

BrokerCheck Report
HRT FINANCIAL LP
 CRD# 152144

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Firm Profile	2 - 8
Firm History	9
Firm Operations	10 - 22
Disclosure Events	23



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:
 - o 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
 - o 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.



HRT FINANCIAL LP
CRD# 152144
SEC# 8-68430

Main Office Location
3 WORLD TRADE CENTER, 175 GREENWICH STREET
76TH FLOOR
NEW YORK, NY 10007
Regulated by FINRA New York Office

Mailing Address
3 WORLD TRADE CENTER, 175 GREENWICH STREET
76TH FLOOR
NEW YORK, NY 10007

Business Telephone Number
212 293-1444

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 partnership.
This firm was formed in Delaware on 08/10/2009.
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
- 26 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	10



Firm Profile

This firm is classified as a partnership.

This firm was formed in Delaware on 08/10/2009.

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.

HRT FINANCIAL LP

Doing business as HRT FINANCIAL LP

CRD# 152144

SEC# 8-68430

Main Office Location

3 WORLD TRADE CENTER, 175 GREENWICH STREET
76TH FLOOR
NEW YORK, NY 10007

Regulated by FINRA New York Office

Mailing Address

3 WORLD TRADE CENTER, 175 GREENWICH STREET
76TH FLOOR
NEW YORK, NY 10007

Business Telephone Number

212 293-1444



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):	HUDSON RIVER TRADING LLC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	LIMITED PARTNER
Position Start Date	11/2020
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):	ALCALA, MIKAELA 7523021
Is this a domestic or foreign entity or an individual?	Individual
Position	AML COMPLIANCE OFFICER
Position Start Date	01/2025
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

Legal Name & CRD# (if any):	BLOCK, NACHSHON M 7192815
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF FINANCIAL OFFICER
Position Start Date	03/2021

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

Legal Name & CRD# (if any): CARROLL, JASON EASTWICK
5173598

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

Position CHIEF OPERATING OFFICER

Position Start Date 08/2009

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): HRT GP LLC

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

Position GENERAL PARTNER

Position Start Date 11/2020

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): JUSTINI, PETER THOMAS
2097898

Firm Profile



Direct Owners and Executive Officers (continued)

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

Position FINOP

Position Start Date 04/2024

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

Legal Name & CRD# (if any): KLOIN, SCOTT
4971326

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

Position CHIEF COMPLIANCE OFFICER

Position Start Date 10/2025

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

Legal Name & CRD# (if any): NUNES, ADAM SETH
5246806

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

Position CHIEF EXECUTIVE OFFICER

Position Start Date 05/2010

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

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):	HRT CAPITAL LLC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	HUDSON RIVER TRADING LLC
Relationship to Direct Owner	OWNER OF HUDSON RIVER TRADING LLC
Relationship Established	01/2020
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):	HUDSON RIVER TRADING LLC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	HRT GP LLC
Relationship to Direct Owner	OWNER OF HRT GP LLC
Relationship Established	11/2020
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):	CARROLL, JASON EASTWICK 5173598
Is this a domestic or foreign	Individual

Firm Profile



Indirect Owners (continued)
entity or an individual?

Company through which indirect ownership is established	HRT CAPITAL LLC
Relationship to Direct Owner	MANAGING DIRECTOR
Relationship Established	02/2002
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

Firm History

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



This firm was previously: HRT FINANCIAL LLC

Date of Succession: 11/01/2020

Predecessor CRD#: 152144

Predecessor SEC#: 8-68430

Description EFFECTIVE NOVEMBER 1, 2020, HRT FINANCIAL LLC CONVERTED FROM A LIMITED LIABILITY COMPANY TO A LIMITED PARTNERSHIP AND IS NOW HRT FINANCIAL LP. THERE ARE NO MATERIAL CHANGES TO BUSINESS STRUCTURE OR ACTIVITIES. ALL EXISTING AGREEMENTS REMAIN IN FULL FORCE AND EFFECT.



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, 26 SROs and 0 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	12/18/2009

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	03/28/2022
BOX Exchange LLC	Approved	10/28/2021
Cboe BYX Exchange, Inc.	Approved	10/01/2010
Cboe BZX Exchange, Inc.	Approved	02/01/2010
Cboe C2 Exchange, Inc.	Approved	01/24/2011
Cboe EDGA Exchange, Inc.	Approved	05/18/2010
Cboe EDGX Exchange, Inc.	Approved	05/18/2010
Cboe Exchange, Inc.	Approved	12/18/2009
Investors' Exchange LLC	Approved	08/02/2016
Long-Term Stock Exchange, Inc.	Approved	05/06/2020
MEMX LLC	Approved	08/24/2020
MIAX Emerald, LLC	Approved	03/01/2019
MIAX PEARL, LLC	Approved	04/05/2017
MIAX Sapphire	Approved	08/12/2024
Miami International Securities Exchange, LLC	Approved	03/29/2017

NYSE American LLC	Approved	06/16/2010
NYSE Arca, Inc.	Approved	04/27/2010
NYSE National, Inc.	Approved	05/18/2018
NYSE Texas, Inc.	Approved	04/29/2010
Nasdaq BX, Inc.	Approved	03/30/2010
Nasdaq GEMX, LLC	Approved	09/26/2013
Nasdaq ISE, LLC	Approved	01/07/2011
Nasdaq MRX, LLC	Approved	03/16/2021
Nasdaq PHLX LLC	Approved	09/27/2010
Nasdaq Stock Market	Approved	03/30/2010
New York Stock Exchange	Approved	06/16/2010

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

U S. government securities dealer

Put and call broker or dealer or option writer

Trading securities for own account

Other - HRT FINANCIAL LP ENGAGES IN MARKET MAKING AND TRADES FUTURES FOR ITS OWN ACCOUNT. HRTF ADDITIONALLY ENGAGES IN OVER-THE-COUNTER MARKET MAKING IN US EQUITIES. HRTF WILL NOT HOLD CLIENTS' FUNDS OR SECURITIES.

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 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: J.P. MORGAN SECURITIES LLC
CRD #: 79
Business Address: 383 MADISON AVENUE
 NEW YORK, NY 10179
Effective Date: 07/23/2025
Description: HRT FINANCIAL LP MAINTAINS A FIRM ACCOUNT AT J.P. MORGAN SECURITIES LLC FOR ITS TRADING ACTIVITY.

Name: SG AMERICAS SECURITIES, LLC
CRD #: 128351
Business Address: 245 PARK AVENUE
 NEW YORK, NY 10167
Effective Date: 11/15/2023
Description: HRT FINANCIAL LP MAINTAINS A FIRM ACCOUNT AT SG AMERICAS SECURITIES, LLC FOR ITS TRADING ACTIVITY.

Name: CIBC WORLD MARKETS INC.
Business Address: 161 BAY STREET
 5TH FLOOR
 TORONTO, CANADA M5J 2S8
Effective Date: 01/12/2023
Description: CIBC WILL ACT AS A PRIME BROKER FOR HRTF TRADING IN CANADIAN MARKETS.

Name: GOLDMAN SACHS & CO. LLC
CRD #: 361
Business Address: 200 WEST STREET
 NEW YORK, NY 10282
Effective Date: 07/22/2021
Description: HRT FINANCIAL LP MAINTAINS A FIRM ACCOUNT AT GOLDMAN SACHS & CO. LLC FOR ITS TRADING ACTIVITY.

Firm Operations



Industry Arrangements (continued)

Name: BOFA SECURITIES, INC.

CRD #: 283942

Business Address: ONE BRYANT PARK
NEW YORK, NY 10036

Effective Date: 05/13/2019

Description: HRT FINANCIAL LP MAINTAINS A FIRM ACCOUNT AT BOFA SECURITIES, INC. FOR ITS TRADING ACTIVITY.

Name: CF SECURED, LLC

CRD #: 285841

Business Address: 110 E 59TH STREET
21ST FLOOR
NEW YORK, NY 10022

Effective Date: 02/21/2020

Description: HRT FINANCIAL LP MAINTAINS A FIRM ACCOUNT AT CF SECURED, LLC FOR ITS TRADING ACTIVITY.

Name: MERRILL LYNCH INTERNATIONAL

Business Address: 2 KING EDWARD STREET
LONDON, UNITED KINGDOM EC1A 1HQ

Effective Date: 10/17/2017

Description: INTERNATIONAL PRIME BROKERAGE AGREEMENT

Name: ABN AMRO CLEARING USA LLC

CRD #: 14020

Business Address: 175 WEST JACKSON BLVD
STE 400
CHICAGO, IL 60604

Effective Date: 08/23/2013

Description: HRT FINANCIAL LP MAINTAINS A FIRM ACCOUNT AT ABN AMRO CLEARING USA LLC FOR ITS TRADING ACTIVITY.

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.

Firm Operations

Industry Arrangements (continued)

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.**

STARFISH BAY LIMITED is under common control with the firm.

Business Address:	31/F TOWER TWO TIMES SQUARE, 1 MATHESON STREET CAUSEWAY BAY, HONG KONG
Effective Date:	06/27/2023
Foreign Entity:	Yes
Country:	HONG KONG
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	HRT FINANCIAL LP AND STARFISH BAY LIMITED HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

LAKE TOBA TRADING PTE. LTD. is under common control with the firm.

Business Address:	10 COLLYER QUAY #06-07 OCEAN FINANCIAL CENTRE SINGAPORE, SINGAPORE 049315
Effective Date:	07/01/2021
Foreign Entity:	Yes
Country:	SINGAPORE
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	HRT FINANCIAL LP AND LAKE TOBA TRADING PTE. LTD. HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

Firm Operations



Organization Affiliates (continued)

HRTI PRIVATE LIMITED is under common control with the firm.

Business Address:	THE CAPITAL, BANDRA KURLA COMPLEX LEVEL 3, PLOT NO. C-70, G-BLOCK, BANDRA EAST MUMBAI, MAHARASHTRA, INDIA 400098
Effective Date:	01/22/2020
Foreign Entity:	Yes
Country:	INDIA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	HRT FINANCIAL LP AND HRTI PRIVATE LIMITED HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

HRTEU LIMITED is under common control with the firm.

Business Address:	7 GRAND CANAL, GRAND CANAL STREET LOWER 1ST FLOOR DUBLIN, IRELAND
Effective Date:	09/14/2018
Foreign Entity:	Yes
Country:	IRELAND
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	HRT FINANCIAL LP AND HRTEU LIMITED HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

HRT EXECUTION SERVICES LLC is under common control with the firm.

CRD #:	128491
Business Address:	3 WORLD TRADE CENTER, 175 GREENWICH ST 76TH FLOOR NEW YORK, NY 10007
Effective Date:	02/28/2018
Foreign Entity:	No

Firm Operations



Organization Affiliates (continued)

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: SUN TRADING LLC WAS THE NAME OF THIS ENTITY PRIOR TO 08/01/2018. HRT FINANCIAL LP AND HRT EXECUTION SERVICES LLC HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

RITC LTD. is under common control with the firm.

Business Address: C/O AXIS FIDUCIARY LTD.,
2ND FLOOR, THE AXIS, 26 CYBERCITY
EBENE, MAURITIUS 72201

Effective Date: 12/23/2015

Foreign Entity: Yes

Country: MAURITIUS

Securities Activities: Yes

Investment Advisory Activities: No

Description: HRT FINANCIAL LP AND RITC LTD. HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

HRTC LIMITED is under common control with the firm.

Business Address: C/O OGIER FIDUCIARY SERVICES (CAYMAN) LIMITED
89 NEXUS WAY
CAMANA BAY, GRAND CAYMAN, CAYMAN ISLANDS KY1-9007

Effective Date: 06/18/2012

Foreign Entity: Yes

Country: CAYMAN ISLANDS

Securities Activities: Yes

Investment Advisory Activities: No

Description: HRT FINANCIAL LP AND HRTC LIMITED HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

TUCANA BAY LTD. is under common control with the firm.

Firm Operations



Organization Affiliates (continued)

Business Address: 12 STEWARD STREET
2ND FLOOR
LONDON, UNITED KINGDOM E1 6FG

Effective Date: 07/04/2012

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: No

Description: HRT FINANCIAL LP AND TUCANA BAY LTD. HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

HUDSON RIVER TRADING EUROPE LTD. is under common control with the firm.

Business Address: 100 LIVERPOOL STREET
10TH FLOOR
LONDON, UNITED KINGDOM EC2M 2AT

Effective Date: 08/10/2009

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: No

Description: HRT FINANCIAL LP AND HUDSON RIVER TRADING EUROPE LTD. HAVE THE SAME CORPORATE PARENT, HRT CAPITAL LLC.

RIGEL COVE LP is under common control with the firm.

Business Address: 3 WORLD TRADE CENTER, 175 GREENWICH STREET
76TH FLOOR
NEW YORK, NY 10007

Effective Date: 08/10/2009

Foreign Entity: No

Country:

Securities Activities: Yes

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities:	No
Description:	HRT FINANCIAL LP AND RIGEL COVE LP HAVE THE SAME CORPORATE PARENT, HRT CAPITAL 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	10	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:**
 - o 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:**
 - o 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:**
 - o 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.
 - o 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 10

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 SUBMITTED UNDER ITS SLP-PROP MMID OVER 16 MILLION PRINCIPAL ORDERS ON BEHALF OF FIRM CLIENTS. THESE ORDERS WERE NOT PROPRIETARY, AND THEREFORE WERE NOT ELIGIBLE FOR SUBMISSION UNDER HRT'S SLP-PROP MMID. ACCORDINGLY, HRT VIOLATED NYSE RULES 107B(B)(2) AND 107B(I).

Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 04/04/2025

Docket/Case Number: 2024-05-01-00427

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: 04/04/2025

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 \$60,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$60,000.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT SUBMITTED UNDER ITS SLP-PROP MMID OVER 16 MILLION PRINCIPAL ORDERS ON BEHALF OF FIRM CLIENTS. THESE ORDERS WERE NOT PROPRIETARY, AND THEREFORE WERE NOT ELIGIBLE FOR SUBMISSION UNDER HRT'S SLP-



PROP MMID. ACCORDINGLY, HRT VIOLATED NYSE RULES 107B(B)(2) AND 107B(I).

Initiated By: NEW YORK STOCK EXCHANGE

Date Initiated: 04/04/2025

Docket/Case Number: 2024-05-01-00427

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: 04/04/2025

Sanctions Ordered: Censure
Monetary/Fine \$60,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$60,000.00

Firm Statement WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT SUBMITTED UNDER ITS SLP-PROP MMID OVER 16 MILLION PRINCIPAL ORDERS ON BEHALF OF FIRM CLIENTS. THESE ORDERS WERE NOT PROPRIETARY, AND THEREFORE WERE NOT ELIGIBLE FOR SUBMISSION UNDER HRT'S SLP-PROP MMID. ACCORDINGLY, HRT VIOLATED NYSE RULES 107B(B)(2) AND 107B(I).

Disclosure 2 of 10

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 VIOLATED SECURITIES EXCHANGE ACT OF 1934 RULE 14E-4 BY OVER-TENDERING 185,080 SHARES IN THE PARTIAL TENDER OFFER (PTO) OF COMPANY 1. THE FINDINGS STATED THAT THE FIRM HAD A NET LONG POSITION OF 164,920 COMPANY 1 SHARES. HOWEVER, THE FIRM TENDERED 350,000 COMPANY 1 SHARES WITHOUT ACCURATELY CALCULATING ITS NET LONG POSITION IN THE SECURITY. INSTEAD, THE FIRM RELIED SOLELY ON THE



LONG EQUITIES POSITION THAT IT HELD IN THE AGGREGATION UNIT THAT WAS INVOLVED IN THE TENDER OFFER. CONSEQUENTLY, THE FIRM OVER-TENDERED 185,080 COMPANY A SHARES IN THE PTO. AFTER APPLYING THE PRORATION FACTOR, 13,569 OF THE FIRM'S OVER-TENDERED SHARES WERE ACCEPTED, RESULTING IN ILL-GOTTEN GAINS FOR IT OF \$233,445. THE FINDINGS ALSO STATED THAT THE FIRM DID NOT HAVE A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES, CONCERNING EXCHANGE ACT RULE 14E-4. THE FIRM HAS SUBSEQUENTLY UPDATED ITS WSPS TO ACHIEVE COMPLIANCE.

Initiated By: FINRA

Date Initiated: 12/08/2023

Docket/Case Number: [2022076480801](#)

Principal Product Type: Other

Other Product Type(s): PARTIAL TENDER OFFER

Principal Sanction(s)/Relief Sought: Other

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

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/08/2023

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 \$36,667.00
Disgorgement/Restitution

Other Sanctions Ordered: PLUS INTEREST

Sanction Details: THE FIRM IS CENSURED, FINED \$110,000, OF WHICH \$36,667 IS PAYABLE TO FINRA, AND REQUIRED TO PAY DISGORGEMENT IN THE AMOUNT OF \$233,445, OF WHICH \$77,815 IS PAYABLE TO FINRA, PLUS INTEREST. THE REMAINDER OF THE FINE AND DISGORGEMENT SHALL BE ALLOCATED EVENLY BETWEEN THE NYSE AMERICAN AND NYSE ARCA. FINE PAID IN FULL ON FEBRUARY 16, 2024.



Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT VIOLATED SECURITIES EXCHANGE ACT OF 1934 RULE 14E-4 BY OVER-TENDERING 185,080 SHARES IN THE PARTIAL TENDER OFFER (PTO) OF COMPANY 1. THE FINDINGS STATED THAT THE FIRM HAD A NET LONG POSITION OF 164,920 COMPANY 1 SHARES. HOWEVER, THE FIRM TENDERED 350,000 COMPANY 1 SHARES WITHOUT ACCURATELY CALCULATING ITS NET LONG POSITION IN THE SECURITY. INSTEAD, THE FIRM RELIED SOLELY ON THE LONG EQUITIES POSITION THAT IT HELD IN THE AGGREGATION UNIT THAT WAS INVOLVED IN THE TENDER OFFER. CONSEQUENTLY, THE FIRM OVER-TENDERED 185,080 COMPANY A SHARES IN THE PTO. AFTER APPLYING THE PRORATION FACTOR, 13,569 OF THE FIRM'S OVER-TENDERED SHARES WERE ACCEPTED, RESULTING IN ILL-GOTTEN GAINS FOR IT OF \$233,445. THE FINDINGS ALSO STATED THAT THE FIRM DID NOT HAVE A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES, CONCERNING EXCHANGE ACT RULE 14E-4. THE FIRM HAS SUBSEQUENTLY UPDATED ITS WSPS TO ACHIEVE COMPLIANCE.
Initiated By:	FINRA
Date Initiated:	12/08/2023
Docket/Case Number:	2022076480801
Principal Product Type:	Other
Other Product Type(s):	PARTIAL TENDER OFFER
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/08/2023
Sanctions Ordered:	Censure Monetary/Fine \$36,667.00 Disgorgement/Restitution
Other Sanctions Ordered:	PLUS INTEREST
Sanction Details:	THE FIRM IS CENSURED, FINED \$110,000, OF WHICH \$36,667 IS PAYABLE TO FINRA, AND REQUIRED TO PAY DISGORGEMENT IN THE AMOUNT OF \$233,445, OF WHICH \$77,815 IS PAYABLE TO FINRA, PLUS INTEREST. THE



REMAINDER OF THE FINE AND DISGORGEMENT SHALL BE ALLOCATED
EVENLY BETWEEN THE NYSE AMERICAN AND NYSE ARCA.

Disclosure 3 of 10

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 VIOLATED SECURITIES EXCHANGE ACT OF 1934 RULE 14E-4 BY OVER-TENDERING 185,080 SHARES IN THE PARTIAL TENDER OFFER OF COMPANY 1. THE FINDINGS STATED THAT COMPANY 1 ANNOUNCED A PTO SET TO EXPIRE ON AUGUST 31, 2022. ON AUGUST 31, 2022, THE FIRM HAD A NET LONG POSITION OF 164,920 COMPANY 1 SHARES. HOWEVER, THE FIRM TENDERED 350,000 COMPANY 1 SHARES WITHOUT ACCURATELY CALCULATING ITS NET LONG POSITION IN THE SECURITY. INSTEAD, THE FIRM RELIED SOLELY ON THE LONG EQUITIES POSITION THAT IT HELD IN THE AGGREGATION UNIT THAT PARTICIPATED IN THE TENDER OFFER. CONSEQUENTLY, HRT OVER-TENDERED 185,080 COMPANY 1 SHARES IN THE PTO. AFTER APPLYING THE PRORATION FACTOR, 13,596 OF HRT'S OVER-TENDERED SHARES WERE ACCEPTED, RESULTING IN ILL-GOTTEN GAINS FOR HRT OF \$233,445. THE FINDINGS ALSO STATED THAT THE FIRM DID NOT HAVE A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES (WSP), CONCERNING EXCHANGE ACT RULE 14E-4. THE FIRM LATER IMPLEMENTED WSPS CONCERNING EXCHANGE ACT RULE 14E-4.
Initiated By:	NYSE ARCA, INC.
Date Initiated:	12/07/2023
Docket/Case Number:	2022076480803
Principal Product Type:	Other
Other Product Type(s):	PARTIAL TENDER OFFER
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/07/2023



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 \$36,666.00
Disgorgement/Restitution

Other Sanctions Ordered: PLUS INTEREST

Sanction Details: THE FIRM IS CENSURED, FINED \$36,666 (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR A TOTAL FINE OF \$110,000), AND REQUIRED TO PAY 77,815 IN DISGORGEMENT (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR TOTAL DISGORGEMENT OF \$233,445), PLUS INTEREST. THIS MATTER WAS RESOLVED SIMULTANEOUSLY WITH MATTERS BROUGHT BY NYSE AMERICAN AND FINRA.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT VIOLATED SECURITIES EXCHANGE ACT OF 1934 RULE 14E-4 BY OVER-TENDERING 185,080 SHARES IN THE PARTIAL TENDER OFFER OF COMPANY 1. THE FINDINGS STATED THAT COMPANY 1 ANNOUNCED A PTO SET TO EXPIRE ON AUGUST 31, 2022. ON AUGUST 31, 2022, THE FIRM HAD A NET LONG POSITION OF 164,920 COMPANY 1 SHARES. HOWEVER, THE FIRM TENDERED 350,000 COMPANY 1 SHARES WITHOUT ACCURATELY CALCULATING ITS NET LONG POSITION IN THE SECURITY. INSTEAD, THE FIRM RELIED SOLELY ON THE LONG EQUITIES POSITION THAT IT HELD IN THE AGGREGATION UNIT THAT PARTICIPATED IN THE TENDER OFFER. CONSEQUENTLY, HRT OVER-TENDERED 185,080 COMPANY 1 SHARES IN THE PTO. AFTER APPLYING THE PRORATION FACTOR, 13,596 OF HRT'S OVER-TENDERED SHARES WERE ACCEPTED, RESULTING IN ILL-GOTTEN GAINS FOR HRT OF \$233,445. THE FINDINGS ALSO STATED THAT THE FIRM DID NOT HAVE A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES (WSP), CONCERNING EXCHANGE ACT RULE 14E-4. THE FIRM LATER IMPLEMENTED WSPS CONCERNING EXCHANGE ACT RULE 14E-4.

Initiated By: NYSE ARCA, INC.

Date Initiated: 12/07/2023



Docket/Case Number:	2022076480803
Principal Product Type:	Other
Other Product Type(s):	PARTIAL TENDER OFFER
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/07/2023
Sanctions Ordered:	Censure Monetary/Fine \$36,666.00 Disgorgement/Restitution
Other Sanctions Ordered:	PLUS INTEREST
Sanction Details:	THE FIRM IS CENSURED, FINED \$36,666 (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR A TOTAL FINE OF \$110,000), AND REQUIRED TO PAY 77,815 IN DISGORGEMENT (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR TOTAL DISGORGEMENT OF \$233,445), PLUS INTEREST. THIS MATTER WAS RESOLVED SIMULTANEOUSLY WITH MATTERS BROUGHT BY NYSE AMERICAN AND FINRA.

Disclosure 4 of 10

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 VIOLATED SECURITIES EXCHANGE ACT OF 1934 RULE 14E-4 BY OVER-TENDERING 185,080 SHARES IN THE PARTIAL TENDER OFFER OF COMPANY 1. THE FINDINGS STATED THAT COMPANY 1 ANNOUNCED A PTO SET TO EXPIRE ON AUGUST 31, 2022. ON AUGUST 31, 2022, THE FIRM HAD A NET LONG POSITION OF 164,920 COMPANY 1 SHARES. HOWEVER, THE FIRM TENDERED 350,000 COMPANY 1 SHARES WITHOUT ACCURATELY CALCULATING ITS NET LONG POSITION IN THE SECURITY. INSTEAD, THE FIRM RELIED SOLELY ON THE LONG EQUITIES POSITION THAT IT HELD IN THE AGGREGATION UNIT THAT PARTICIPATED IN THE TENDER OFFER. CONSEQUENTLY, THE FIRM OVER-TENDERED 185,080 COMPANY 1 SHARES IN THE PTO. AFTER APPLYING THE PRORATION FACTOR, 13,596 OF FIRM'S OVER-TENDERED SHARES WERE ACCEPTED, RESULTING IN ILL-GOTTEN GAINS OF \$233,445. THE FINDINGS ALSO STATED THAT THE FIRM DID NOT



HAVE A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES (WSP), CONCERNING EXCHANGE ACT RULE 14E-4. THE FIRM LATER IMPLEMENTED WSPS CONCERNING EXCHANGE ACT RULE 14E-4.

Initiated By: NYSE AMERICAN LLC

Date Initiated: 12/07/2023

Docket/Case Number: 2022076480802

Principal Product Type: Other

Other Product Type(s): PARTIAL TENDER OFFER

Principal Sanction(s)/Relief Sought: Other

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

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/07/2023

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 \$36,667.00
Disgorgement/Restitution

Other Sanctions Ordered: PLUS INTEREST

Sanction Details: THE FIRM IS CENSURED, FINED \$36,667 (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR A TOTAL FINE OF \$110,000), AND REQUIRED TO PAY \$77,815 IN DISGORGEMENT (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR TOTAL DISGORGEMENT OF \$233,445) PLUS INTEREST. THIS MATTER WAS RESOLVED SIMULTANEOUSLY WITH MATTERS BROUGHT BY NYSE ARCA AND FINRA.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT VIOLATED



SECURITIES EXCHANGE ACT OF 1934 RULE 14E-4 BY OVER-TENDERING 185,080 SHARES IN THE PARTIAL TENDER OFFER OF COMPANY 1. THE FINDINGS STATED THAT COMPANY 1 ANNOUNCED A PTO SET TO EXPIRE ON AUGUST 31, 2022. ON AUGUST 31, 2022, THE FIRM HAD A NET LONG POSITION OF 164,920 COMPANY 1 SHARES. HOWEVER, THE FIRM TENDERED 350,000 COMPANY 1 SHARES WITHOUT ACCURATELY CALCULATING ITS NET LONG POSITION IN THE SECURITY. INSTEAD, THE FIRM RELIED SOLELY ON THE LONG EQUITIES POSITION THAT IT HELD IN THE AGGREGATION UNIT THAT PARTICIPATED IN THE TENDER OFFER. CONSEQUENTLY, THE FIRM OVER-TENDERED 185,080 COMPANY 1 SHARES IN THE PTO. AFTER APPLYING THE PRORATION FACTOR, 13,596 OF FIRM'S OVER-TENDERED SHARES WERE ACCEPTED, RESULTING IN ILL-GOTTEN GAINS OF \$233,445. THE FINDINGS ALSO STATED THAT THE FIRM DID NOT HAVE A SUPERVISORY SYSTEM, INCLUDING WRITTEN SUPERVISORY PROCEDURES (WSP), CONCERNING EXCHANGE ACT RULE 14E-4. THE FIRM LATER IMPLEMENTED WSPS CONCERNING EXCHANGE ACT RULE 14E-4.

Initiated By:	NYSE AMERICAN LLC
Date Initiated:	12/07/2023
Docket/Case Number:	2022076480802
Principal Product Type:	Other
Other Product Type(s):	PARTIAL TENDER OFFER
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/07/2023
Sanctions Ordered:	Censure Monetary/Fine \$36,667.00 Disgorgement/Restitution
Other Sanctions Ordered:	PLUS INTEREST
Sanction Details:	THE FIRM IS CENSURED, FINED \$36,667 (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR A TOTAL FINE OF \$110,000), AND REQUIRED TO PAY \$77,815 IN DISGORGEMENT (RESOLVED SIMULTANEOUSLY WITH SIMILAR MATTERS FOR TOTAL DISGORGEMENT OF \$233,445) PLUS INTEREST. THIS MATTER WAS RESOLVED SIMULTANEOUSLY WITH MATTERS BROUGHT BY NYSE ARCA AND FINRA.



Disclosure 5 of 10

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 HAD A FAIL-TO-DELIVER POSITION (A "FAIL") AT A REGISTERED CLEARING AGENCY IN AN EQUITY SECURITY AND DID NOT CLOSE OUT THE FAIL BY PURCHASING OR BORROWING SECURITIES OF LIKE KIND AND QUANTITY WITHIN THE TIME FRAME PRESCRIBED BY RULE 204(A)(3) OF REGULATION SHO PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED ("EXCHANGE ACT RULE 204(A)(3)"). THE FINDINGS STATED THAT THIS CONDUCT VIOLATED EXCHANGE ACT RULE 204(A)(3). THE FINDINGS ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO PREVENT VIOLATIONS OF EXCHANGE ACT RULE 204(A)(3) AS A RESULT OF ITS MISINTERPRETATION OF GUIDANCE THAT WAS PROVIDED BY THE SECURITIES AND EXCHANGE COMMISSION IN THE FORM OF A NO-ACTION LETTER. THIS CONDUCT VIOLATED NASDAQ RULES 3010 AND 2010A.
Initiated By:	NASDAQ STOCK MARKET
Date Initiated:	03/29/2019
Docket/Case Number:	2015048076703
Principal Product Type:	Other
Other Product Type(s):	EQUITY SECURITY
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/29/2019
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 \$25,000.00

Other Sanctions Ordered:

UNDERTAKING

Sanction Details:

THE FIRM WAS CENSURED, FINED A TOTAL OF \$25,000.00, OF WHICH \$8,333.33 SHALL BE PAID TO NASDAQ, AND UNDERTAKES TO ADDRESS THE REGULATION SHO DEFICIENCIES WITH RESPECT TO THE AREAS DESCRIBED IN THE AWC.

Regulator Statement

ADDITIONALLY, ACCEPTANCE OF THIS AWC IS CONDITIONED UPON ACCEPTANCE OF PARALLEL SETTLEMENT AGREEMENTS IN RELATED MATTERS BETWEEN THE FIRM AND THE FOLLOWING: (I) NYSE AMERICAN LLC; AND (II) CBOE BZX EXCHANGE, INC.

Reporting Source:

Firm

Current Status:

Final

Allegations:

WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT HAD A FAIL-TO-DELIVER POSITION (A "FAIL") AT A REGISTERED CLEARING AGENCY IN AN EQUITY SECURITY AND DID NOT CLOSE OUT THE FAIL BY PURCHASING OR BORROWING SECURITIES OF LIKE KIND AND QUANTITY WITHIN THE TIME FRAME PRESCRIBED BY RULE 204(A)(3) OF REGULATION SHO PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED ("EXCHANGE ACT RULE 204(A)(3)"). THE FINDINGS STATED THAT THIS CONDUCT VIOLATED EXCHANGE ACT RULE 204(A)(3). THE FINDINGS ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO PREVENT VIOLATIONS OF EXCHANGE ACT RULE 204(A)(3) AS A RESULT OF ITS MISINTERPRETATION OF GUIDANCE THAT WAS PROVIDED BY THE SECURITIES AND EXCHANGE COMMISSION IN THE FORM OF A NO-ACTION LETTER. THIS CONDUCT VIOLATED NASDAQ RULES 3010 AND 2010A.

Initiated By:

NASDAQ STOCK MARKET

Date Initiated:

03/29/2019

Docket/Case Number:

2015048076703

Principal Product Type:

Other

Other Product Type(s):

EQUITY SECURITY

Principal Sanction(s)/Relief Sought:

Other

Other Sanction(s)/Relief Sought:

N/A



Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/29/2019
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED A TOTAL OF \$25,000.00, OF WHICH \$8,333.33 SHALL BE PAID TO NASDAQ, AND UNDERTAKES TO ADDRESS THE REGULATION SHO DEFICIENCIES WITH RESPECT TO THE AREAS DESCRIBED IN THE AWC.
Firm Statement	ADDITIONALLY, ACCEPTANCE OF THIS AWC IS CONDITIONED UPON ACCEPTANCE OF PARALLEL SETTLEMENT AGREEMENTS IN RELATED MATTERS BETWEEN THE FIRM AND THE FOLLOWING: (I) NYSE AMERICAN LLC; AND (II) CBOE BZX EXCHANGE, INC.

Disclosure 6 of 10

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 HAD A FAIL-TO-DELIVER POSITION (A "FAIL") AT A REGISTERED CLEARING AGENCY IN AN EQUITY SECURITY AND DID NOT CLOSE OUT THE FAIL BY PURCHASING OR BORROWING SECURITIES OF LIKE KIND AND QUANTITY WITHIN THE TIME FRAME PRESCRIBED BY RULE 204(A)(3) OF REGULATION SHO PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THE FINDINGS STATED THAT THIS CONDUCT VIOLATED EXCHANGE ACT RULE 204(A)(3). THE FINDING ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO PREVENT VIOLATIONS OF EXCHANGE ACT RULE 204(A)(3) AS A RESULT OF ITS MISINTERPRETATION OF GUIDANCE THAT WAS PROVIDED BY THE STAFF OF THE DIVISION OF TRADING AND MARKETS OF THE SECURITIES AND EXCHANGE COMMISSION IN THE FORM OF A NO-ACTION LETTER. THIS CONDUCT VIOLATED NYSE AMERICAN RULE - EQUITIES 3110.
Initiated By:	NYSE AMERICAN LLC
Date Initiated:	02/15/2019
Docket/Case Number:	2015048076701
Principal Product Type:	Other
Other Product Type(s):	EQUITY SECURITY



Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/18/2019
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 \$25,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED A TOTAL OF \$25,000.00, OF WHICH \$8,333.34 SHALL BE PAID TO NYSE AMERICAN, AND UNDERTAKES TO ADDRESS THE REGULATION SHO DEFICIENCIES WITH RESPECT TO THE AREAS IDENTIFIED WITHIN THE AWC.
Regulator Statement	ADDITIONALLY, ACCEPTANCE OF THIS AWC IS CONDITIONED UPON ACCEPTANCE OF PARALLEL SETTLEMENT AGREEMENTS IN RELATED MATTERS BETWEEN THE FIRM AND THE FOLLOWING: (I) THE NASDAQ STOCK MARKET LLC; AND (II) CBOE BZX EXCHANGE, INC.
Reporting Source:	Firm
Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT HAD A FAIL-TO-DELIVER POSITION (A "FAIL") AT A REGISTERED CLEARING AGENCY IN AN EQUITY SECURITY AND DID NOT CLOSE OUT THE FAIL BY PURCHASING OR BORROWING SECURITIES OF LIKE KIND AND QUANTITY WITHIN THE TIME FRAME PRESCRIBED BY RULE 204(A)(3) OF REGULATION SHO PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THE FINDINGS STATED THAT THIS CONDUCT VIOLATED EXCHANGE ACT RULE 204(A)(3). THE FINDING ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO PREVENT VIOLATIONS OF EXCHANGE ACT RULE 204(A)(3) AS A RESULT OF ITS MISINTERPRETATION OF GUIDANCE THAT WAS PROVIDED BY THE STAFF OF THE DIVISION OF TRADING AND MARKETS OF THE SECURITIES



AND EXCHANGE COMMISSION IN THE FORM OF A NO-ACTION LETTER.
THIS CONDUCT VIOLATED NYSE AMERICAN RULE - EQUITIES 3110.

Initiated By:	NYSE AMERICAN LLC
Date Initiated:	02/15/2019
Docket/Case Number:	2015048076701
Principal Product Type:	Other
Other Product Type(s):	EQUITY SECURITY
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/18/2019
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED A TOTAL OF \$25,000.00, OF WHICH \$8,333.34 SHALL BE PAID TO NYSE AMERICAN, AND UNDERTAKES TO ADDRESS THE REGULATION SHO DEFICIENCIES WITH RESPECT TO THE AREAS IDENTIFIED WITHIN THE AWC.
Firm Statement	ADDITIONALLY, ACCEPTANCE OF THIS AWC IS CONDITIONED UPON ACCEPTANCE OF PARALLEL SETTLEMENT AGREEMENTS IN RELATED MATTERS BETWEEN THE FIRM AND THE FOLLOWING: (I) THE NASDAQ STOCK MARKET LLC; AND (II) CBOE BZX EXCHANGE, INC.

Disclosure 7 of 10

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 HAD A FAIL-TO-DELIVER POSITION (A "FAIL") AT A REGISTERED CLEARING AGENCY IN AN EQUITY SECURITY AND DID NOT CLOSE OUT THE FAIL BY PURCHASING OR BORROWING SECURITIES OF LIKE KIND AND QUANTITY WITHIN THE TIME FRAME PRESCRIBED BY RULE 204(A)(3) OF REGULATION SHO PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THE FINDINGS STATED THAT THIS CONDUCT VIOLATED



EXCHANGE ACT RULE 204(A)(3). THE FINDINGS ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO PREVENT VIOLATIONS OF EXCHANGE ACT RULE 204(A)(3) AS A RESULT OF ITS MISINTERPRETATION OF GUIDANCE THAT WAS PROVIDED BY THE SECURITIES AND EXCHANGE COMMISSION IN THE FORM OF A NO-ACTION LETTER. THIS CONDUCT VIOLATED BZX RULES 3.1, 3.2, AND 5.1.

Initiated By: CBOE BZX EXCHANGE, INC.

Date Initiated: 03/01/2019

Docket/Case Number: 2015048076702

Principal Product Type: Other

Other Product Type(s): EQUITY SECURITY

Principal Sanction(s)/Relief Sought: Other

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

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/29/2019

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 \$25,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED, FINED A TOTAL OF \$25,000.00, OF WHICH \$8,333.33 SHALL BE PAID TO BZX AND WAS ORDERED TO ADDRESS THE REGULATION SHO DEFICIENCIES WITH RESPECT TO THE AREAS DESCRIBED IN THE AWC.

Regulator Statement ADDITIONALLY, ACCEPTANCE OF THIS AWC IS CONDITIONED UPON ACCEPTANCE OF PARALLEL SETTLEMENT AGREEMENTS IN RELATED MATTERS BETWEEN THE FIRM AND THE FOLLOWING: (I) THE NASDAQ STOCK MARKET LLC; AND (II) NYSE AMERICAN LLC.

Reporting Source: Firm



Current Status:	Final
Allegations:	WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT HAD A FAIL-TO-DELIVER POSITION (A "FAIL") AT A REGISTERED CLEARING AGENCY IN AN EQUITY SECURITY AND DID NOT CLOSE OUT THE FAIL BY PURCHASING OR BORROWING SECURITIES OF LIKE KIND AND QUANTITY WITHIN THE TIME FRAME PRESCRIBED BY RULE 204(A)(3) OF REGULATION SHO PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THE FINDINGS STATED THAT THIS CONDUCT VIOLATED EXCHANGE ACT RULE 204(A)(3). THE FINDINGS ALSO STATED THAT THE FIRM'S SUPERVISORY SYSTEM WAS NOT REASONABLY DESIGNED TO PREVENT VIOLATIONS OF EXCHANGE ACT RULE 204(A)(3) AS A RESULT OF ITS MISINTERPRETATION OF GUIDANCE THAT WAS PROVIDED BY THE SECURITIES AND EXCHANGE COMMISSION IN THE FORM OF A NO-ACTION LETTER. THIS CONDUCT VIOLATED BZX RULES 3.1, 3.2, AND 5.1.
Initiated By:	CBOE BZX EXCHANGE, INC.
Date Initiated:	03/01/2019
Docket/Case Number:	2015048076702
Principal Product Type:	Other
Other Product Type(s):	EQUITY SECURITY
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/29/2019
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	UNDERTAKING
Sanction Details:	THE FIRM WAS CENSURED, FINED \$25,000.00, OF WHICH \$8,333.33 SHALL BE PAID TO BZX AND WAS ORDERED TO ADDRESS THE REGULATION SHO DEFICIENCIES WITH RESPECT TO THE AREAS DESCRIBED IN THE AWC.
Firm Statement	ADDITIONALLY, ACCEPTANCE OF THIS AWC IS CONDITIONED UPON ACCEPTANCE OF PARALLEL SETTLEMENT AGREEMENTS IN RELATED MATTERS BETWEEN THE FIRM AND THE FOLLOWING: (I) THE NASDAQ STOCK MARKET LLC; AND (II) NYSE AMERICAN LLC.



Disclosure 8 of 10

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 DURING THE FIRST REVIEW PERIOD, THE FIRM FAILED TO TIMELY SUBMIT 11,145,982 MARKET MAKER TRANSACTION REPORTING SYSTEM ("MMTRS") RECORDS TO FINRA, PURSUANT TO THE MARKET MAKER REPORTING REQUIREMENTS OF THE REGULATION NMS TICK SIZE PILOT (TSP) PROGRAM.

THE FINDINGS STATED THAT SPECIFICALLY, DUE TO A CODING ERROR IN THE SCRIPT OF THE FIRM'S AUTOMATED PROCESS, THE FIRM FAILED TO SUBMIT MARKET MAKER DATA FOR TSP ELIGIBLE SECURITIES LISTED ON THE NASDAQ TSP SYMBOL LIST. ONCE NOTIFIED, THE FIRM IMMEDIATELY MADE THE NECESSARY ADJUSTMENT TO THE SOFTWARE CODE TO INCLUDE ALL ELIGIBLE TSP SECURITIES.

THE FINDINGS ALSO STATED THAT DURING THE SECOND REVIEW PERIOD, THE FIRM FAILED TO TIMELY SUBMIT MMTRS DATA, WHICH IT WAS REQUIRED TO SUBMIT, TO FINRA. SPECIFICALLY, AN INTERNAL DATA PROCESSING ISSUE RESULTED IN THE FIRM SUBMITTING A TSP FILE THAT CONTAINED ZERO RECORDS THROUGH ITS AUTOMATED PROCESS FOR BOTH TRADE DATES. ONCE NOTIFIED, THE FIRM SUBMITTED THE MISSING DATA AND INSTITUTED PROCEDURES TO ENSURE THAT ITS TSP SUBMISSION FILES ARE POPULATED.

THE FINDINGS ALSO INCLUDED THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITY LAWS AND REGULATIONS, AND BZX RULES CONCERNING THE TSP PROGRAM. SPECIFICALLY, DURING THE FIRST REVIEW PERIOD, THE FIRM'S EXCEPTION REPORT, DESIGNED TO MONITOR THE COLLECTION AND SUBMISSION OF TSP DATA, FAILED TO IDENTIFY THE NON-REPORTING. THE FIRM FAILED TO COMPARE ITS BOOKS AND RECORDS TO ACCEPTED TRANSACTIONS TO ENSURE THAT DATA FOR ALL TSP ELIGIBLE SECURITIES WAS REPORTED. DURING THE SECOND REVIEW PERIOD, THE FIRM DID NOT VERIFY THAT THE TSP FILE SUBMISSIONS WERE POPULATED. THE FIRM HAS SINCE ADDED ADDITIONAL CHECKS AND ENHANCEMENTS TO MONITOR ITS SUBMISSION FILES.

Initiated By: CBOE BZX EXCHANGE, INC.

Date Initiated: 07/30/2018

Docket/Case Number: 2017053522601

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: 08/27/2018

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 \$30,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$30,000.

THE DECISION IN THIS MATTER IS FINAL 20 BUSINESS DAYS AFTER THE ISSUANCE OF THE DECISION. THEREFORE, THIS AWC BECAME FINAL AUGUST 27, 2018.

Reporting Source: Firm

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT DURING THE FIRST REVIEW PERIOD, THE FIRM FAILED TO TIMELY SUBMIT 11,145,982 MARKET MAKER TRANSACTION REPORTING SYSTEM ("MMTRS") RECORDS TO FINRA, PURSUANT TO THE MARKET MAKER REPORTING REQUIREMENTS OF THE REGULATION NMS TICK SIZE PILOT (TSP) PROGRAM. THE FINDINGS STATED THAT SPECIFICALLY, DUE TO A CODING ERROR IN THE SCRIPT OF THE FIRM'S AUTOMATED PROCESS, THE FIRM FAILED TO SUBMIT MARKET MAKER DATA FOR TSP ELIGIBLE SECURITIES LISTED ON THE NASDAQ TSP SYMBOL LIST. ONCE NOTIFIED, THE FIRM IMMEDIATELY MADE THE NECESSARY ADJUSTMENT TO THE SOFTWARE CODE TO INCLUDE ALL ELIGIBLE TSP SECURITIES. THE FINDINGS ALSO STATED THAT DURING THE SECOND REVIEW PERIOD, THE FIRM FAILED TO TIMELY SUBMIT MMTRS DATA, WHICH IT WAS REQUIRED TO SUBMIT, TO FINRA. SPECIFICALLY, AN INTERNAL DATA PROCESSING ISSUE RESULTED



IN THE FIRM SUBMITTING A TSP FILE THAT CONTAINED ZERO RECORDS THROUGH ITS AUTOMATED PROCESS FOR BOTH TRADE DATES. ONCE NOTIFIED, THE FIRM SUBMITTED THE MISSING DATA AND INSTITUTED PROCEDURES TO ENSURE THAT ITS TSP SUBMISSION FILES ARE POPULATED. THE FINDINGS ALSO INCLUDED THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITY LAWS AND REGULATIONS, AND BZX RULES CONCERNING THE TSP PROGRAM. SPECIFICALLY, DURING THE FIRST REVIEW PERIOD, THE FIRM'S EXCEPTION REPORT, DESIGNED TO MONITOR THE COLLECTION AND SUBMISSION OF TSP DATA, FAILED TO IDENTIFY THE NON-REPORTING. THE FIRM FAILED TO COMPARE ITS BOOKS AND RECORDS TO ACCEPTED TRANSACTIONS TO ENSURE THAT DATA FOR ALL TSP ELIGIBLE SECURITIES WAS REPORTED. DURING THE SECOND REVIEW PERIOD, THE FIRM DID NOT VERIFY THAT THE TSP FILE SUBMISSIONS WERE POPULATED. THE FIRM HAS SINCE ADDED ADDITIONAL CHECKS AND ENHANCEMENTS TO MONITOR ITS SUBMISSION FILES.

Initiated By:	CBOE BZX EXCHANGE, INC.
Date Initiated:	07/30/2018
Docket/Case Number:	2017053522601
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:	08/03/2018
Sanctions Ordered:	Censure Monetary/Fine \$30,000.00
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED AND FINED \$30,000. THE DECISION IN THIS MATTER IS FINAL 20 BUSINESS DAYS AFTER THE ISSUANCE OF THE DECISION. THEREFORE, THIS AWC WILL BECOME FINAL AUGUST 27, 2018.
Firm Statement	N/A.



Disclosure 9 of 10

Reporting Source:	Regulator
Current Status:	Final
Allegations:	HRT FINANCIAL, LLC ("HRT"), AN EXCHANGE TPH ORGANIZATION, WAS CENSURED AND FINED \$5,000 FOR: (I) FAILING TO REGISTER ITS FINANCIAL AND OPERATIONS PRINCIPAL AS A FINANCIAL AND OPERATIONS PRINCIPAL (FN) WITH THE EXCHANGE IN WEBCRD; AND (II) FAILING TO REGISTER ITS CHIEF COMPLIANCE OFFICER AS A PROPRIETARY TRADER COMPLIANCE OFFICER (CT) WITH THE EXCHANGE IN WEBCRD. (EXCHANGE RULE 3.4 - QUALIFICATION AND REGISTRATION)
Initiated By:	C2 OPTIONS EXCHANGE, INCORPORATED
Date Initiated:	05/05/2015
Docket/Case Number:	C2 15-0003 / 20150452262
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:	09/10/2015
Sanctions Ordered:	Censure Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	A \$5,000 FINE AND A CENSURE.

Reporting Source:	Firm
Current Status:	Final
Appealed To and Date Appeal Filed:	N/A
Allegations:	IT IS ALLEGED THAT HRT: (I) FAILED TO REGISTER ITS FINANCIAL AND OPERATIONS PRINCIPAL AS A FINANCIAL AND OPERATIONS PRINCIPAL (FN) WITH THE EXCHANGE IN WEBCRD; AND (II) FAILED TO REGISTER ITS CHIEF COMPLIANCE OFFICER AS A PROPRIETARY TRADER COMPLIANCE



OFFICER (CT) WITH THE EXCHANGE IN WEBCRD. (VIOLATION OF EXCHANGE RULE 3.4)

Initiated By: C2 OPTIONS EXCHANGE, INCORPORATED

Date Initiated: 05/05/2015

Docket/Case Number: C2 15-0003 / 20150452262

Principal Product Type: Options

Other Product Type(s): N/A

Principal Sanction(s)/Relief Sought:

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

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 09/10/2015

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

Other Sanctions Ordered: N/A

Sanction Details: THE SANCTION TO BE IMPOSED SHALL CONSIST OF A \$5000.00 FINE AND CENSURE. C2 RECEIVED PAYMENT FOR THE FINE ON 09/23/2015.

Firm Statement N/A

Disclosure 10 of 10

Reporting Source: Regulator

Current Status: Final

Allegations: NYSE RULE 342: DURING THE RELEVANT PERIOD, THE FIRM PARTICIPATED IN THE NYSE'S SUPPLEMENTAL LIQUIDITY PROVIDER (SLP) PROGRAM. AS A SLP, THE FIRM PROVIDED LIQUIDITY IN ITS ASSIGNED SECURITIES BY ELECTRONICALLY ENTERING RESTING ORDERS INTO THE SYSTEMS AND FACILITIES OF THE NYSE. THE FIRM UTILIZES NUMEROUS ALGORITHMS THAT TRADE ON THE NYSE IN SLP SYMBOLS. CERTAIN OF THESE ALGORITHMS ENGAGE IN PROVIDING LIQUIDITY AS AN SLP ON THE NYSE WHEREBY THEY PLACE ORDERS AT OR BELOW THE NATIONAL BEST BID AND AT OR ABOVE THE NATIONAL BEST OFFER. THE ALGORITHMS DID NOT COORDINATE THEIR ORDER PLACEMENT DECISIONS (I.E., EACH ALGORITHM PLACED OR CANCELED ORDERS BASED ON ITS OWN BUSINESS LOGIC IRRESPECTIVE OF ANY OTHER ALGORITHM'S ORDER PLACEMENT OR CANCELLATION DECISIONS). ACCORDINGLY, THE



TRADING LOGIC OF EACH ALGORITHM WAS UNAWARE OF ORDERS SENT BY OTHER ALGORITHMS. THEREFORE, SEVERAL MILLION SLP ORDERS THE FIRM ENTERED THROUGH ITS SLP ALGORITHMS RESULTED IN EXECUTIONS ON THE NYSE AGAINST OTHER ORDERS IT ENTERED BY OTHER OF ITS SLP ALGORITHMS. THE FIRM BUILT ITS SELF-TRADE CONTROLS INTO ITS TRADING SOFTWARE TO PREVENT THE SAME ALGORITHM FROM HAVING OPEN ORDERS ON BOTH SIDES OF THE MARKET THAT WOULD RESULT IN AN EXECUTION BY DETERMINING IF THE ALGORITHM HAD OUTSTANDING SELL (BUY) ORDERS AT THE SAME OR LOWER (HIGHER) PRICE THAN THE BUY (SELL) ORDER BEING GENERATED. HOWEVER, THE FIRM DID NOT HAVE SPECIFIC CONTROLS TO PREVENT SELF-TRADES ACROSS ALGORITHMS. THE FIRM UTILIZED ITS NYSE SLP SELF TRADE REPORT (SLP REPORT) TO MONITOR FOR SELF-TRADES WITHIN THE SAME ALGORITHM AND ACROSS ALGORITHMS. DURING THE RELEVANT PERIOD, NUMEROUS WASH TRADES THAT OCCURRED ACROSS THE FIRM'S SLP ALGORITHMS APPEARED ON THE SLP REPORT. HOWEVER, THE FIRM COULD ONLY CONDUCT A REVIEW OF THE SLP REPORT ON T+1 AND DID NOT FOLLOW UP ON SUCH TRADES BECAUSE OF ITS UNDERSTANDING OF THE REQUIREMENTS OF NYSE RULE 476(A)(8). AS A RESULT, THE SELF-TRADE CONTROLS AND THE SLP REPORT DID NOT PREVENT SLP TRADES ACROSS SLP ALGORITHMS THAT RESULTED IN NO CHANGE OF BENEFICIAL OWNERSHIP.

Initiated By:	NEW YORK STOCK EXCHANGE
Date Initiated:	02/14/2014
Docket/Case Number:	2012032730701
Principal Product Type:	Other
Other Product Type(s):	UNSPECIFIED SECURITIES
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	02/14/2014
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 \$170,000.00

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 \$170,000.

Regulator Statement IN DETERMINING TO RESOLVE THIS MATTER ON THE TERMS SET FORTH, MARKET REGULATION TOOK INTO CONSIDERATION THAT THE NYSE INTRODUCED A NEW SELF-TRADE PREVENTION (STP) MODIFIER SERVICE TO ENABLE FIRMS TO BETTER MANAGE THEIR ORDER FLOW AND PREVENT UNINTENDED EXECUTIONS WITH THEMSELVES. ON THAT DATE, THE FIRM BEGAN TO AVAIL ITSELF OF THE NYSE STP FOR THE FIRM'S SLP ACTIVITY.

Reporting Source: Firm

Current Status: Final

Appealed To and Date Appeal Filed: N/A

Allegations: NYSE RULE 342: DURING THE RELEVANT PERIOD, THE FIRM PARTICIPATED IN THE NYSE'S SUPPLEMENTAL LIQUIDITY PROVIDER (SLP) PROGRAM. AS A SLP, THE FIRM PROVIDED LIQUIDITY IN ITS ASSIGNED SECURITIES BY ELECTRONICALLY ENTERING RESTING ORDERS INTO THE SYSTEMS AND FACILITIES OF THE NYSE. THE FIRM UTILIZES NUMEROUS ALGORITHMS THAT TRADE ON THE NYSE IN SLP SYMBOLS. CERTAIN OF THESE ALGORITHMS ENGAGE IN PROVIDING LIQUIDITY AS AN SLP ON THE NYSE WHEREBY THEY PLACE ORDERS AT OR BELOW THE NATIONAL BEST BID AND AT OR ABOVE THE NATIONAL BEST OFFER. THE ALGORITHMS DID NOT COORDINATE THEIR ORDER PLACEMENT DECISIONS (I.E., EACH ALGORITHM PLACED OR CANCELED ORDERS BASED ON ITS OWN BUSINESS LOGIC IRRESPECTIVE OF ANY OTHER ALGORITHM'S ORDER PLACEMENT OR CANCELLATION DECISIONS). ACCORDINGLY, THE TRADING LOGIC OF EACH ALGORITHM WAS UNAWARE OF ORDERS SENT BY OTHER ALGORITHMS. THEREFORE, SEVERAL MILLION SLP ORDERS THE FIRM ENTERED THROUGH ITS SLP ALGORITHMS RESULTED IN EXECUTIONS ON THE NYSE AGAINST OTHER ORDERS IT ENTERED BY OTHER OF ITS SLP ALGORITHMS. THE FIRM BUILT ITS SELF-TRADE CONTROLS INTO ITS TRADING SOFTWARE TO PREVENT THE SAME ALGORITHM FROM HAVING OPEN ORDERS ON BOTH SIDES OF THE MARKET THAT WOULD RESULT IN AN EXECUTION BY DETERMINING IF THE ALGORITHM HAD OUTSTANDING SELL (BUY) ORDERS AT THE SAME OR LOWER (HIGHER) PRICE THAN THE BUY (SELL) ORDER BEING



GENERATED. HOWEVER, THE FIRM DID NOT HAVE SPECIFIC CONTROLS TO PREVENT SELF-TRADES ACROSS ALGORITHMS. THE FIRM UTILIZED ITS NYSE SLP SELF TRADE REPORT (SLP REPORT) TO MONITOR FOR SELF-TRADES WITHIN THE SAME ALGORITHM AND ACROSS ALGORITHMS. DURING THE RELEVANT PERIOD, NUMEROUS WASH TRADES THAT OCCURRED ACROSS THE FIRM'S SLP ALGORITHMS APPEARED ON THE SLP REPORT. HOWEVER, THE FIRM COULD ONLY CONDUCT A REVIEW OF THE SLP REPORT ON T+1 AND DID NOT FOLLOW UP ON SUCH TRADES BECAUSE OF ITS UNDERSTANDING OF THE REQUIREMENTS OF NYSE RULE 476(A)(8). AS A RESULT, THE SELF-TRADE CONTROLS AND THE SLP REPORT DID NOT PREVENT SLP TRADES ACROSS SLP ALGORITHMS THAT RESULTED IN NO CHANGE OF BENEFICIAL OWNERSHIP.

Initiated By:	NEW YORK STOCK EXCHANGE
Date Initiated:	02/14/2014
Docket/Case Number:	2012032730701
Principal Product Type:	Other
Other Product Type(s):	UNSPECIFIED SECURITIES
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	02/14/2014
Sanctions Ordered:	Censure Monetary/Fine \$170,000.00
Other Sanctions Ordered:	N/A
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 \$170,000.
Firm Statement	IN DETERMINING TO RESOLVE THIS MATTER ON THE TERMS SET FORTH, MARKET REGULATION TOOK INTO CONSIDERATION THAT THE NYSE INTRODUCED A NEW SELF-TRADE PREVENTION (STP) MODIFIER SERVICE TO ENABLE FIRMS TO BETTER MANAGE THEIR ORDER FLOW AND PREVENT UNINTENDED EXECUTIONS WITH THEMSELVES. ON THAT DATE, THE FIRM BEGAN TO AVAIL ITSELF OF THE NYSE STP FOR THE FIRM'S SLP ACTIVITY.

End of Report



This page is intentionally left blank.