

UNITED STATES OF AMERICA  
Before the  
U.S. COMMODITY FUTURES TRADING COMMISSION

DANIEL J. EMILY,

Complainant,

v.

GUY K. GLEICHMAN and UNITED  
STRATEGIC INVESTORS GROUP LLC,

Respondents.

CFTC Docket No. 14-R007

**ORDER**

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Office of Proceedings  
Proceedings Clerk

1:01 pm Oct 31, 2017

Daniel J. Emily appeals from the May 23, 2017 Initial Decision (“ID”) of the Judgment Officer (“JO”). The JO determined that Respondents churned Emily’s futures and options account, in violation of the CEA and its regulations. (ID at 4-6.) This appeal is remanded to the JO for further proceedings.

Specifically, the JO should explain how each of the elements of churning has been proven by the complainant. *See, e.g., Ferriola v. Kearsse-McNeil*, 1999-2000 Transfer Binder, Comm. Fut. L. Rep. (CCH) ¶ 28,172 at 50,154, 2000 WL 873653 at \*9 (CFTC June 30, 2000) (“To prove churning, complainant must show that: (1) respondent controlled the level and frequency of trading in the account, (2) respondent chose an overall volume of trading that was excessive in light of the complainant’s trading objectives, and (3) respondent acted with either intent to defraud or in reckless disregard of the customer’s interests.”). If the JO finds that the existing record is inadequate to determine whether the facts support the churning charge, the JO should conduct whatever further proceedings are necessary to resolve the issues.

IT IS SO ORDERED.<sup>1</sup>



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Robert A. Schwartz  
Deputy General Counsel

Dated: October 31, 2017

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<sup>1</sup> By the Commission pursuant to delegated authority. 17 C.F.R. § 12.408(a) (2)(ii).