall cease and desist from engaging as futures commission merchant without meeting the minimum financial requirements prescribed by section 1.17 of the regulations (17 CFR 1.17) issued under the Commodity Exchange Act.

Effective on the date of service of this order upon respondents Omer D. LaBrie and Melvin A. Ross, they shall cease and desist from wilfully causing, aiding, abetting, counseling, commanding or inducing Ultrade Corporation, or any other futures commission merchant, to engage as futures commission merchant without meeting the minimum financial requirements prescribed by section 1.17 of the regulations (17 CFR 1.17) issued under the Commodity Exchange Act.

The complaint is dismissed insofar as it relates to respondent Peter A. Thatcher.

A copy of this Decision and Order shall be served on each of the parties.

LOAD-DATE: June 10, 2008

