

BrokerCheck Report

JUMP TRADING, LLC

CRD# 106124

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)



JUMP TRADING, LLC

CRD# 106124

SEC# 8-52989

Main Office Location

600 WEST CHICAGO AVENUE, SUITE 600
CHICAGO, IL 60654
Regulated by FINRA Chicago Office

Mailing Address

600 WEST CHICAGO AVENUE, SUITE 600
CHICAGO, IL 60654

Business Telephone Number

312-205-8900

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 10/31/2008.

Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This firm is registered with:

- the SEC
- 20 Self-Regulatory Organizations
- 0 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 4 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm does not have referral or financial arrangements with other brokers or dealers.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	15

The number of disclosures from non-registered control affiliates is 1



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 10/31/2008.

Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

JUMP TRADING, LLC

Doing business as JUMP TRADING, LLC

CRD# 106124

SEC# 8-52989

Main Office Location

600 WEST CHICAGO AVENUE, SUITE 600
CHICAGO, IL 60654

Regulated by FINRA Chicago Office

Mailing Address

600 WEST CHICAGO AVENUE, SUITE 600
CHICAGO, IL 60654

Business Telephone Number

312-205-8900



Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any): JUMP TRADING HOLDINGS, LLC

Is this a domestic or foreign entity or an individual? Domestic Entity

Position OWNER

Position Start Date 10/2011

Percentage of Ownership 75% or more

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): BUTLER, AIDAN JOSEPH
4417413

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF COMPLIANCE OFFICER

Position Start Date 01/2026

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): HICKEY, COLLEEN P
4505773

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF FINANCIAL OFFICER

Position Start Date 09/2017

Firm Profile



Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): OLSEN, DAVID ALAN
2568392

Is this a domestic or foreign entity or an individual? Individual

Position PRESIDENT & CHIEF RISK OFFICER

Position Start Date 08/2017

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): SCHRECENGOST, MATTHEW DAVID
5213932

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF OPERATIONS OFFICER

Position Start Date 05/2001

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No



Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

Indirect Owners

Legal Name & CRD# (if any):	DISOMMA, WILLIAM JOSEPH 1548789
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	WILLIAM DISOMMA TRUST
Relationship to Direct Owner	TRUSTEE
Relationship Established	03/2011
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	GURINAS, PAUL ANDREW 3147781
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	PAUL A. GURINAS TRUST
Relationship to Direct Owner	TRUSTEE
Relationship Established	10/2008
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	JUMP FINANCIAL, LLC
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Firm Profile



Indirect Owners (continued)

Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	JUMP TRADING HOLDINGS, LLC
Relationship to Direct Owner	OWNER
Relationship Established	10/2011
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	WILLIAM DISOMMA TRUST
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	JUMP FINANCIAL, LLC
Relationship to Direct Owner	OWNER
Relationship Established	01/2020
Percentage of Ownership	50% but less than 75%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	PAUL A. GURINAS TRUST
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	JUMP FINANCIAL, LLC

Firm Profile



Indirect Owners (continued)

Relationship to Direct Owner	OWNER
Relationship Established	01/2020
Percentage of Ownership	25% but less than 50%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No



Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

This firm was previously:	JUMP TRADING, LLC
Date of Succession:	10/31/2008
Predecessor CRD#:	106124
Predecessor SEC#:	8-52989
Description	JUMP TRADING, LLC (IL LIMITED LIABILITY COMPANY) MERGED WITH JUMP ENERGY, LLC (DE LIMITED LIABILITY COMPANY). JUMP ENERGY, LLC CHANGED ITS NAME TO JUMP TRADING, LLC.

This firm was previously:	JUMP TRADING, LLC
Date of Succession:	10/31/2008
Predecessor CRD#:	106124
Predecessor SEC#:	8-52989
Description	NOCHANGE IN OWNERSHIP/CONTROL. SUCCESSOR ASSUMED SUBSTANTIALLY ALL OF THE ASSETS/LIABILITIES OF THE PREDECESSOR. JUMP TRADING, LLC (IL LIMITED LIABILITY COMPANY) MERGED WITH JUMP ENERGY, LLC (DE LIMITED LIABILITY COMPANY). JUMP ENERGY, LLC CHANGED ITS NAME TO JUMP TRADING, LLC.



Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is currently registered with the SEC, 20 SROs and 0 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	12/21/2000

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: Yes

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	07/29/2024
Cboe BYX Exchange, Inc.	Approved	10/01/2010
Cboe BZX Exchange, Inc.	Approved	08/18/2008
Cboe C2 Exchange, Inc.	Approved	08/13/2025
Cboe EDGA Exchange, Inc.	Approved	06/17/2025
Cboe EDGX Exchange, Inc.	Approved	05/14/2010
Cboe Exchange, Inc.	Approved	04/02/2012
Investors' Exchange LLC	Approved	08/08/2016
MEMX LLC	Approved	01/25/2021
MIAX Emerald, LLC	Approved	12/09/2019
MIAX PEARL, LLC	Approved	02/11/2019
Miami International Securities Exchange, LLC	Approved	12/09/2019
NYSE American LLC	Approved	08/17/2011
NYSE Arca, Inc.	Approved	02/11/2009
NYSE National, Inc.	Approved	11/01/2018

NYSE Texas, Inc.	Approved	12/22/2000
Nasdaq PHLX LLC	Approved	05/07/2012
Nasdaq Stock Market	Approved	11/16/2006
Nasdaq Texas, LLC	Approved	11/19/2009
New York Stock Exchange	Approved	08/17/2011

Firm Operations

Registrations (continued)





Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 4 types of businesses.

Types of Business

Broker or dealer making inter-dealer markets in corporation securities over-the-counter

U S. government securities dealer

Trading securities for own account

Other - JUMP TRADING, LLC TRADES FUTURES.
SELF-CLEARING FIRM ACCOUNTS.

Other Types of Business

This firm does effect transactions in commodities, commodity futures, or commodity options.

This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does not refer or introduce customers to other brokers and dealers.

Firm Operations

Industry Arrangements



This firm does not have books or records maintained by a third party.

This firm does have accounts, funds, or securities maintained by a third party.

Name: CF SECURED, LLC
CRD #: 285841
Business Address: 110 EAST 59TH STREET
 21ST FLOOR
 NEW YORK, NY 10022
Effective Date: 02/01/2020
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY CF SECURED, LLC

Name: CIBC WORLD MARKETS CORP.
Business Address: 425 LEXINGTON AVENUE
 THIRD FLOOR
 NEW YORK, NY 10017
Effective Date: 11/11/2022
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY CIBC WORLD MARKETS CORP.

Name: BOFA SECURITIES, INC.
CRD #: 283942
Business Address: ONE BRYANT PARK
 NEW YORK, NY 10036
Effective Date: 09/07/2021
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY BOFA SECURITIES, INC.

Name: J.P. MORGAN SECURITIES LLC
CRD #: 79
Business Address: 383 MADISON AVE.
 NEW YORK, NY 10179
Effective Date: 09/16/2021
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY J.P. MORGAN SECURITIES LLC

Firm Operations



Industry Arrangements (continued)

Name: GOLDMAN SACHS & CO. LLC
CRD #: 361
Business Address: 200 WEST STREET
 NEW YORK, NY 10282
Effective Date: 10/28/2015
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY GOLDMAN SACHS.

Name: ABN AMRO CLEARING USA LLC
CRD #: 14020
Business Address: 175 W JACKSON BOULEVARD
 SUITE 400
 CHICAGO, IL 60604
Effective Date: 08/31/2007
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY ABN AMRO CLEARING USA LLC

Name: BMO HARRIS BANK N.A.
Business Address: 115 S. LASALLE
 20W
 CHICAGO, IL 60603
Effective Date: 06/01/2013
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY BMO HARRIS BANK N.A.

Name: BARCLAYS CAPITAL INC.
CRD #: 19714
Business Address: 745 7TH AVENUE
 NEW YORK, NY 10019
Effective Date: 09/25/2013
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY BARCLAYS CAPITAL.

Name: CIBC WORLD MARKETS, INC.
Business Address: 161 BAY ST.
 5TH FLOOR
 TORONTO, CANADA M5J 2S8

Firm Operations



Industry Arrangements (continued)

Effective Date: 04/27/2010
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY CIBC WORLD MARKETS, INC.

Name: MB FINANCIAL BANK
Business Address: 6111 N RIVER ROAD
ROSEMONT, IL 60018
Effective Date: 08/31/2009
Description: APPLICANT'S FUNDS AND/OR SECURITIES WILL BE HELD AND/OR MAINTAINED BY MB FINANCIAL BANK

This firm does not have customer accounts, funds, or securities maintained by a third party.

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

JUMP EXECUTION, LLC is under common control with the firm.

CRD #:	313060
Business Address:	600 W. CHICAGO CHICAGO, IL 60654
Effective Date:	07/02/2020
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	JUMP TRADING, LLC AND JUMP EXECUTION, LLC ARE BOTH OWNED AND CONTROLLED BY JUMP TRADING HOLDINGS, LLC.

JUMP CAPITAL is under common control with the firm.

CRD #:	283024
Business Address:	600 W CHICAGO AVENUE SUITE 825 CHICAGO, IL 60654
Effective Date:	03/02/2016
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	JUMP CAPITAL, LLC IS AN EXEMPT REPORTING ADVISER AND SHARES

Firm Operations



Organization Affiliates (continued)

COMMON BENEFICIAL OWNERSHIP WITH JUMP TRADING, LLC.

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	15	0



Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 15

Reporting Source: Regulator

Current Status: Final

**Allegations:**

NYSE CHICAGO, INC. ENTERS THIS ORDER AGAINST JUMP TRADING, LLC ("JUMP," "RESPONDENT OR THE FIRM") INSTITUTING PROCEEDINGS, ACCEPTING AN OFFER OF SETTLEMENT ("OFFER"), MAKING FINDINGS, AND IMPOSING SANCTIONS. THE FIRM HAS SUBMITTED AN OFFER, WHICH NYSE CHICAGO HAS DETERMINED TO ACCEPT. THE FIRM ENGAGES IN ALGORITHMIC TRADING OF A VARIETY OF ASSET CLASSES ON NUMEROUS SECURITIES VENUES. THE FIRM TRADES SOLELY IN A PROPRIETARY CAPACITY. ONE OF ITS TRADING TEAMS ("TEAM A") EMPLOYS A NUMBER OF ALGORITHMIC TRADING STRATEGIES, WHICH OPERATE OVER THE COURSE OF THE TRADING DAY. SHORTLY BEFORE THE CLOSE OF TRADING, THE POSITIONS ACCUMULATED BY THESE STRATEGIES ARE AGGREGATED IN A DIFFERENT ALGORITHMIC TRADING STRATEGY ("ALGO 1"), WHICH WAS DESIGNED TO NET OUT THE ACCUMULATED POSITIONS TO ACHIEVE DESIRED TARGET POSITIONS, AND EXIT ANY REMAINING POSITIONS, GENERALLY BY SENDING LIMIT-ON-CLOSE ORDERS TO PARTICIPATE IN CLOSING AUCTIONS ACROSS VARIOUS U.S. EQUITIES MARKETS. ON MAY 3, 2018, THE TEAM LEAD FOR TEAM A MADE AN EDIT TO THE CODE OF ALGO 1 THAT WAS INTENDED TO IMPROVE ITS EXECUTION PERCENTAGE, AND THUS MORE EFFECTIVELY LIQUIDATE CERTAIN POSITIONS IT DID NOT INTEND TO CARRY OVERNIGHT. HOWEVER, THE REVISED CODE CONTAINED AN ERROR, WHICH, UNDER CERTAIN CIRCUMSTANCES, WOULD CAUSE THE STRATEGY TO MALFUNCTION, AND SIGNIFICANTLY INCREASE THE SIZE OF TEAM A'S POSITIONS, RATHER THAN REDUCING THEM AS INTENDED. TOWARD THE END OF THE TRADING DAY ON MAY 4, 2018, TEAM A'S ALGORITHMS TRANSFERRED THEIR POSITIONS TO ALGO 1, BUT IN MANY CASES, BECAUSE OF THE ERROR CONTAINED IN THE REVISED CODE, ALGO 1 PLACED ORDERS THAT GREATLY INCREASED THE SIZE OF THE TEAM'S POSITIONS. THESE POSITIONS CAUSED JUMP TO FALL OUT OF COMPLIANCE WITH APPLICABLE NET CAPITAL REQUIREMENTS. IT IMMEDIATELY BEGAN DISCUSSIONS WITH ITS CLEARING BROKER TO EXIT THE POSITIONS ACCUMULATED BY ALGO 1. LATER THAT SAME DAY, THE FIRM EXECUTED A BLOCK TRADE WITH ITS CLEARING BROKER, BRINGING THE FIRM BACK INTO NET CAPITAL COMPLIANCE. AS A PROPRIETARY TRADING FIRM WITH MARKET ACCESS, JUMP WAS REQUIRED TO IMPLEMENT A SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO PREVENT THE ENTRY OF CERTAIN TYPES OF ERRONEOUS ORDERS, AS WELL AS ORDERS THAT WOULD EXCEED APPROPRIATE PRE-SET CAPITAL THRESHOLDS. WHILE THE FIRM IMPLEMENTED PRE-SET CAPITAL THRESHOLDS AND RISK MANAGEMENT CONTROLS INTENDED TO REDUCE THE RISK OF ERRONEOUS ORDERS, THOSE CONTROLS WERE NOT REASONABLY DESIGNED TO ADDRESS THE RISKS PRESENTED BY ITS BUSINESS. AS A RESULT OF THESE DEFICIENCIES, ON MAY 4, 2018, ALGO 1, WHICH WAS DESIGNED TO REDUCE TEAM A'S POSITIONS, INSTEAD ACCUMULATED LARGE



POSITIONS THAT CAUSED THE FIRM TO FALL OUT OF COMPLIANCE WITH APPLICABLE NET CAPITAL REQUIREMENTS. IN ADDITION, THE FIRM GENERALLY FAILED TO SUFFICIENTLY DOCUMENT HOW IT DETERMINED ITS MARKET ACCESS CONTROLS. IN ADDITION, WHILE IT DID HAVE A PROCESS BY WHICH CAPITAL USAGE LIMITS WERE SET, IT WAS UNABLE TO PROVIDE SPECIFIC DOCUMENTATION DEMONSTRATING HOW IT SET THOSE CAPITAL LIMITS AT THE FIRM OR GROUP LEVEL. BECAUSE OF ALGO L'S MALFUNCTION, THE FIRM'S NET CAPITAL FELL BELOW THE REQUIRED LEVELS.

Initiated By: NYSE CHICAGO, INC.

Date Initiated: 09/12/2019

Docket/Case Number: 2018-11-00017

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: N/A

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 09/12/2019

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$250,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM IS CENSURED AND FINED \$250,000. THE EXCHANGE ALSO DEEMS IT APPROPRIATE TO IMPOSE AN UNDERTAKING ON THE FIRM, PURSUANT TO WHICH, WITHIN 90 DAYS OF THE ISSUANCE OF THE ORDER, THE FIRM MUST CERTIFY THAT IT HAS ADDRESSED THE DEFICIENCIES IN ITS RISK MANAGEMENT CONTROLS.

Reporting Source: Firm



Current Status:	Final
Allegations:	THE FIRM HAS SETTLED ALLEGED VIOLATIONS OF SECURITIES EXCHANGE ACT OF 1934 ("SEA") RULE 15C3-5 (RISK MANAGEMENT CONTROLS FOR BROKERS OR DEALERS WITH MARKET ACCESS); SEA RULE 15C3-1 (NET CAPITAL REQUIREMENTS FOR BROKERS OR DEALERS); CHX ARTICLE 7, RULE 3 (NET CAPITAL AND AGGREGATE INDEBTEDNESS); AND CHX ARTICLE 6, RULE 5 (SUPERVISION OF REPRESENTATIVES AND BRANCH AND RESIDENT OFFICES). ACCORDING TO THE SETTLEMENT, WHILE THE FIRM IMPLEMENTED PRE-SET CAPITAL THRESHOLDS AND RISK MANAGEMENT CONTROLS INTENDED TO REDUCE THE RISK OF ERRONEOUS ORDERS THOSE CONTROLS WERE NOT REASONABLY DESIGNED TO ADDRESS THE RISKS PRESENTED BY JUMP'S BUSINESS. AS A RESULT OF THESE DEFICIENCIES, ON MAY 4, 2018, AN ALGORITHM DESIGNED TO REDUCE A TRADING GROUP'S POSITIONS, INSTEAD ACCUMULATED LARGE POSITIONS RESULTING FROM 674 EXECUTIONS THAT CAUSED THE FIRM TO FALL OUT OF COMPLIANCE WITH APPLICABLE NET CAPITAL REQUIREMENTS.
Initiated By:	NYSE CHICAGO, INC.
Date Initiated:	05/07/2018
Docket/Case Number:	2018-11-00017
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	09/12/2019
Sanctions Ordered:	Censure Monetary/Fine \$250,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS FINED \$250,000.00 ENTIRELY LEVIED AGAINST APPLICANT. THE FINE WAS PAID ON 09/18/2019.
Firm Statement	THE FIRM HAS SETTLED ALLEGED VIOLATIONS OF SECURITIES EXCHANGE ACT OF 1934 ("SEA") RULE 15C3-5 (RISK MANAGEMENT CONTROLS FOR BROKERS OR DEALERS WITH MARKET ACCESS); SEA RULE 15C3-1 (NET CAPITAL REQUIREMENTS FOR BROKERS OR DEALERS);



CHX ARTICLE 7, RULE 3 (NET CAPITAL AND AGGREGATE INDEBTEDNESS); AND CHX ARTICLE 6, RULE 5 (SUPERVISION OF REPRESENTATIVES AND BRANCH AND RESIDENT OFFICES). ACCORDING TO THE SETTLEMENT, WHILE THE FIRM IMPLEMENTED PRE-SET CAPITAL THRESHOLDS AND RISK MANAGEMENT CONTROLS INTENDED TO REDUCE THE RISK OF ERRONEOUS ORDERS THOSE CONTROLS WERE NOT REASONABLY DESIGNED TO ADDRESS THE RISKS PRESENTED BY JUMP'S BUSINESS. AS A RESULT OF THESE DEFICIENCIES, ON MAY 4, 2018, AN ALGORITHM DESIGNED TO REDUCE A TRADING GROUP'S POSITIONS, INSTEAD ACCUMULATED LARGE POSITIONS RESULTING FROM 674 EXECUTIONS THAT CAUSED THE FIRM TO FALL OUT OF COMPLIANCE WITH APPLICABLE NET CAPITAL REQUIREMENTS. THE FIRM WAS FINED \$250,000.

Disclosure 2 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	JUMP, ON NUMEROUS OCCASIONS, FAILED TO GRANT PRIORITY TO THE HIGHEST BID AND/OR LOWEST OFFER WHEN SUCH BID OR OFFER WAS AVAILABLE. (VIOLATIONS OF EXCHANGE RULE 6.45B)
Initiated By:	CHICAGO BOARD OPTIONS EXCHANGE
Date Initiated:	06/21/2017
Docket/Case Number:	17-0011/20150467066 AND 20170528124
Principal Product Type:	Options
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	12/29/2017
Sanctions Ordered:	Censure Monetary/Fine \$2,500.00
Other Sanctions Ordered:	
Sanction Details:	A \$2,500 FINE AND A CENSURE.



Reporting Source: Firm

Current Status: Final

Allegations: CBOE AND FINRA ARE ALLEGING THAT JUMP TRADING LLC (JUMP) MAY HAVE VIOLATED CBOE RULE 6.45B--PRIORITY AND ALLOCATION OF TRADES IN INDEX OPTIONS AND OPTIONS ON ETFS ON THE CBOE HYBRID SYSTEM.

Initiated By: CBOE

Date Initiated: 06/21/2017

Docket/Case Number: STAR NO. 20150467066

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: STATEMENT OF CHARGES

Resolution: Settled

Resolution Date: 12/29/2017

Sanctions Ordered: Censure
Monetary/Fine \$2,500.00

Other Sanctions Ordered:

Sanction Details: THE TOTAL AMOUNT OF THE FINE WAS \$2,500.00, AND WILL BE PAID PROMPTLY.

Disclosure 3 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: THE BUSINESS CONDUCT COMMITTEE ("COMMITTEE"), PURSUANT TO RULE 960.2(F) OF THE RULES OF NASDAQ PHLX LLC ("EXCHANGE RULES"), AND UPON INFORMATION AND BELIEF, HEREBY AUTHORIZES THE ISSUANCE OF THIS STATEMENT OF CHARGES AND ALLEGES THAT THIS MATTER INVOLVES THE FAILURE OF JUMP TRADING, LLC ("JUMP" OR THE "FIRM") TO ADHERE TO THE EXCHANGE RULES GOVERNING THE OBLIGATION OF EXCHANGE REMOTE STREAMING QUOTE TRADERS ("RSQTS") TO DISSEMINATE CONTINUOUS, TWO-SIDED MARKETS IN THE MINIMUM REQUIRED PERCENTAGE OF THEIR ASSIGNED OPTIONS SERIES



FOR THE REQUISITE PERCENTAGE OF THE TRADING DAY.

THE FINDINGS STATED THAT THE FIRM FAILED TO SATISFY ITS MINIMUM QUOTING OBLIGATION AS AN RSQT IN VARIOUS OPTIONS SERIES TO WHICH IT HAD BEEN ASSIGNED. SPECIFICALLY, ON THREE SEPARATE TRADING DAYS, THE FIRM FAILED TO QUOTE CONTINUOUS TWO-SIDED MARKETS IN AT LEAST 60 PERCENT OF ITS ASSIGNED OPTIONS CLASSES FOR AT LEAST 90 PERCENT OF THE TRADING DAY.

Initiated By: NASDAQ PHLX LLC

Date Initiated: 06/23/2017

Docket/Case Number: 2016049686201

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 06/26/2017

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$5,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$5,000

Regulator Statement THE DECISION OF THE BUSINESS CONDUCT COMMITTEE ("COMMITTEE") OF NASDAQ PHLX LLC (THE "EXCHANGE") IN THE MATTER IS AS FOLLOWS:

THE FIRM MADE AN OFFER OF SETTLEMENT, STIPULATION OF FACTS AND CONSENT TO SANCTIONS.

RESPONDENT STIPULATES TO THE FACTS, CONSENTS TO THE CONCLUSION OF VIOLATIONS OF CERTAIN PROVISIONS OF THE SECURITIES EXCHANGE ACT OF 1934, AND CERTAIN PROVISIONS OF



EXCHANGE RULES, AND CONSENTS TO THE IMPOSITION OF SANCTIONS SPECIFICALLY INCLUDING, WITHOUT ADMITTING OR DENYING THE ALLEGATIONS OR CONCLUSIONS IN THE STATEMENT OF CHARGES.

RESPONDENT AGREES THAT THE DECISION TO BE ISSUED SHALL BE FINAL, AND WAIVES ANY RIGHT TO A REVIEW OF THE DECISION OR ANY OTHER PHASE OR ASPECT OF THIS PROCEEDING BY THE BOARD OF DIRECTORS OF THE EXCHANGE; BY THE U.S. SECURITIES AND EXCHANGE COMMISSION; BY ANY FEDERAL OR STATE COURT; OR IN ANY OTHER FORUM OR BY ANY OTHER MEANS.

THE COMMITTEE ACCEPTS THE FOREGOING STIPULATION OF FACTS AND ON THE BASIS THEREOF FINDS THAT RESPONDENT VIOLATED RULE 15C3-5(B) AND (C) AND EXCHANGE RULE 1014(B)(II)(D)(1).

THE COMMITTEE BELIEVES THAT THE SANCTIONS PROPOSED BY RESPONDENT IN ITS OFFER SERVE THE PUBLIC INTEREST, ARE SUFFICIENTLY REMEDIAL UNDER THE CIRCUMSTANCES, AND REPRESENT A PROPER DISCHARGE OF THE EXCHANGE'S REGULATORY RESPONSIBILITIES UNDER THE EXCHANGE ACT OF 1934.

IF RESPONDENT FAILS TO PAY THE FINE WITHIN 30 CALENDAR DAYS OF THE DATE OF THIS DECISION, OR FAILS TO COMPLY WITH ANY OTHER SANCTION BY THE DATE SET FORTH HEREIN, THE COMMITTEE SHALL DECLARE RESPONDENT TO BE IN MATERIAL BREACH OF ITS AGREEMENT AND MAY TAKE WHATEVER ACTIONS IT DEEMS NECESSARY TO RESPOND TO THE BREACH, INCLUDING, BUT NOT LIMITED TO, RESCINDING THIS DECISION AND ALLOWING THE MATTER TO PROCEED IN ACCORDANCE WITH EXCHANGE RULES 960.1 THROUGH 960.12.

(ASSOCIATED CASE PHLX ENFORCEMENT # 2017- 11)

Reporting Source: Firm

Current Status: Final

Allegations: BETWEEN SEPTEMBER 30, 2015 AND MARCH 24, 2016, THE FIRM FAILED TO QUOTE CONTINUOUS, TWO-SIDED MARKETS IN AT LEAST 60% OF ITS ASSIGNED OPTIONS SERIES FOR AT LEAST 90% OF THE TRADING DAY ON THREE SEPARATE TRADE DATES.

Initiated By: NASDAQ PHLX LLC

Date Initiated: 06/06/2016

Docket/Case Number: FINRA MATTER NO. 20160496862



Principal Product Type: Options
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: FINE IN THE AMOUNT OF \$5,000.
Resolution: Settled
Resolution Date: 06/26/2017
Sanctions Ordered: Censure
 Monetary/Fine \$5,000.00
Other Sanctions Ordered:
Sanction Details: THE FIRM WILL PAY THE FINE WITHIN 30 CALENDAR DAYS FROM THE DATE OF THE FINAL RESOLUTION.

Disclosure 4 of 15

Reporting Source: Firm
Current Status: Final
Allegations: BETWEEN DECEMBER 2014 AND JANUARY 2015 AND AGAIN IN APRIL 2015, THE FIRM ENGAGED IN A PATTERN OF ACTIVITY IN WHICH AN AUTOMATED TRADING SYSTEM (ATS) JUMP OPERATED SUBMITTED MASS QUOTES IN CME'S EQUITY OPTIONS MARKETS WITH INCREMENTALLY WIDENING SPREADS BETWEEN THE BID AND OFFER PRICES.
Initiated By: CHICAGO MERCANTILE EXCHANGE
Date Initiated: 04/21/2015
Docket/Case Number: CME 15-0092-BC
Principal Product Type: Options
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 11/02/2016



Sanctions Ordered:	Monetary/Fine \$42,500.00
Other Sanctions Ordered:	
Sanction Details:	FIRM WAS FINED \$42,500 ENTIRELY LEVIED AGAINST APPLICANT. FINE WAS PAID ON NOVEMBER 28TH 2016.

Disclosure 5 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: A FINRA HEARING OFFICER CONSIDERED AN OFFER OF SETTLEMENT AND CONSENT ENTERED INTO BETWEEN FINRA ON BEHALF OF NYSE REGULATION, INC. AND THE FIRM. THE FIRM SUBMITTED AN OFFER OF SETTLEMENT AND CONSENT FOR THE SOLE PURPOSE OF SETTLING THIS DISCIPLINARY PROCEEDING, WITHOUT ADJUDICATION OF ANY ISSUES OF LAW OR FACT, AND WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS OR FINDINGS REFERRED TO IN THE OFFER OF SETTLEMENT. THE HEARING OFFICER ACCEPTS THE OFFER OF SETTLEMENT AND CONSENT AND ISSUES THIS DECISION.

ON NUMEROUS OCCASIONS, DUE TO VARIOUS ISSUES THE FIRM ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS AND FAILED TO AVOID DISPLAYING AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING QUOTATIONS THAT LOCKED OR CROSSED A PROTECTION QUOTATION.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30), IN THAT THE FIRM FAILED TO REASONABLY AVOID DISPLAYING, AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING, QUOTATIONS THAT LOCKED OR CROSSED A PROTECTED QUOTATION, BY ENTERING INTERMARKET SWEEP ORDERS INTO THE EXCHANGE THAT LOCKED OR CROSSED A QUOTATION PREVIOUSLY DISSEMINATED PURSUANT TO AN EFFECTIVE NATIONAL MARKET SYSTEM PLAN AND FAILED TO SIMULTANEOUSLY ROUTE AN INTERMARKET SWEEP ORDER TO EXECUTE AGAINST THE FULL DISPLAYED SIZE OF THE LOCKED OR CROSSED PROTECTED QUOTE.

THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND EXCHANGE RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO ENSURE COMPLIANCE WITH REG NMS RULE 611(C). SPECIFICALLY, THE FIRM'S WRITTEN SUPERVISORY PROCEDURES DID NOT PROVIDE: (A) THE IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (B) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (C) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); OR (D) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By: NYSE ARCA, INC.

Date Initiated: 10/28/2016

Docket/Case Number: 2014043099001

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/28/2016

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED, FINED \$20,000 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES



DESCRIBED IN THE DECISION TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.

WITHIN 30 DAYS OF THE DATE OF THIS DECISION, A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS COMPLETED.

Regulator Statement

THE FIRM VIOLATED REG NMS RULE 611(C) AND NYSE ARCA EQUITIES RULES 7.31(E)(2) AND 7.37(E)(2) BY ROUTING INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS, AND BY FAILING TO AVOID DISPLAYING AND ENGAGING IN A PATTERN OR PRACTICE OF DISPLAYING QUOTATIONS THAT LOCKED OR CROSSED A PROTECTION QUOTATION; AND NYSE ARCA EQUITIES RULES 6.18 AND 2010 BY FAILING TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES, THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND EXCHANGE RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C).

THE CASE INCLUDES PROCEEDING NUMBERS 20140430995, 20140437794, AND 20150452818.

Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).
Initiated By:	NYSE ARCA INC.
Date Initiated:	05/01/2016
Docket/Case Number:	20140430990
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	



Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/28/2016

Sanctions Ordered: Censure
Monetary/Fine \$20,000.00

Other Sanctions Ordered: THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.

Sanction Details: FIRM WAS FINED \$20,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAS NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 6 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT DUE TO VARIOUS ISSUES, THE FIRM ON NUMEROUS OCCASIONS ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND EDGA RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO ENSURE COMPLIANCE WITH REG NMS RULE 611(C), SPECIFICALLY: (I) THE IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (II) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (III) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); (IV) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By: BATS EDGA EXCHANGE, INC.

Date Initiated: 10/31/2016

Docket/Case Number: 2014043099006



Principal Product Type:	Options
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	10/31/2016
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$15,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	<p>THE FIRM WAS CENSURED, FINED \$15,000 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES DESCRIBED IN THE AWC TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.</p> <p>NO LATER THAN 30 DAYS AFTER THIS AWC BECOMES FINAL A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS COMPLETED.</p>
Regulator Statement	FINRA CASE NO. 20140430990 (IS INCLUDING FINRA CASE NOS. 20140430995, 20140437794 AND 20150452818)
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Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).



Initiated By: BATS EDGA EXCHANGE INC.

Date Initiated: 05/01/2016

Docket/Case Number: 20140430990-06

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2016

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.

Sanction Details: FIRM WAS FINED \$15,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAS NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 7 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT DUE TO VARIOUS ISSUES, THE FIRM ON NUMEROUS OCCASIONS ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND BX RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO



ENSURE COMPLIANCE WITH REG NMS RULE 611(C), SPECIFICALLY: (I) THE IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (II) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (III) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); (IV) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By: NASDAQ BX, INC.

Date Initiated: 10/31/2016

Docket/Case Number: 2014043099003

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2016

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$12,500.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED, FINED \$12,500 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES DESCRIBED IN THE AWC TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.

NO LATER THAN 30 DAYS AFTER THIS AWC BECOMES FINAL A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO



ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS COMPLETED.

Regulator Statement

FINRA CASE NO. 20140430990 (IS INCLUDING FINRA CASE NOS. 20140430995, 20140437794 AND 20150452818)

Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).
Initiated By:	NASDAQ BX INC.
Date Initiated:	05/01/2016
Docket/Case Number:	20140430990-03
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	10/31/2016
Sanctions Ordered:	Censure Monetary/Fine \$12,500.00
Other Sanctions Ordered:	THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.
Sanction Details:	FIRM WAS FINED \$12,500, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAD NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 8 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT DUE TO



VARIOUS ISSUES, THE FIRM ON NUMEROUS OCCASIONS ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND EDGX RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO ENSURE COMPLIANCE WITH REG NMS RULE 611(C), SPECIFICALLY: (I) THE IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (II) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (III) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); (IV) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By: BATS EDGX EXCHANGE, INC.

Date Initiated: 10/31/2016

Docket/Case Number: 2014043099007

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2016

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No



Sanctions Ordered:	Censure Monetary/Fine \$15,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	<p>THE FIRM WAS CENSURED, FINED \$15,000 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES DESCRIBED IN THE AWC TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.</p> <p>NO LATER THAN 30 DAYS AFTER THIS AWC BECOMES FINAL A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS COMPLETED.</p>
Regulator Statement	FINRA CASE NO. 20140430990 (IS INCLUDING FINRA CASE NOS. 20140430995, 20140437794 AND 20150452818)

Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).
Initiated By:	BATS EDGX EXCHANGE INC.
Date Initiated:	05/01/2016
Docket/Case Number:	20140430990-07
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	10/31/2016
Sanctions Ordered:	Censure



Monetary/Fine \$15,000.00

Other Sanctions Ordered:

THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.

Sanction Details:

FIRM WAS FINED \$15,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAS NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 9 of 15

Reporting Source:

Regulator

Current Status:

Final

Allegations:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT DUE TO VARIOUS ISSUES, THE FIRM ON NUMEROUS OCCASIONS ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND BZX RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO ENSURE COMPLIANCE WITH REG NMS RULE 611(C), SPECIFICALLY: (I) THE IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (II) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (III) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); (IV) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By:

BATS BZX EXCHANGE, INC.

Date Initiated:

10/31/2016

Docket/Case Number:

2014043099005

Principal Product Type:

Options

Other Product Type(s):

Principal Sanction(s)/Relief

**Sought:****Other Sanction(s)/Relief Sought:****Resolution:** Acceptance, Waiver & Consent(AWC)**Resolution Date:** 11/29/2016**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No**Sanctions Ordered:** Censure
Monetary/Fine \$15,000.00**Other Sanctions Ordered:** UNDERTAKING**Sanction Details:** THE FIRM WAS CENSURED, FINED \$15,000 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES DESCRIBED IN THE AWC TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.

NO LATER THAN 30 DAYS AFTER THIS AWC BECOMES FINAL A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS COMPLETED.

PURSUANT TO BZX RULE 8.8, THE DECISION IN THIS MATTER IS FINAL 20 BUSINESS DAYS AFTER THE ISSUANCE OF THE DECISION. THEREFORE, THIS AWC BECAME FINAL NOVEMBER 29, 2016.

Regulator Statement FINRA CASE NO. 20140430990 (IS INCLUDING FINRA CASE NOS. 20140430995, 20140437794 AND 20150452818)**Reporting Source:** Firm**Current Status:** Final**Allegations:** DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).**Initiated By:** BATS BZX EXCHANGE INC.



Date Initiated: 05/01/2016

Docket/Case Number: 20140430990-05

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2016

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.

Sanction Details: FIRM WAS FINED \$15,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAD NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 10 of 15

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT DUE TO VARIOUS ISSUES, THE FIRM ON NUMEROUS OCCASIONS ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND BYX RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO ENSURE COMPLIANCE WITH REG NMS RULE 611(C), SPECIFICALLY: (I) THE



IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (II) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (III) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); (IV) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By: BATS BYX EXCHANGE, INC.

Date Initiated: 10/31/2016

Docket/Case Number: 2014043099004

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/29/2016

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED, FINED \$15,000 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES DESCRIBED IN THE AWC TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.

NO LATER THAN 30 DAYS AFTER THIS AWC BECOMES FINAL A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS



COMPLETED.

PURSUANT TO BYX RULE 8.8, THE DECISION IN THIS MATTER IS FINAL 20 BUSINESS DAYS AFTER THE ISSUANCE OF THE DECISION. THEREFORE, THIS AWC BECAME FINAL NOVEMBER 29, 2016.

Regulator Statement

FINRA CASE NO. 20140430990 (IS INCLUDING FINRA CASE NOS. 20140430995, 20140437794 AND 20150452818)

Reporting Source: Firm

Current Status: Final

Allegations: DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

Initiated By: BATS BYX EXCHANGE INC.

Date Initiated: 05/01/2016

Docket/Case Number: 20140430990-04

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2016

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.

Sanction Details: FIRM WAS FINED \$15,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAS NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 11 of 15

Reporting Source: Regulator

Current Status: Final



Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT DUE TO VARIOUS ISSUES, THE FIRM ON NUMEROUS OCCASIONS ROUTED INTERMARKET SWEEP ORDERS THROUGH PROTECTED QUOTATIONS, AND FAILED TO AVOID DISPLAYING AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING QUOTATIONS THAT LOCKED OR CROSSED A PROTECTION QUOTATION.

THE FINDINGS STATED THAT THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).

THE FINDINGS ALSO STATED THAT FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30), IN THAT THE FIRM FAILED TO REASONABLY AVOID DISPLAYING, AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING, QUOTATIONS THAT LOCKED OR CROSSED A PROTECTED QUOTATION, BY ENTERING INTERMARKET SWEEP ORDERS INTO THE NASDAQ SINGLE BOOK EXECUTION SYSTEM THAT LOCKED OR CROSSED A QUOTATION PREVIOUSLY DISSEMINATED PURSUANT TO AN EFFECTIVE NATIONAL MARKET SYSTEM PLAN AND FAILED TO SIMULTANEOUSLY ROUTE AN INTERMARKET SWEEP ORDER TO EXECUTE AGAINST THE FULL DISPLAYED SIZE OF THE LOCKED OR CROSSED PROTECTED QUOTE.

THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND NASDAQ RULES, CONCERNING COMPLIANCE WITH REG NMS RULE 611(C). IN ADDITION, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE SUFFICIENT WRITTEN SUPERVISORY PROCEDURES TO ENSURE COMPLIANCE WITH REG NMS RULE 611(C), SPECIFICALLY: (I) THE IDENTIFICATION OF THE PERSON(S) RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES; (II) A STATEMENT OF THE SUPERVISORY STEP(S) TO BE TAKEN BY THE IDENTIFIED PERSON(S); (III) A STATEMENT AS TO HOW OFTEN SUCH PERSON(S) SHOULD TAKE SUCH STEP(S); (IV) A STATEMENT AS TO HOW THE COMPLETION OF THE STEP(S) INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By: NASDAQ STOCK MARKET

Date Initiated: 10/31/2016

Docket/Case Number: 2014043099002



Principal Product Type:	Options
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	10/31/2016
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$17,500.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	<p>THE FIRM WAS CENSURED, FINED \$17,500 AND AN UNDERTAKING REQUIRING THE FIRM TO ADDRESS THE REG NMS 611(C) DEFICIENCIES DESCRIBED IN THE AWC TO ENSURE THAT THE FIRM HAS IMPLEMENTED PROCEDURES THAT ARE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE RULES AND REGULATIONS CITED.</p> <p>NO LATER THAN 30 DAYS AFTER THIS AWC BECOMES FINAL A REGISTERED PRINCIPAL OF THE RESPONDENT SHALL SUBMIT TO FINRA INFORMATION PROVIDING AMONG OTHERS A REPRESENTATION THAT THE FIRM HAS REVISED ITS SUPERVISORY SYSTEMS AND PROCEDURES TO ADDRESS THE DEFICIENCIES AND THE DATES THAT THIS WAS COMPLETED.</p>
Regulator Statement	FINRA CASE NO. 20140430990 (IS INCLUDING FINRA CASE NOS. 20140430995, 20140437794 AND 20150452818)
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Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING TWO PERIODS, THE FIRM FAILED TO TAKE REASONABLE STEPS TO ESTABLISH THAT INTERMARKET SWEEP ORDERS IT ROUTED MET THE DEFINITIONAL REQUIREMENTS SET FORTH IN REG NMS RULE 600(B)(30).



Initiated By: NASDAQ STOCK MARKET LLC.
Date Initiated: 05/01/2016
Docket/Case Number: 20140430990-02
Principal Product Type: Equity Listed (Common & Preferred Stock)
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 10/31/2016
Sanctions Ordered: Censure
 Monetary/Fine \$17,500.00
Other Sanctions Ordered: THE FIRM IS REQUIRED TO IMPLEMENT PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE REGULATIONS CITED.
Sanction Details: FIRM WAS FINED \$17,500, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAS NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.

Disclosure 12 of 15

Reporting Source: Regulator
Current Status: Final
Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT AS THE RESULT OF A TRADING GROUP FAILURE TO CONFIGURE ITS SYSTEMS TO ACCOUNT FOR TRADING ACTIVITY IN A TRADING SESSION INVOLVING AN EARLY PRESCRIBED CLOSE, THE FIRM VIOLATED NYSE RULE 123C BY IMPROPERLY CANCELING APPROXIMATELY 99,619 LIMIT-ON-CLOSE (LOC) ORDERS IN APPROXIMATELY 165 SECURITIES AFTER THE EARLY PRESCRIBED CLOSE CUT-OFF TIME OF 12:45 P.M., AFTER WHICH CANCELLATIONS ARE ONLY PERMITTED TO CORRECT LEGITIMATE ERRORS.
Initiated By: NEW YORK STOCK EXCHANGE LLC (ACTION TAKEN BY FINRA ON BEHALF OF NEW YORK STOCK EXCHANGE LLC)
Date Initiated: 08/14/2014
Docket/Case Number: 2014040085801



Principal Product Type: Other
Other Product Type(s): UNSPECIFIED SECURITIES
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 08/14/2014
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No
Sanctions Ordered: Censure
 Monetary/Fine \$50,000.00
Other Sanctions Ordered:
Sanction Details: SEE ABOVE
Regulator Statement IN RESOLVING THIS MATTER, FINRA TOOK INTO CONSIDERATION THAT THE FIRM SELF-DETECTED THE CONDUCT AT ISSUE, PROMPTLY SELF-REPORTED THE CONDUCT TO FINRA, PROVIDED SUBSTANTIAL ASSISTANCE WITH REGARD TO ITS INVESTIGATION OF THIS MATTER, AND PROMPTLY TOOK REMEDIAL STEPS IN AN EFFORT TO PREVENT A REOCCURRENCE OF THE CONDUCT AT ISSUE.

Reporting Source: Firm
Current Status: Final
Allegations: THE FIRM VIOLATED NYSE RULE 123C BY IMPROPERLY CANCELING LIMIT-ON-CLOSE ORDERS AFTER THE EARLY PRESCRIBED CUT-OFF TIME OF 12:45 P.M., AFTER WHICH CANCELLATIONS ARE ONLY PERMITTED TO CORRECT LEGITIMATE ERRORS.
Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY ON BEHALF OF THE NEW YORK STOCK EXCHANGE LLC
Date Initiated: 12/02/2013
Docket/Case Number: 20140400858-01



Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CENSURE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/19/2014
Sanctions Ordered:	Censure Monetary/Fine \$50,000.00
Other Sanctions Ordered:	
Sanction Details:	FIRM WAS FINED \$50,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAD NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.
Firm Statement	THE FIRM AGREED TO SETTLE THE MATTER BY SIGNING AND MAILING A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT (AWC). WE RECEIVED A FORMAL NOTICE OF ACCEPTANCE OF AWC FROM NYSE AND FINRA ON JULY 28, 2014.

Disclosure 13 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REASONABLY AVOID DISPLAYING, AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING, QUOTATIONS THAT LOCKED OR CROSSED A PROTECTED QUOTATION, IN THAT, IT ENTERED INTERMARKET SWEEP ORDERS INTO THE NASDAQ SINGLE BOOK EXECUTION SYSTEM THAT LOCKED OR CROSSED A QUOTATION PREVIOUSLY DISSEMINATED PURSUANT TO AN EFFECTIVE NATIONAL MARKET SYSTEM PLAN AND FAILED TO SIMULTANEOUSLY ROUTE AN INTERMARKET SWEEP ORDER TO EXECUTE AGAINST THE FULL DISPLAYED SIZE OF THE LOCKED OR CROSSED PROTECTED QUOTE. THIS CONDUCT CONSTITUTES VIOLATIONS OF NASDAQ RULES 4613(E) AND 4755(A)(4), AND SEC RULE 611(C) OF REGULATION NMS. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE NASDAQ RULES CONCERNING LOCKED/CROSSED MARKETS. SPECIFICALLY, THE FIRM'S SUPERVISORY



SYSTEM UNREASONABLY FAILED TO DETECT A DATA FEED ISSUE THAT CAUSED THE ABOVE VIOLATIONS. THIS CONDUCT CONSTITUTES VIOLATIONS OF NASDAQ RULES 2110 AND 3010.

Initiated By: NASDAQ STOCK MARKET

Date Initiated: 07/22/2014

Docket/Case Number: 2012033080801

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/22/2014

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$25,000.00

Other Sanctions Ordered:

Sanction Details: SEE ABOVE

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATIONS OF NASDAQ RULES 4613(E) AND 4755(A)(4), AND SEC RULE 611(C). THE FIRM FAILED TO REASONABLY AVOID DISPLAYING, AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING, QUOTATIONS THAT LOCKED OR CROSSED A PROTECTED QUOTATION. ADDITIONALLY, THE FIRM'S SUPERVISORY SYSTEM FAILED TO DETECT A DATA FEED ISSUE THAT CAUSED THE VIOLATIONS.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY ON BEHALF OF NASDAQ.

Date Initiated: 04/03/2014



Docket/Case Number:	20120330808-01
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CENSURE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/28/2014
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	
Sanction Details:	FIRM WAS FINED \$25,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAS NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.
Firm Statement	THE FIRM AGREED TO SETTLE THE MATTER BY SIGNING AND MAILING A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT (AWC). WE RECEIVED FORMAL NOTICE OF ACCEPTANCE OF AWC FROM NASDAQ AND FINRA ON JULY 28, 2014.

Disclosure 14 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REASONABLY AVOID DISPLAYING, AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING, QUOTATIONS THAT LOCKED OR CROSSED A PROTECTED QUOTATION, IN THAT, IT ENTERED INTERMARKET SWEEP ORDERS INTO THE NASDAQ OMX BX, INC. (BX) THAT LOCKED OR CROSSED A QUOTATION PREVIOUSLY DISSEMINATED PURSUANT TO AN EFFECTIVE NATIONAL MARKET SYSTEM PLAN AND FAILED TO SIMULTANEOUSLY ROUTE AN INTERMARKET SWEEP ORDER TO EXECUTE AGAINST THE FULL DISPLAYED SIZE OF THE LOCKED OR CROSSED PROTECTED QUOTE. THE CONDUCT CONSTITUTES VIOLATIONS OF BX RULES 4613(E) AND 4755(B), AND SECURITIES EXCHANGE ACT OF 1934 RULE 611(C) OF REGULATION NMS. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES



LAWS AND REGULATIONS, AND BX RULES CONCERNING LOCKED/CROSSED MARKETS. SPECIFICALLY, THE FIRM'S SUPERVISORY SYSTEM UNREASONABLY FAILED TO DETECT A DATA FEED ISSUE THAT CAUSED THE ABOVE VIOLATIONS. THIS CONDUCT CONSTITUTES VIOLATIONS OF BX RULES 2110 AND 3010.

Initiated By: NASDAQ OMX BX, INC.

Date Initiated: 07/22/2014

Docket/Case Number: 2012033080802

Principal Product Type: Options

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/22/2014

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$25,000.00

Other Sanctions Ordered:

Sanction Details: SEE ABOVE

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATIONS OF NASDAQ RULES 4613(E) AND 4755(A)(4), AND SEC RULE 611(C). THE FIRM FAILED TO REASONABLY AVOID DISPLAYING, AND ENGAGED IN A PATTERN OR PRACTICE OF DISPLAYING, QUOTATIONS THAT LOCKED OR CROSSED A PROTECTED QUOTATION. ADDITIONALLY, THE FIRM'S SUPERVISORY SYSTEM FAILED TO DETECT A DATA FEED ISSUE THAT CAUSED THE VIOLATIONS.



Initiated By:	FINANCIAL INDUSTRY REGULATORY AUTHORITY ON BEHALF OF NASDAQ OMX BX
Date Initiated:	04/03/2014
Docket/Case Number:	20120330808-02
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CENSURE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/28/2014
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	
Sanction Details:	FIRM WAS FINED \$25,000, ENTIRELY LEVIED AGAINST APPLICANT. FINE HAD NOT YET BEEN PAID BUT FIRM WILL PROMPTLY SEND PAYMENT.
Firm Statement	THE FIRM AGREED TO SETTLE THE MATTER BY SIGNING AND MAILING A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT (AWC). WE RECEIVED A FORMAL NOTICE OF ACCEPTANCE OF AWC FROM NASDAQ AND FINRA ON JULY 28, 2014.

Disclosure 15 of 15

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NYSE RULE 123C - JUMP TRADING, LLC IMPROPERLY CANCELED MARKET-ON-CLOSE (MOC) ORDERS AFTER THE PRESCRIBED CUT-OFF TIME OF 3:45 P.M., WHEN CANCELLATIONS ARE ONLY PERMITTED TO CORRECT LEGITIMATE ERRORS.
Initiated By:	NEW YORK STOCK EXCHANGE
Date Initiated:	10/29/2013
Docket/Case Number:	2013035475501
Principal Product Type:	Other



Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/29/2013

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$15,000.

Reporting Source: Firm

Current Status: Final

Allegations: VIOLATIONS OF NYSE RULE 123C BY IMPROPERLY CANCELLING MOC/LOC ORDERS AFTER THE PRESCRIBED CUT-OFF TIME OF 3:45 P.M.

Initiated By: FINANCIAL INDUSTRY REGULATORY AUTHORITY

Date Initiated: 09/10/2012

Docket/Case Number: 20130354755

Principal Product Type: Equity Listed (Common & Preferred Stock)

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought: NONE

Resolution: Settled



Resolution Date: 10/25/2013

Sanctions Ordered: Censure
Monetary/Fine \$15,000.00

Other Sanctions Ordered: NONE

Sanction Details: THE TOTAL AMOUNT OF THE FINE WAS \$15,000, PAID ON 11/14/2013.

Firm Statement THE FIRM AGREED TO SETTLE THE MATTER BY SIGNING AND MAILING A LETTER OF ACCEPTANCE, WAIVER, AND CONSENT (AWC) ON SEPTEMBER 30, 2013. WE RECEIVED FORMAL NOTICE OF ACCEPTANCE OF AWC FROM THE NYSE ON NOVEMBER 12, 2013.



Disclosure Events for Non-Registered Control Affiliates

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	1	0



Disclosure Event Details

Regulatory - Final

Disclosure 1 of 1

Reporting Source:	Firm
Affiliate:	TAI MO SHAN LIMITED
Current Status:	Final
Allegations:	THE SECURITIES AND EXCHANGE COMMISSION ALLEGED THAT TAI MO SHAN LIMITED VIOLATED SECTIONS 5(A) AND (C) OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") THROUGH OFFERS AND SALES AND, AS A RESULT OF ITS NEGLIGENT CONDUCT, VIOLATED SECTION 17(A)(3) OF THE SECURITIES ACT. TAI MO SHAN LIMITED SHARES COMMON BENEFICIAL OWNERSHIP WITH THE APPLICANT.
Initiated By:	SECURITIES AND EXCHANGE COMMISSION
Date Initiated:	12/20/2024
Docket/Case Number:	ADMIN. PROC. FILE NO. 3-22382
Principal Product Type:	Other
Other Product Type(s):	DIGITAL ASSETS
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	CEASE AND DESIST DISGORGEMENT
Resolution:	Settled
Resolution Date:	12/20/2024
Sanctions Ordered:	Monetary/Fine \$36,726,378.00 Disgorgement/Restitution Cease and Desist/Injunction
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE FINDINGS CONTAINED IN THE COMMISSION'S ORDER, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THE PROCEEDINGS, WHICH IT ADMITTED, TAI MO SHAN LIMITED CONSENTED TO THE IMPOSITION OF AN ORDER PURSUANT TO WHICH IT WAS ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS OR ANY FUTURE VIOLATIONS OF SECTIONS 5(A), 5(C), AND 17(A)(3) OF THE SECURITIES



ACT, PAY A CIVIL MONETARY PENALTY OF \$36,726,378, AND PAY DISGORGEMENT OF \$73,452,756 (AND PREJUDGMENT INTEREST OF \$12,916,153).

Firm Statement

TAI MO SHAN LIMITED SUBMITTED, AND THE COMMISSION ACCEPTED ON DECEMBER 20, 2024, AN OFFER OF SETTLEMENT WHEREBY, WITHOUT ADMITTING OR DENYING THE FINDINGS CONTAINED IN THE COMMISSION'S ORDER, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER IT AND THE SUBJECT MATTER OF THE PROCEEDINGS, WHICH IT ADMITTED, IT CONSENTED TO THE IMPOSITION OF AN ORDER PURSUANT TO WHICH IT WAS ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS OR ANY FUTURE VIOLATIONS OF SECTIONS 5(A), 5(C), AND 17(A)(3) OF THE SECURITIES ACT, PAY A CIVIL MONETARY PENALTY OF \$36,726,378, AND PAY DISGORGEMENT OF \$73,452,756 (AND PREJUDGMENT INTEREST OF \$12,916,153).

End of Report



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