

BrokerCheck Report

WTS PROPRIETARY TRADING GROUP LLC

CRD# 148117

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 7
Firm History	8
Firm Operations	9 - 14
Disclosure Events	15



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.

• **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.



WTS PROPRIETARY TRADING GROUP LLC

CRD# 148117

SEC# 8-67986

Main Office Location

17 STATE STREET, 38TH FLOOR
38TH FLOOR
NEW YORK, NY 10004

Mailing Address

17 STATE STREET, 38TH FLOOR
38TH FLOOR
NEW YORK, NY 10004

Business Telephone Number

212-531-8500

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 07/09/2008.
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 brokerage firm is no longer registered with FINRA or a national securities exchange.

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	6

Registration Withdrawal Information

This section provides information relating to the date the brokerage firm ceased doing business and the firm's financial obligations to customers or other brokerage firms.



Date firm ceased business: 11/07/2014

Does this brokerage firm owe any money or securities to any customer or brokerage firm? No



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 07/09/2008.

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.

WTS PROPRIETARY TRADING GROUP LLC

Doing business as WTS PROPRIETARY TRADING GROUP LLC

CRD# 148117

SEC# 8-67986

Main Office Location

17 STATE STREET, 38TH FLOOR
38TH FLOOR
NEW YORK, NY 10004

Mailing Address

17 STATE STREET, 38TH FLOOR
38TH FLOOR
NEW YORK, NY 10004

Business Telephone Number

212-531-8500



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): WTS PTG HOLDINGS, LLC

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

Position OWNER

Position Start Date 02/2012

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): CLARK, CHESTER EDMOND

2486219

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

Position CEO

Position Start Date 03/2014

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): DISCENZA, PETER VINCENT JR

4386342

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

Position CHIEF COMPLIANCE OFFICER

Position Start Date 01/2012

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?	No
Is this a public reporting company?	No
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Legal Name & CRD# (if any):	JONES, WILLIAM RUSSELL 2948251
Is this a domestic or foreign entity or an individual?	Individual
Position	OPERATIONS MANAGER
Position Start Date	02/2012
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No
<hr/>	
Legal Name & CRD# (if any):	LI, XIAOYAN 4465893
Is this a domestic or foreign entity or an individual?	Individual
Position	FINOP
Position Start Date	04/2013
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	No
Is this a public reporting company?	No
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Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	ONE TRADE CAYMAN (CAYMAN)
Is this a domestic or foreign entity or an individual?	Foreign Entity
Company through which indirect ownership is established	WTS PTG HOLDINGS, LLC
Relationship to Direct Owner	CO-OWNER
Relationship Established	02/2012
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
<hr/>	
Legal Name & CRD# (if any):	BENSOUSSAN, MAURICE ELYEZER 5581873
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	ONE TRADE (CAYMAN)
Relationship to Direct Owner	CO-OWNER WITH SIMON LIBRATI
Relationship Established	02/2012
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
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Legal Name & CRD# (if any):	LIBRATI, SIMON 4155156

Firm Profile



Indirect Owners (continued)

Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	ONE TRADE (CAYMAN)
Relationship to Direct Owner	CO-OWNER WITH MAURICE BENSOUSSAN
Relationship Established	02/2012
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.

No information reported.



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 no longer registered.

The firm's registration was from 10/21/2008 to 02/02/2015.

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 1 type of business.

Types of Business

Trading securities for own account



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 have books or records maintained by a third party.

Name: ELECTRONIC TRANSACTION CLEARING, INC.
CRD #: 146122
Business Address: 660 S. FIGUEROA STREET
SUITE 1450
LOS ANGELES, CA 90017
Effective Date: 05/02/2013
Description: PROVIDES CLEARING SERVICES TO THE COMPANY'S PROPRIETARY TRADING BUSINESS.

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

Name: ELECTRONIC TRANSACTION CLEARING, INC.
CRD #: 146122
Business Address: 660 S. FIGUEROA STREET, SUITE 1450
LOS ANGELES, CA 90017
Effective Date: 05/02/2013
Description: PROVIDES CLEARING SERVICES TO THE COMPANY'S PROPRIETARY TRADING BUSINESS.

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.**

CLEARPOOL EXECUTION SERVICES, LLC is under common control with the firm.

CRD #:	168490
Business Address:	100 FIFTH AVENUE NEW YORK, NY 10011
Effective Date:	07/15/2013
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE INDIRECT OWNERS OF THE AFFILIATE ARE THE INDIRECT OWNERS OF WTS PROPRIETARY TRADING GROUP, LLC.

SMF TRADING, INC. is under common control with the firm.

CRD #:	134645
Business Address:	11 BROADWAY SUITE1532A NEW YORK, NY 10004
Effective Date:	08/20/2011
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	SIMON LIBRATI AND MAURICE BENSOUSSAN ARE THE CONTROL PEOPLE OF WTS PROPRIETARY TRADING GROUP AND SMF TRADING INC.

Firm Operations



Organization Affiliates (continued)

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	1	5	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 5

Reporting Source: Regulator

Current Status: Final



Allegations:	WTS PROPRIETARY TRADING GROUP, LLC ("WTS"), AN EXCHANGE TPH ORGANIZATION, WAS CENSURED AND FINED \$7,500 FOR FAILING TO ENSURE THAT THE ANNUAL AML TRAINING WAS COMPLETED BY 15 OF 213 EMPLOYEES, OR APPROXIMATELY 7%, IN ACCORDANCE WITH WTS' WRITTEN SUPERVISORY PROCEDURES. (EXCHANGE RULES 4.2 - ADHERENCE TO LAW AND 4.20 - ANTI-MONEY LAUNDERING COMPLIANCE PROGRAM)
Initiated By:	CHICAGO BOARD OPTIONS EXCHANGE
Date Initiated:	03/02/2015
Docket/Case Number:	15-0008 / 20150445540
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:	08/10/2015
Sanctions Ordered:	Censure Monetary/Fine \$7,500.00
Other Sanctions Ordered:	
Sanction Details:	A \$7,500 FINE AND A CENSURE.

Disclosure 2 of 5

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WTS PROPRIETARY TRADING GROUP, LLC ("WTS"), AN EXCHANGE TPH ORGANIZATION, WAS CENSURED AND FINED \$20,000 FOR THE FOLLOWING CONDUCT: WTS FAILED TO ESTABLISH, DOCUMENT, AND MAINTAIN A SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE FINANCIAL, REGULATORY, AND OTHER RISKS OF THE BUSINESS ACTIVITY, AS SET FORTH IN RULE 15C3-5 UNDER THE ACT. (EXCHANGE RULES 4.2 - ADHERENCE TO LAW; AND RULE 15C3-5 - RISK MANAGEMENT CONTROLS FOR BROKERS OR DEALERS WITH MARKET ACCESS UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED)



Initiated By: CHICAGO BOARD OPTIONS EXCHANGE

Date Initiated: 11/05/2014

Docket/Case Number: 14-0163 / 20140439143

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: 04/06/2015

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

Other Sanctions Ordered:

Sanction Details: A \$20,000 FINE AND A CENSURE.

Reporting Source: Firm

Current Status: Pending

Allegations: THE CBOE FILED A STATEMENT OF CHARGES AGAINST THE FIRM ("WTS") WHICH ALLEGED THAT "FROM ON OR ABOUT JULY 14, 2011 THROUGH ON OR ABOUT JANUARY 15, 2013, WTS FAILED TO ESTABLISH, DOCUMENT AND MAINTAIN A SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE FINANCIAL, REGULATORY AND OTHER RISKS OF THIS BUSINESS ACTIVITY, AS SET FORTH IN RULE 15C3-5."

Initiated By: CBOE

Date Initiated: 11/05/2014

Docket/Case Number: 14-0163

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:



Other Sanction(s)/Relief Sought:

Firm Statement

IN ITS RESPONSE DATED DECEMBER 15, 2014, AMONG OTHER THINGS, WTS DENIED THAT IT WAS SUBJECT TO THE PROVISIONS OF SEC RULE 15C3-5 CITED BY THE CBOE, AS IT NEVER CONDUCTED THE "BUSINESS ACTIVITY" CONTEMPLATED FOR APPLICATION OF THE THE RULE.

Disclosure 3 of 5

Reporting Source:

Regulator

Current Status:

Final

Allegations:

WTS PROPRIETARY TRADING GROUP, LLC ("WTS"), A CBSX TRADING PERMIT HOLDER, WAS CENSURED AND FINED \$20,000 FOR THE FOLLOWING CONDUCT. WTS: (I) IMPEDED AND DELAYED THE EXCHANGE'S EXAMINATION IN THAT IT FAILED TO PROVIDE A REGULATION SHO TRADE BLOTTER IN A TIMELY MANNER IN A FORMAT THAT A MARKINGS ANALYSIS COULD BE PERFORMED AND FAILED TO PROVIDE EVIDENCE TO SUPPORT ITS REVIEW OF ITS REGULATION SHO MARKINGS PROGRAM; (II) FAILED TO OBTAIN AND EVIDENCE ITS REVIEW OF THE PERSONAL BROKERAGE ACCOUNT STATEMENTS FOR 5 OF 351 ACCOUNTS DISCLOSED UNTIL AUGUST 29, 2012; (III) FAILED TO OBTAIN AND EVIDENCE ITS REVIEW OF THE PERSONAL BROKERAGE ACCOUNT STATEMENTS FOR 18 OF 351 ACCOUNTS DISCLOSED UNTIL ON OR ABOUT APRIL 19, 2012; (IV) FAILED TO EVIDENCE THE DATE OF REVIEW FOR 67 OF 307 OUTSIDE BROKERAGE ACCOUNT STATEMENTS; (V) FAILED TO OBTAIN AN ACCOUNT NUMBER ON THE BROKERAGE ACCOUNT DISCLOSURE FORMS FOR 3 OF THE 117 ASSOCIATED PERSONS THAT DISCLOSED BROKERAGE ACCOUNTS; AND (VI) FAILED TO PROPERLY REGISTER 9 OUT OF 146 ASSOCIATED PERSONS AS A PROPRIETARY TRADER (PT) IN WEBCRD. (EXCHANGE RULES 3.6A - QUALIFICATION AND REGISTRATION OF TRADING PERMIT HOLDERS AND ASSOCIATED PERSONS, 4.2 - ADHERENCE TO LAW, 4.18 - PREVENTION OF THE MISUSE OF MATERIAL, NONPUBLIC INFORMATION, 15.1 - MAINTENANCE RETENTION AND FURNISHING OF BOOKS, RECORDS AND OTHER INFORMATION, 17.2(B) - REQUIREMENT TO FURNISH INFORMATION; AND SECTION 17(A) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "ACT") AND RULES 17A-3 - RECORDS TO BE MADE BY CERTAIN EXCHANGE MEMBERS, BROKERS AND DEALERS AND 17A-4 - RECORDS TO BE PRESERVED BY CERTAIN EXCHANGE MEMBERS, BROKERS AND DEALERS THEREUNDER)

Initiated By:

CHICAGO BOARD OPTIONS EXCHANGE

Date Initiated:

06/18/2013



Docket/Case Number: 13-0030

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: 11/13/2013

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

Other Sanctions Ordered:

Sanction Details: A \$20,000 FINE AND A CENSURE.

Reporting Source: Firm

Current Status: Final

Allegations: IT IS ALLEGED THAT WTS: (I) IMPEDED AND DELAYED THE EXCHANGE'S EXAMINATION IN THAT IT FAILED TO PROVIDE A REGULATION SHO TRADE BLOTTER IN A TIMELY MANNER IN A FORMAT THAT A MARKINGS ANALYSIS COULD BE PERFORMED AND FAILED TO PROVIDE EVIDENCE TO SUPPORT ITS REVIEW OF ITS REGULATION SHO MARKINGS PROGRAM; (II) WTS (A) FAILED TO OBTAIN AND EVIDENCE ITS REVIEW OF THE PERSONAL BROKERAGE ACCOUNT STATEMENTS FOR 44 OF 351 ACCOUNTS DISCLOSED UNTIL AUGUST 29, 2012; (B) FAILED TO EVIDENCE THE DATE OF REVIEW FOR 67 OF 307 OUTSIDE BROKERAGE ACCOUNT STATEMENTS; AND (C) FAILED TO OBTAIN AN ACCOUNT NUMBER ON THE BROKERAGE ACCOUNT DISCLOSURE FORMS FOR 3 OF THE 117 ASSOCIATED PERSONS THAT DISCLOSED BROKERAGE ACCOUNTS AND (III) WTS FAILED TO PROPERLY REGISTER 22 OUT OF 146 ASSOCIATED PERSONS AS A PROPRIETARY TRADER (PT) IN WEBCRD PRIOR TO THOSE INDIVIDUALS ENGAGING IN THE SECURITIES BUSINESS OF THE TRADING PERMIT HOLDER. (VIOLATION OF EXCHANGE RULES 3.6A, 4.2, 4.18, 15.1; SECTION 17(A) OF THE ACT AND RULES 17A-3 AND 17A-4 AND 17.2(B))

Initiated By: CHICAGO BOARD OF OPTIONS EXCHANGE

Date Initiated: 06/18/2013

Docket/Case Number: 13-0030



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: 11/13/2013

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

Other Sanctions Ordered: NONE.

Sanction Details: CENSURE AND MONETARY FINE OF \$20,000.

Firm Statement

WTS HAS FILED AN ANSWER DENYING THE CHARGES WITH RESPECT TO THIS MATTER.

THE FIRM ELECTED TO RESOLVE THIS MATTER DUE TO POTENTIAL HEARING COSTS ONLY.

Disclosure 4 of 5

Reporting Source: Regulator

Current Status: Final

Allegations: WTS PROPRIETARY TRADING GROUP, INC. ("WTS") A CBSX TRADING PERMIT HOLDER, WAS CENSURED AND FINED \$20,000 FOR THE FOLLOWING CONDUCT: WTS OPERATED WHILE BELOW ITS MINIMUM NET CAPITAL REQUIREMENT OF \$100,000. ADDITIONALLY, WTS FAILED TO ENSURE THAT IT MAINTAINED ADEQUATE PROCEDURES TO PREVENT OPENING TRANSACTIONS WHILE WTS WAS NET CAPITAL DEFICIENT. (EXCHANGE RULES 4.2 - ADHERENCE TO LAW; 13.1 - MINIMUM REQUIREMENTS; SECTION 15(C) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "ACT") AND RULE 15C3-1 - NET CAPITAL THEREUNDER)

Initiated By: CHICAGO BOARD OPTIONS EXCHANGE

Date Initiated: 02/20/2013

Docket/Case Number: 13-0007

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: Consent

Resolution Date: 03/18/2013

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

Other Sanctions Ordered:

Sanction Details: A \$20,000 FINE AND A CENSURE.

Reporting Source: Firm

Current Status: Final

Allegations: THE ALLEGATIONS CLAIMED THAT THE FIRM OPERATED BELOW ITS MINIMUM NET CAPITAL REQUIREMENTS AND THAT ITS FAILED TO ENSURE THAT IT MAINTAINED ADEQUATE PROCEDURES TO SUBSEQUENTLY PREVENT OPENING TRANSACTIONS FROM OCCURRING.

Initiated By: CBOE

Date Initiated: 01/13/2012

Docket/Case Number: 13-0007

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

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Consent

Resolution Date: 03/18/2013

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

Other Sanctions Ordered: NONE.



Sanction Details:	NONE.
Firm Statement	DUE TO A RATHER LARGE HEDGE POSITION PUT ON AFTER THE CLOSE ON JANUARY 12, 2012 AND CLOSED BEFORE OPENING OF THE MARKET ON THE NEXT MORNING, THE FIRM'S HAIRCUT REQUIREMENTS RESULTED IN THE FIRM FALLING BELOW ITS MINIMUM EXCESS NET CAPITAL REQUIREMENT.

Disclosure 5 of 5

Reporting Source:	Regulator
Current Status:	Final
Allegations:	WTS PROPRIETARY TRADING GROUP, LLC ("WTS"), AN EFFECTIVE MEMBER OF THE CBOE STOCK EXCHANGE, LLC, WAS CENSURED AND FINED \$10,000 FOR THE FOLLOWING CONDUCT. WTS IMPROPERLY MARKED 246 OF 545 SALES REVIEWED, OR APPROXIMATELY 45%. (CBOE RULE 4.2 - ADHERENCE TO LAW; AND REGULATION SHO OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AND RULE 200 THEREUNDER.)
Initiated By:	CHICAGO BOARD OPTIONS EXCHANGE
Date Initiated:	01/20/2010
Docket/Case Number:	10-0002
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:	04/13/2010
Sanctions Ordered:	Censure Monetary/Fine \$10,000.00
Other Sanctions Ordered:	
Sanction Details:	A \$10,000 FINE AND A CENSURE.

Reporting Source:	Firm
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Current Status:	Final
Appealed To and Date Appeal Filed:	NO
Allegations:	DURING APPLICANTS INTIAL EXAMINATION BY CBOE, EXAMINAER NOTED CERTAIN ORDERS THAT WERE MARTKED AS SHORT SALES SHOULD HAVE BEEN LONG SALE ORDERS. THE APPLICANT HAS TAKEN CORRECTIVE ACTION AND THE CBOE HAS SENT THE APPLICANT THE SATEMENT OF CHARGES A FINE OF \$10,000 AND A CENSURE AND AN UNDERTAKING.
Initiated By:	CBOE STOCK EXCHANGE
Date Initiated:	01/20/2010
Docket/Case Number:	10-0002
Principal Product Type:	Other
Other Product Type(s):	REG-SHO MISMARKED ORDERS
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:	04/13/2010
Sanctions Ordered:	Censure Monetary/Fine \$10,000.00
Other Sanctions Ordered:	REG-SHO MIS MARKS CENSURE AND FINE
Sanction Details:	10,000 FINE AND CENSURE



Regulatory - Pending

This type of disclosure event may include a pending formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory agency such as the Securities and Exchange Commission, foreign financial regulatory body) for alleged violations of investment-related rules or regulations.

Disclosure 1 of 1

Reporting Source: Firm

Current Status: Pending

Allegations: THE CBOE'S STATEMENT OF CHARGES ALLEGE THAT "FROM ON OR ABOUT JULY 14, 2011 THROUGH ON OR ABOUT JANUARY 15, 2013, WTS FAILED TO ESTABLISH, DOCUMENT, AND MAINTAIN A SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE FINANCIAL, REGULATORY, AND OTHER RISKS OF THIS BUSINESS ACTIVITY, AS SET FORTH IN RULE 15C3-5."

Initiated By: CBOE

Date Initiated: 11/05/2014

Docket/Case Number: 14-0163

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Firm Statement IN AN ANSWER TO THE STATEMENT OF CHARGES, WTS, AMONG OTHER THINGS, DENIED THE CHARGE THAT IT VIOLATED SEC RULE 15C3-5. WTS CONTENDED, AMONG OTHER THINGS, THAT IT NEVER CONDUCTED A "BUSINESS ACTIVITY" THAT WOULD HAVE REQUIRED APPLICATION OF THE PROVISIONS OF THE RULE AS CITED BY THE CBOE.

End of Report



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