

Commodity Futures Trading Commission
CEA CASES

NAME: D. R. COMENZO & CO., INC., AND DOMINICK R. COMENZO

DOCKET NUMBER: STIPULATION 58

DATE: JUNE 8, 1962

DOCUMENT TYPE: STIPULATION OF COMPLIANCE

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: D. R. Comenzo & Co., Inc., and Dominick R. Comenzo

Stipulation of Compliance under the Commodity Exchange Act No. 58

The Secretary of Agriculture has reason to believe that D. R. Comenzo & Co., Inc., and Dominick R. Comenzo have violated the provisions of the Commodity Exchange Act (17 CFR, Chapter 1) and the regulations of the Secretary of Agriculture promulgated thereunder.

No complaint with respect to such violations has been issued and the said D. R. Comenzo & Co., Inc., and Dominick R. Comenzo are 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, 0.0-0.28). Therefore, the said D. R. Comenzo & Co., Inc., and Dominick R. Comenzo stipulate the following facts are true:

1. D. R. Comenzo & Co., Inc., is and was at all times mentioned herein, a corporation and a registered futures commission merchant under the Commodity Exchange Act with an office and principal place of business at 42 Broadway, New York 4, New York.

2. Dominick R. Comenzo is and was at all times mentioned herein, president and principal stockholder of the said D. R. Comenzo & Co., Inc., and a registered floor broker under the Commodity Exchange Act.

3. The acts and practices herein described were ordered and directed by, or carried out under the supervision and control of, Dominick R. Comenzo in his capacity as president and principal stockholder of D. R. Comenzo & Co., Inc.

4. On December 27 and 28, 1960, D. R. Comenzo & Co., Inc., purchased with regulated commodity customers' funds securities having a face value of \$ 35,000, at a cost of \$ 36,686.23.

The securities were placed in an office safe at D. R. Comenzo & Co., Inc., at the time of their purchase and remained there until June 7, 1961, when they were transferred to A. M. Kidder & Co., Inc., and placed in an account designated "D. R. Comenzo & Co., Inc., Customers' (Securities) Account". On August 18, 1961, the securities were transferred to another account at A. M. Kidder & Co., Inc., entitled "D. R. Comenzo & Co., Inc., Partners' Account", a loan account. On December 22, 1961, the securities were transferred from A. M. Kidder & Co., Inc., to an account at the Grace National Bank of New York, under a properly worded waiver agreement.

Neither the office safe at D. R. Comenzo & Co., Inc., nor the accounts at the firm of A. M. Kidder & Co., Inc., were proper depositories for securities purchased with customers' funds. Since these securities were not deposited under the provisions and safeguards of section 4d(2) of the Commodity Exchange Act and section 1.26 of the regulations of the Secretary of Agriculture promulgated thereunder, they did not constitute funds in segregation. Elimination of these

securities from consideration as funds in segregation resulted in undersegregation on 116 days between December 27, 1960, and December 22, 1961, in amounts ranging from \$ 62.65 to \$ 36,386.09. That is, the total amount of customers' funds held in segregation was insufficient, by the above amounts, to pay all credits and equities due to customers.

The said D. R. Comenzo & Co., Inc., and Dominick R. Comenzo agree to desist from such acts and practices in the future. They further understand and agree that this stipulation shall be admissible as evidence of such acts and practices in any future proceeding based upon acts or practices in addition to those referred to herein which may be brought by the Secretary of Agriculture against either of them under the provisions of the said act. They also understand that it is the practice of the Commodity Exchange Authority to make stipulations of compliance a matter of public record.

Done at New York, New York, this 8th day of June 1962.

DOMINICK R. COMENZO & CO., INC.

By /s/ D. R. Comenzo, President

/s/ D. R. Comenzo

Dominick R. Comenzo

Witnessed by:

/s/ Hugh A. Collins

/s/ Edward F. O'Brien, Jr.

LOAD-DATE: June 16, 2008

