

Commodity Futures Trading Commission  
CEA CASES

**NAME:** NICHOLS & CO.

**DOCKET NUMBER:** STIPULATION 107

**DATE:** JULY 8, 1968

**DOCUMENT TYPE:** STIPULATION OF COMPLIANCE

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: Nichols & Co.

Stipulation of Compliance Under the Commodity Exchange Act No. 107

The Secretary of Agriculture has reason to believe that Nichols & Co. 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. No complaint with respect to such violations has been issued and the said Nichols & Co. 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 Nichols & Co. stipulates the following facts are true:

(1) Nichols & Co. is now and was at all times mentioned herein a registered futures commission merchant under the Commodity Exchange Act with an office and principal place of business at 75 Federal Street, Boston, Massachusetts 02110.

(2) At all times material hereto, Nichols & Co., acting in its capacity as futures commission merchant, carried accounts for customers who traded in commodity futures subject to the provisions of the Commodity Exchange Act and regulations and

had to its credit with banks or other depositories, money in varying amounts held in segregated accounts and identified as customers' funds, representing deposits of margin by and trading profits belonging to such customers.

(3) As of May 20, 1968, Nichols & Co. had failed to compute and keep a record as of the close of the market on 25 business days during the period of April 15 through May 20, 1968, showing the amount of money owing or accruing to its customers which it was required to have in segregated account for such customers in order to comply with the requirements of section 4d(2) of the Commodity Exchange Act.

(4) Previous failures to compute and keep such records were called to the attention of Nichols & Co. by the Director of the Accounting and Licensing Division, Commodity Exchange Authority, in a letter dated June 17, 1966.

The Commodity Exchange Authority has advised Nichols & Co. that failure to compute and keep a record as described in paragraph (3) above was in violation of section 4d(2) of the Commodity Exchange Act and section 1.32 of the regulations thereunder.

The said Nichols & Co. agrees to desist from such acts and practices in the future. It further understands and agrees that this stipulation is 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 it under the provisions of the said act. Nichols & Co. 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 New York, N. Y this

8 day of July 1968

NICHOLS & CO.

By: [SEE SIGNATURE IN ORIGINAL]

[SEE SIGNATURE IN ORIGINAL]

Witnessed by:

[SEE SIGNATURE IN ORIGINAL]

[SEE SIGNATURE IN ORIGINAL]

**LOAD-DATE:** June 12, 2008

