BrokerCheck Report

TRC MARKETS LLC

CRD# 171272

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About BrokerCheck®

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

- **What is included in a BrokerCheck report?**
- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.
- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.
- **Where did this information come from?**
- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
    - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
    - information that regulators report regarding disciplinary actions or allegations against firms or brokers.
- **How current is this information?**
- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.
- **What if I want to check the background of an investment adviser firm or investment adviser representative?**
- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at https://www.adviserinfo.sec.gov. In the alternative, you may search the IAPD website directly or contact your state securities regulator at http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414.
- **Are there other resources I can use to check the background of investment professionals?**
- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.
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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.

TRC MARKETS LLC

CRD# 171272

SEC# 8-69454

Main Office Location

111 COLEMAN BLVD
SUITE 404
MOUNT PLEASANT, SC 29464
Regulated by FINRA Atlanta Office

Mailing Address

111 COLEMAN BLVD
SUITE 404
MOUNT PLEASANT, SC 29464

Business Telephone Number

843-352-8000

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 12/18/2013.

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
- 17 Self-Regulatory Organizations
- 2 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? **No**

The number of disclosures from non-registered control affiliates is 10

Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Delaware on 12/18/2013.

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.

TRC MARKETS LLC

Doing business as TRC MARKETS LLC

CRD# 171272

SEC# 8-69454

Main Office Location

111 COLEMAN BLVD
SUITE 404
MOUNT PLEASANT, SC 29464

Regulated by FINRA Atlanta Office

Mailing Address

111 COLEMAN BLVD
SUITE 404
MOUNT PLEASANT, SC 29464

Business Telephone Number

843-352-8000

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):	TOWER RESEARCH CAPITAL LLC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	MEMBER
Position Start Date	12/2013
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):	CONCANNON, SEAN PATRICK 5364102
Is this a domestic or foreign entity or an individual?	Individual
Position	PRINCIPAL FINANCIAL OFFICER
Position Start Date	03/2022
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):	ELLMAN, MICHAEL GREG 5574667
Is this a domestic or foreign entity or an individual?	Individual
Position	PRINCIPAL OPERATIONS OFFICER & FINOP
Position Start Date	02/2019

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):	MESTER, THOMAS BRENNER 2350593
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	11/2018
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):	SHEDID, MARWA MAHMOUD 5470002
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF OPERATING OFFICER
Position Start Date	10/2022
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):	WILSON, KENNETH NIXON

Firm Profile

Direct Owners and Executive Officers (continued)

	3014927
Is this a domestic or foreign entity or an individual?	Individual
Position	CEO
Position Start Date	01/2016
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any):	GORTON, MARK HOWARD
Is this a domestic or foreign entity or an individual?	Individual
Company through which indirect ownership is established	MJ TOWER I LLC
Relationship to Direct Owner	MANAGER
Relationship Established	12/2015
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):	MJ TOWER I LLC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	TOWER RESEARCH CAPITAL LLC
Relationship to Direct Owner	MEMBER
Relationship Established	12/2015
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 currently registered with the SEC, 17 SROs and 2 U.S. states and territories.

Federal Regulator	Status	Date Effective
SEC	Approved	01/20/2015

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: No

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	01/20/2015
Cboe BYX Exchange, Inc.	Approved	04/13/2017
Cboe BZX Exchange, Inc.	Approved	04/13/2017
Cboe EDGA Exchange, Inc.	Approved	04/13/2017
Cboe EDGX Exchange, Inc.	Approved	04/13/2017
Cboe Exchange, Inc.	Approved	11/16/2022
Investors' Exchange LLC	Approved	04/19/2017
MEMX LLC	Approved	08/06/2021
MIAX PEARL, LLC	Approved	09/25/2020
NYSE American LLC	Approved	04/20/2017
NYSE Arca, Inc.	Approved	01/23/2015
NYSE National, Inc.	Approved	09/13/2018
Nasdaq PHLX LLC	Approved	05/01/2017
Nasdaq Stock Market	Approved	01/23/2015
Nasdaq Texas, LLC	Approved	01/23/2015
New York Stock Exchange	Approved	04/20/2017

Texas Stock Exchange LLC	Approved	06/24/2026

Firm Operations

Registrations (continued)

U.S. States & Territories	Status	Date Effective
New York	Approved	01/23/2015
South Carolina	Approved	01/22/2015

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 4 types of businesses.

Types of Business

Exchange member engaged in exchange commission business other than floor activities
Non-exchange member arranging for transactions in listed securities by exchange member
Trading securities for own account
Other - TRC MARKETS LLC MAY TRADE FUTURES CONTRACTS (ON CFTC-REGULATED EXCHANGES) FOR ITS OWN ACCOUNT.

Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.
This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations

Clearing Arrangements

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

Introducing Arrangements

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

Firm Operations

Industry Arrangements

This firm does have books or records maintained by a third party.

Name:	STARCOMPLIANCE OPERATING, LLC
Business Address:	9200 CORPORATE BLVD., SUITE 440 ROCKVILLE, MD 20850
Effective Date:	01/27/2025
Description:	TOWER RESEARCH CAPITAL LLC ("TRC"), THE PARENT COMPANY OF TRC MARKETS LLC ("TRCM"), CONTRACTED STARCOMPLIANCE OPERATING, LLC ("STARCOMPLIANCE") TO PROVIDE AN EMPLOYEE CONFLICT OF INTEREST PLATFORM ON BEHALF OF ITSELF AND ITS AFFILIATES, INCLUDING TRCM. UNDER THE TERMS OF THIS CONTRACT, STARCOMPLIANCE PROVIDES RETENTION OF TRCM'S DATA RELATING TO PERSONAL ACCOUNT DEALING, INSIDER TRADING, AND GIFTS AND ENTERTAINMENT.

Name:	COMPUTER DESIGN & INTEGRATION LLC
Business Address:	500 FIFTH AVENUE SUITE 1500 NEW YORK, NY 10110
Effective Date:	11/01/2021
Description:	TOWER RESEARCH CAPITAL LLC ("TRC"), THE PARENT COMPANY OF TRC MARKETS LLC ("TRCM"), CONTRACTED COMPUTER DESIGN & INTEGRATION LLC ("CDI") TO PROVIDE THE COMMVAULT BACKUP AND RECOVERY SERVICE ("COMMVAULT") ON BEHALF OF ITSELF AND ITS AFFILIATES, INCLUDING TRCM. UNDER THE TERMS OF THIS CONTRACT, COMMVAULT PROVIDES RETENTION OF TRCM'S ELECTRONIC TRADING RECORDS AND CERTAIN OTHER ELECTRONIC RECORDS (EXCLUDING E-COMMUNICATIONS RECORDS) GENERATED FROM NOVEMBER 1, 2021 ONWARDS.

Name:	GLOBAL RELAY COMMUNICATIONS INC.
Business Address:	220 CAMBIE STREET VANCOUVER, CANADA V6B 2M9
Effective Date:	03/01/2019
Description:	TOWER RESEARCH CAPITAL LLC ("TRC"), THE PARENT COMPANY OF TRC MARKETS LLC ("TRCM"), CONTRACTED GLOBAL RELAY COMMUNICATIONS INC. ("GLOBAL RELAY") TO PROVIDE E-COMMUNICATIONS RETENTION SERVICES FOR TRCM. UNDER THE

Firm Operations

Industry Arrangements (continued)

	TERMS OF THIS CONTRACT, GLOBAL RELAY PROVIDES RETENTION OF ELECTRONIC COMMUNICATIONS FOR TRCM.

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

Name:	GOLDMAN SACHS & CO. LLC
CRD #:	361
Business Address:	200 WEST STREET NEW YORK, NY 10282
Effective Date:	10/24/2024
Description:	GOLDMAN SACHS AND CO LLC IS THE FIRM'S CLEARING FIRM

Name:	J.P. MORGAN SECURITIES LLC
CRD #:	79
Business Address:	383 MADISON AVENUE NEW YORK, NY 10179
Effective Date:	11/01/2020
Description:	J.P. MORGAN SECURITIES LLC IS THE FIRM'S CLEARING FIRM

Name:	ABN AMRO CLEARING USA LLC
CRD #:	14020
Business Address:	175 WEST JACKSON BLVD SUITE 400 CHICAGO, IL 60604
Effective Date:	01/07/2017
Description:	ABN AMRO CLEARING USA LLC IS TRCM'S CLEARING FIRM.

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.

TOWER PRINCIPAL MARKETS LLC is under common control with the firm.

CRD #:	319604
Business Address:	111 COLEMAN BLVD SUITE 404 MOUNT PLEASANT, SC 29464
Effective Date:	04/22/2022
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	TOWER PRINCIPAL MARKETS LLC IS UNDER COMMON CONTROL WITH TRC MARKETS LLC. TOWER PRINCIPAL MARKETS LLC IS A WHOLLY-OWNED SUBSIDIARY OF TOWER RESEARCH CAPITAL LLC, THE PARENT OF TRC MARKETS LLC.

TOWER RESEARCH CAPITAL EUROPE B.V. is under common control with the firm.

Business Address:	STRAWINSKYLAAN 859 TOWER TEN, LEVEL 7, OFFICE 859 AMSTERDAM, NETHERLANDS 107XX
Effective Date:	03/19/2018
Foreign Entity:	Yes
Country:	NETHERLANDS
Securities Activities:	Yes
Investment Advisory Activities:	No

Firm Operations

Organization Affiliates (continued)

Description: TOWER RESEARCH CAPITAL EUROPE B.V. ("TRCE BV") IS UNDER COMMON CONTROL WITH TRC MARKETS LLC ("TRCM"). THE TOWER CORPORATE GROUP HAS TWO PARENT COMPANIES, TOWER RESEARCH CAPITAL LLC ("TRC") AND TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"). BOTH PARENT COMPANIES ARE LIMITED LIABILITY COMPANIES WITH THE SAME BENEFICIAL OWNERSHIP. TRCM'S PARENT IS TRC AND TRCE BV'S INDIRECT PARENT IS TRCI.

TOWER RESEARCH CAPITAL MARKETS INDIA PRIVATE LIMITED is under common control with the firm.

Business Address: TWO HORIZON CENTRE. GOLF COURSE ROAD
DLF PHASE-5, SECTOR 43, FLOOR 3
GURUGRAM, INDIA 122002

Effective Date: 12/16/2013

Foreign Entity: Yes

Country: INDIA

Securities Activities: Yes

Investment Advisory Activities: No

Description: TOWER RESEARCH CAPITAL MARKETS INDIA PRIVATE LIMITED ("TRCMI") IS UNDER COMMON CONTROL WITH TRC MARKETS LLC ("TRC MARKETS"). THE TOWER CORPORATE GROUP HAS TWO PARENT COMPANIES, TOWER RESEARCH CAPITAL LLC ("TRC") AND TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"). BOTH PARENT COMPANIES ARE LIMITED LIABILITY COMPANIES WITH THE SAME BENEFICIAL OWNERSHIP. TRC MARKETS' PARENT IS TRC. TRCMI'S INDIRECT PARENT IS TRCI.

TOWER RESEARCH CAPITAL INDIA PRIVATE LIMITED is under common control with the firm.

Business Address: TWO HORIZON CENTRE, GOLF COURSE ROAD
DLF PHASE-5, SECTOR 43, FLOOR 3
GURUGRAM, INDIA 122002

Effective Date: 12/18/2013

Foreign Entity: Yes

Country: INDIA

Securities Activities: Yes

Investment Advisory Activities: No

Firm Operations

Organization Affiliates (continued)

Description: TOWER RESEARCH CAPITAL INDIA PRIVATE LIMITED ("TRC INDIA") IS UNDER COMMON CONTROL WITH TRC MARKETS LLC. THE TOWER CORPORATE GROUP HAS TWO PARENT COMPANIES, TOWER RESEARCH CAPITAL LLC ("TRC") AND TOWER RESEARCH CAPITAL INVESTEMNTS LLC ("TRCI") BOTH PARENT COMPANIES ARE LIMITED LIABILITY COMPANIES WITH THE SAME BENEFICIAL OWNERSHIP. TRC MARKETS' PARENT IS TRC. TRC INDIA HAS TWO PARENT COMPANIES, TRC INDIA HOLDINGS LLC AND TRCI INDIA HOLDING LLC. TRC IS THE PARENT OF THE TWO INDIA PARENT COMPANIES.

TOWER RESEARCH CAPITAL EUROPE LIMITED is under common control with the firm.

Business Address: THE MINISTER BUILDING
21 MINCING LANE
LONDON, UNITED KINGDOM EC3R 7AG

Effective Date: 12/18/2013

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: No

Description: TOWER RESEARCH CAPITAL EUROPE LIMITED ("TRCE") IS UNDER COMMON CONTROL WITH TRC MARKETS LLC ("TRC MARKETS"). THE TOWER CORPORATE GROUP HAS TWO PARENT COMPANIES. TOWER RESEARCH CAPITAL LLC ("TRC") AND TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"). BOTH PARENT COMPANIES ARE LIMITED LIABILITY COMPANIES WITH THE SAME BENEFICIAL OWNERSHIP. TRC MARKETS' PARENT IS TRC AND TRCE'S INDIRECT PARENT IS TRCI.

TOWER RESEARCH CAPITAL (SINGAPORE) PTE. LTD. is under common control with the firm.

Business Address: 9 STRAITS VIEW
MARINA ONE WEST TOWER #11-09, 10 & 11
SINGAPORE, SINGAPORE 018937

Effective Date: 12/18/2013

Foreign Entity: Yes

Country: SINGAPORE

Securities Activities: Yes

Firm Operations

Organization Affiliates (continued)

Investment Advisory Activities: No

Description: TOWER RESEARCH CAPITAL (SINGAPORE) PTE. LTD. ("TRC SINGAPORE") IS UNDER COMMON CONTROL WITH TRC MARKETS LLC ("TRC MARKETS"). THE TOWER CORPORATE GROUP HAS TWO PARENT COMPANIES, TOWER RESEARCH CAPITAL LLC ("TRC") AND TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"). BOTH PARENT COMPANIES ARE LIMITED LIABILITY COMPANIES WITH THE SAME BENEFICIAL OWNERSHIP. TRC MARKETS' PARENT IS TRC AND TRC SINGAPORE'S PARENT IS TRCI.

SPIRE X TRADING LLC is under common control with the firm.

Business Address: 120 BROADWAY
38TH FLOOR
NEW YORK, NY 10004

Effective Date: 12/18/2013

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: SPIRE X TRADING LLC ("SPIRE X") IS UNDER COMMON CONTROL WITH TRC MARKETS LLC ("TRC MARKETS"). THE TOWER CORPORATE GROUP HAS TWO PARENT COMPANIES, TOWER RESEARCH CAPITAL LLC ("TRC") AND TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"). BOTH PARENT COMPANIES ARE LIMITED LIABILITY COMPANIES WITH THE SAME BENEFICIAL OWNERSHIP. TRC MARKETS' PARENT IS TRC AND SPIRE X'S PARENT IS TRCI.

LATOUR TRADING LLC is under common control with the firm.

CRD #: 150887

Business Address: 120 BROADWAY
38TH FLOOR
NEW YORK, NY 10004

Effective Date: 12/18/2013

Foreign Entity: No

Country:

Firm Operations

Organization Affiliates (continued)

Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	LATOUR TRADING LLC IS UNDER COMMON CONTROL WITH TRC MARKETS LLC. LATOUR TRADING LLC IS A WHOLLY-OWNED SUBSIDIARY OF TOWER RESEARCH CAPITAL LLC, THE PARENT OF TRC MARKETS 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 for Non-Registered Control Affiliates

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

	Pending	Final	On Appeal
Regulatory Event	0	7	1
Criminal	1	1	0

Disclosure Event Details

Regulatory - Final

Disclosure 1 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL INVESTMENTS LLC
Current Status:	Final
Allegations:	TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"), A CONTROL AFFILIATE OF TRC MARKETS LLC, VIOLATED CBOT RULES 432.W. AND 575.D IN THAT TRCI ADVERSELY IMPACTED THE ORDERLY CONDUCT OF TRADING AND FAILED TO DILIGENTLY SUPERVISE AN AUTOMATED TRADING SYSTEM.
Initiated By:	CHICAGO BOARD OF TRADE
Date Initiated:	02/02/2024
Docket/Case Number:	CBOT 21-1520-BC
Principal Product Type:	Futures - Financial
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	02/02/2024
Sanctions Ordered:	Monetary/Fine $75,000.00
Other Sanctions Ordered:	
Sanction Details:	CONTROL AFFILIATE PAID THE $75,000 FINE ON 2/7/2024
Firm Statement	ON FEBRUARY 2, 2024, TRCI ENTERED INTO A SETTLEMENT WITH THE CHICAGO BOARD OF TRADE ("CBOT"), IN WHICH IT NEITHER ADMITTED NOR DENIED ANY RULE VIOLATIONS OR THE FACTUAL FINDINGS UPON WHICH THE PENALTY IS BASED, AND AGREED TO AN ENTRY OF FINDINGS BY A PANEL OF THE BUSINESS CONDUCT COMMITTEE OF THE CBOT (THE "PANEL") THAT TRCI VIOLATED CBOT RULES 432.W. AND 575.D. SPECIFICALLY, THE PANEL FOUND THAT ON OCTOBER 14, 2021, TRCI ADVERSELY IMPACTED THE ORDERLY CONDUCT OF TRADING IN DECEMBER 2021 2-YEAR FUTURES. ADDITIONALLY, THE PANEL

	DETERMINED THAT TRCI FAILED TO DILIGENTLY SUPERVISE AN AUTOMATED TRADING SYSTEM IN THE CONDUCT OF ITS BUSINESS RELATING TO THE CBOT. TRCI AGREED TO PAY A FINE OF $75,000.

Disclosure 2 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL LLC
Current Status:	Final
Allegations:	THE U.S. COMMODITY FUTURES TRADING COMMISSION ("CFTC") CONDUCTED AN INVESTIGATION INTO TOWER RESEARCH CAPITAL LLC'S ("TOWER") TRADING OF E-MINI S&P 500, E-MINI NASDAQ 100 AND E-MINI DOW FUTURES CONTRACTS (COLLECTIVELY, "E-MINI FUTURES CONTRACTS"). THE CFTC'S INVESTIGATION CONCLUDED THAT FROM APPROXIMATELY MARCH 2012 UNTIL DECEMBER 2013, THREE FORMER TRADERS EMPLOYED BY TOWER, ENGAGED IN THE DISRUPTIVE TRADING PRACTICE OF SPOOFING. BY AND THROUGH THE ACTS OF THESE FORMER TRADERS, THE CFTC FOUND THAT TOWER VIOLATED SECTIONS 4C(A)(5)(C) AND 6(C)(1) OF THE ACT, 7 U.S.C. §§ 6C(A)(5)(C), 9(1) (2012), AND REGULATION 180.1(A)(1) AND (3), 17 C.F.R. § 180.1(A)(1),(3) (2019).
Initiated By:	COMMODITY FUTURES TRADING COMMISSION
Date Initiated:	11/06/2019
Docket/Case Number:	CFTC DOCKET NO. 20-06
Principal Product Type:	Futures - Financial
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	DISGORGEMENT, RESTITUTION AND CIVIL MONETARY PENALTY
Resolution:	Settled
Resolution Date:	11/06/2019
Sanctions Ordered:	Monetary/Fine $67,493,849.00
Other Sanctions Ordered:	
Sanction Details:	PURSUANT TO A SETTLEMENT ORDER WITH THE CFTC, TOWER AGREED TO PAY A TOTAL AMOUNT OF $67,493,849, COMPRISED OF THE FOLLOWING

	COMPONENTS: (A) MONETARY PENALTY OF $24.4 MILLION; (B) DISGORGEMENT OF PROFITS OF $10.5 MILLION; AND (C) RESTITUTION OF $32,593,849. THE DISGORGEMENT AND RESTITUTION AMOUNTS WERE OFFSET IN FULL BY THE PAYMENT OF DISGORGEMENT AND RESTITUTION TO THE U.S. DEPARTMENT OF JUSTICE PURSUANT TO A DEFERRED PROSECUTION AGREEMENT RELATED TO THE SAME TRADING ACTIVITY. TOWER PAID THE AMOUNTS DUE ON NOVEMBER 15, 2019. TOWER ALSO CONSENTED TO CEASE AND DESIST FROM VIOLATING SECTIONS 4C(A)(5)(C) AND 6(C)(1) OF THE ACT, 7 U.S.C. §§ 6C(A)(5)(C), 9(1) (2012), AND REGULATION 180.1(A)(1) AND (3), 17 C.F.R. § 180.1(A)(1),(3) (2019).
Firm Statement	ON NOVEMBER 6, 2019, THE CFTC ISSUED AN ORDER SETTLING AN INVESTIGATION INTO THE TRADING OF EMINI FUTURES CONTRACTS BY THE FORMER TRADERS. THE CFTC'S INVESTIGATION CONCLUDED THAT FROM APPROXIMATELY MARCH 2012 UNTIL DECEMBER 2013, THE FORMER TRADERS ENGAGED IN THE DISRUPTIVE TRADING PRACTICE OF SPOOFING. THE CFTC RECOGNIZED TOWER'S COOPERATION WITH THE INVESTIGATION, WHICH INCLUDED COLLECTING, ANALYZING, AND ORGANIZING VOLUMINOUS EVIDENCE AND INFORMATION AND MAKING FACTUAL PRESENTATIONS TO THE CFTC. IN ADDITION, TOWER ENGAGED IN EXTENSIVE REMEDIAL MEASURES, INCLUDING SWIFTLY MOVING IN EARLY 2014 TO TERMINATE THE TRADERS AND ENHANCING ITS COMPLIANCE PROGRAM AND INTERNAL CONTROLS TO DETECT AND DETER SIMILAR CONDUCT.

Disclosure 3 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL LLC
Current Status:	Final
Allegations:	THE CME CONDUCTED AN INVESTIGATION OF TRADING CONDUCTED BY FORMER EMPLOYEES OF THE CONTROL AFFILIATE IN NOVEMBER AND DECEMBER 2013. IN CONNECTION WITH THIS INVESTIGATION, THE CME INFORMED THE CONTROL AFFILIATE THAT A PANEL OF THE CME'S PROBABLE CAUSE COMMITTEE HAD DETERMINED THERE WAS A REASONABLE BASIS TO CHARGE THE CONTROL AFFILIATE WITH VIOLATIONS OF CERTAIN CME RULES RELATING TO THE TRADING ACTIVITY OF THESE FORMER EMPLOYEES, IDENTIFICATION OF GLOBEX TERMINAL OPERATORS, AND FAILURE TO DILIGENTLY SUPERVISE THESE FORMER EMPLOYEES.
Initiated By:	CHICAGO MERCANTILE EXCHANGE ("CME")
Date Initiated:	04/05/2017

Docket/Case Number:	CME 13-9693
Principal Product Type:	Futures - Commodity
Other Product Type(s):	FUTURES - FINANCIAL
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	DISGORGEMENT OF $162,000
Resolution:	Settled
Resolution Date:	11/01/2017
Sanctions Ordered:	Monetary/Fine $150,000.00 Disgorgement/Restitution
Other Sanctions Ordered:	DISGORGEMENT OF $162,000
Sanction Details:	THE ORDER REQUIRES TOWER RESEARCH CAPITAL LLC ("TRC") TO PAY A TOTAL MONETARY FINE IN THE AMOUNT OF $150,000 AND TO DISGORGE TOTAL PROFITS IN THE AMOUNT OF $162,000. TRC MADE THESE PAYMENTS ON NOVEMBER 8, 2017.
Firm Statement	ON NOVEMBER 1, 2017, TOWER RESEARCH CAPITAL LLC ("TRC"), A CONTROL AFFILIATE OF LATOUR TRADING LLC ("LATOUR") AND TRC MARKETS LLC ("TRCM"), ENTERED INTO A SETTLEMENT WITH THE CHICAGO MERCANTILE EXCHANGE ("CME"), CHICAGO BOARD OF TRADE, NEW YORK MERCANTILE EXCHANGE AND COMMODITY EXCHANGE, IN WHICH IT NEITHER ADMITTED NOR DENIED ANY RULE VIOLATIONS OR THE FACTUAL FINDINGS UPON WHICH THE PENALTY IS BASED, AND AGREED TO AN ENTRY OF FINDINGS BY A PANEL OF THE BUSINESS CONDUCT COMMITTEE OF THE CME (THE "PANEL") THAT TRC VIOLATED CME RULES 432.W. AND 576 AND, PURSUANT TO CME RULE 433, IS STRICTLY LIABLE FOR THE ACTS OF ITS EMPLOYEES WHOSE CONDUCT THE PANEL CONCLUDED VIOLATED EXCHANGE RULES 432.B.2., 432.Q., AND 432.T. SPECIFICALLY, THE PANEL FOUND THAT FROM NOVEMBER 1, 2013 TO DECEMBER 27, 2013, TRC FAILED TO ENSURE THAT ITS TAG 50 USER ID REGISTRATIONS WERE CURRENT AND ACCURATE AT ALL TIMES AND DILIGENTLY SUPERVISE THE USE OF TAG 50 IDS BY ITS EMPLOYEES. THE PANEL ALSO FOUND THAT DURING THE SAME TIME PERIOD, THREE TRC TRADERS, NONE OF WHOM STILL WORKS AT TOWER, ENTERED ORDERS WITHOUT AN INTENT TO TRADE IN THE E-MINI S&P 500 AND E-MINI NASDAQ FUTURES CONTRACT MARKETS. TRC AGREED TO PAY A FINE OF $150,000 AND DISGORGEMENT OF $162,000.

Disclosure 4 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL INVESTMENTS LLC, ACTING THROUGH ITS AFFILIATE, TOWER RESEARCH CAPITAL LLC
Current Status:	Final
Appealed To and Date Appeal Filed:	N/A
Allegations:	THE BUSINESS CONDUCT COMMITTEE (THE "BCC") OF THE CHICAGO MERCANTILE EXCHANGE FOUND THAT TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI") , ACTING THROUGH ITS AFFILIATE, TOWER RESEARCH CAPITAL LLC ("TOWER"), VIOLATED CME RULES 432.Q., 432.W., AND 534 ON MULTIPLE DATES IN DECEMBER 2010 AND DECEMBER 2011. AUTOMATED TRADING SYSTEMS ("ATSS") THAT TOWER TRADING GROUPS UTILIZED EXECUTED NUMEROUS TRANSACTIONS WHEREIN ORDERS FOR THE TRADING GROUPS' ACCOUNTS INADVERTENTLY SELF-MATCHED. ALTHOUGH THE SELF-MATCHED TRANSACTIONS CAUSED VOLUME ABERRATIONS IN THE CONTRACT MARKETS, THE TRANSACTIONS DID NOT CAUSE PRICE ABERRATIONS AND THE TRADING GROUPS DID NOT PROFIT FROM THE TRANSACTIONS. THE BCC FURTHER FOUND THAT ALTHOUGH THE TRADING GROUPS DID NOT DESIGN THE ATSS TO EXECUTE SELF-MATCHED TRANSACTIONS, THE TRADING GROUPS SHOULD HAVE KNOWN THAT THE ORDERS ENTERED BY THE ATSS WOULD MATCH. MOREOVER, THE BCC FOUND THAT THE TRADING GROUPS FAILED TO EMPLOY EFFECTIVE FUNCTIONALITY DESIGNED TO MINIMIZE SELF-MATCHES.
Initiated By:	CHICAGO MERCANTILE EXCHANGE
Date Initiated:	09/08/2014
Docket/Case Number:	CME 11-8056-BC
Principal Product Type:	Futures - Financial
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Settled
Resolution Date:	09/18/2014
Sanctions Ordered:	Monetary/Fine $65,000.00
Other Sanctions Ordered:	N/A

Sanction Details:	TOWER PAID THE $65,000 FINE ON 9/24/2014.
Firm Statement	ON SEPTEMBER 8, 2014, TRCI, ACTING THROUGH ITS AFFILIATE, TOWER, SUBMITTED AN OFFER OF SETTLEMENT IN WHICH IT NEITHER ADMITTED NOR DENIED THE RULE VIOLATIONS UPON WHICH THE PENALTY IS BASED. THE BCC ACCEPTED THE OFFER OF SETTLEMENT ON SEPTEMBER 18, 2014. ON 9/24/2014, TOWER PAID THE $65,000 FINE.

Disclosure 5 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL INVESTMENTS LLC, ACTING THROUGH ITS AFFILIATE, TOWER RESEARCH CAPITAL LLC
Current Status:	Final
Appealed To and Date Appeal Filed:	N/A
Allegations:	THE BUSINESS CONDUCT COMMITTEE (THE "BCC") OF THE CHICAGO BOARD OF TRADE FOUND THAT TOWER RESEARCH CAPITAL INVESTMENTS LLC ("TRCI"), ACTING THROUGH ITS AFFILIATE, TOWER RESEARCH CAPITAL LLC ("TOWER"), VIOLATED CBOT RULES 432.Q, 432.W, AND 576. SPECIFICALLY, THE BCC FOUND THAT ON OCTOBER 18, 2010, AN AUTOMATED TRADING SYSTEM ("ATS") THAT A TOWER TRADING GROUP UTILIZED ENTERED AN EXCESSIVE NUMBER OF ORDER, MODIFICATION, AND CANCEL MESSAGES DURING A FIFTY-MINUTE TIME PERIOD ON THE CME GLOBEX ELECTRONIC TRADING PLATFORM. ONCE THE TRADING GROUP OBSERVED THE EXCESSIVE MESSAGING, IT CORRECTED THE CONFIGURATION ISSUE THAT CAUSED THE MESSAGING ISSUES. THE BCC FURTHER FOUND THAT DURING THE MONTH OF JULY 2011, THE TOWER TRADING GROUP ERRONEOUSLY ASSIGNED THE SAME TAG 50 USER ID TO TWO SEPARATE ALGORITHMS IT EMPLOYED.
Initiated By:	CHICAGO BOARD OF TRADE
Date Initiated:	09/08/2014
Docket/Case Number:	CBOT 11-8056-BC
Principal Product Type:	Futures - Commodity
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	

Resolution:	Settled
Resolution Date:	09/18/2014
Sanctions Ordered:	Monetary/Fine $25,000.00
Other Sanctions Ordered:	N/A
Sanction Details:	TOWER PAID THE $25,000 FINE ON 9/24/2014.
Firm Statement	ON SEPTEMBER 8, 2014, TRCI, ACTING THROUGH ITS AFFILIATE, TOWER, SUBMITTED AN OFFER OF SETTLEMENT IN WHICH IT NEITHER ADMITTED NOR DENIED THE RULE VIOLATIONS UPON WHICH THE PENALTY IS BASED. THE BCC ACCEPTED THE OFFER OF SETTLEMENT ON SEPTEMBER 18, 2014 AND TOWER PAID THE $25,000 FINE ON 9/24/2014.

Disclosure 6 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL EUROPE LLC
Current Status:	Final
Allegations:	EUREX ALLEGED THAT TOWER RESEARCH CAPITAL EUROPE LLC ("TRC EUROPE") BREACHED SECTION 2.2 OF THE EUREX TECHINCAL REGULATIONS (INSTALLATION OF PARTICIPANT FRONT END INSTALLATIONS) IN CONNECTON WITH A LISTED TRADER REMOTELY ACCESSING THE FRONT END TRADING SYSTEM VIA VIRTUAL PRIVATE NETWORK OUTSIDE OF A REGISTERED TRADING LOCATION.
Initiated By:	EUREX DEUTSCHLAND
Date Initiated:	12/27/2007
Docket/Case Number:	2007/014
Principal Product Type:	Debt - Government
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Decision
Resolution Date:	04/29/2009
Sanctions Ordered:	Monetary/Fine $30,000.00

Other Sanctions Ordered:	
Sanction Details:	FINED EUR 30,000 PLUS FEES AND EXPENSES
Firm Statement	A DECISION WAS ISSUED ON APRIL 29, 2009 WHEREIN TRC EUROPE WAS FINED AND ORDERED TO PAY FEES AND EXPENSES.

Disclosure 7 of 7

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL LLC
Current Status:	Final
Allegations:	POWER EDGE LLC, A PROPRIETARY ELECTRICITY TRADING FUND MANAGED BY TOWER RESEARCH CAPITAL LLC ("TRC") DEFAULTED ON CERTAIN FINANCIAL OBLIGATIONS TO PJM INTERCONNECTION LLC IN DECEMBER 2007. IN JANUARY 2008, PJM ASKED FERC TO CHANGE ITS RULE RETROACTIVELY IN ORDER TO IMPOSE JOINT AS SEVERAL LIABILITY ON A NUMBER OF OTHER ELECTRICITY FUNDS MANAGED BY TRC AND THEN SEIZED FUNDS NOW TOTALING OVER #36M. ON MARCH 7, 2008, PJM FILED A COMPLAINT WITH THE FERC ALLEGING MARKET MANIPULATION IN THE DEFAULT OF POWER EDGE AND IN THE TRADING OF CERTAIN FTR'S AND VIRTUALS.
Initiated By:	FEDERAL ENERGY REGULATION COMMISSION
Date Initiated:	01/24/2008
Docket/Case Number:	FERC EL08-44 AND EL08-49
Principal Product Type:	Other
Other Product Type(s):	FINANCIAL TRANSMISSION RIGHTS(FTR'S) VIRTUAL TRANSACTIONS IN ELECTRICITY MARKETS
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CLOSED WITHOUT ACTION
Resolution:	Dismissed
Resolution Date:	04/24/2012
Firm Statement	ON MARCH 25, 2008, FERC DENIED PJM'S REQUEST FOR A RETROACTIVE RULE CHANGE. ON APRIL 2, 2009, FERC OREDERED PJM TO "RETURN THE AMOUNT AT ISSUE". ALSO FERC RULED THAT ITS ENFORCEMENT DIVISION CONDUCTED A THOROUGH INVESTIGATION OF PJM'S ALLEGATIONS

REGARDING THE DEFAULT OF POWER EDGE AND CONCLUDED THAT "PJM PROVIDED, AND OE (FERC'S OFFICE OF ENFORCEMENT) FOUND, NO EVIDENCE THAT THE TOWER COMPANIES' DEALING WITH POWER EDGE CONSTITUTE A SCHEME OR ARTIFICE TO DEFRAUD MADE WITH THE REQUISITE SCIENTER." FERC DETERMINED THAT THE POWER EDGE DEFAULT TOOK PLACE BECAUSE OF UNUSUAL AND UNANTICIPATED TRANSMISSION OUTAGES THAT NO ONE FORESAW, FERC ADDRESSED IN A SUBSEQUENT ORDER PJM'S REMAINING ALLEGATION REGARDING THE TRADING OF FTRS AND VIRTUALS. (FERC ALSO ORDERED THAT PJM RETURN THE SEIZED FUNDS WITH INTEREST.) THE PARTIES ALSO ENGAGED IN CIVIL LITIGATION IN APRIL 2008. PJM SUED FOR CIVIL RICO, FRAUD AND BREACH OF FIDUCIARY DUTY IN THE U.S. DISTRICT OF DELWARE. THE CONTROLLER AND GROUP MEMBERS ALSO SUED PJM FOR CONVERSION AND BREACH OF CONTRACT. TRIAL COMMENCED ON JULY 13, 2010; PRIOR TO THE CLOSE OF TRIAL, THE PARTIES ENTERED INTO CONFIDENTIAL SETTLEMENT OF ALL CLAIMS PJM WITHDREW ITS PENDING COMPLAINT AT FERC AND THE PARTIES FILED A JOINT STIPULATION OF DISMISSAL WITH PREJUDICE WITH THE COURT. ALTHOUGH PJM WITHDREW ITS COMPLAINT LODGED WITH FERC AS PART OF THE PARTIES' CONFIDENTIAL SETTLEMENT, AN INVESTIGATION BY FERC'S OFFICE OF ENFORCEMENT REGARDING VIRTUAL TRADING BY THE FUND IN DECEMBER 2007 AND JANUARY 2008 REMAINED OPEN. ON APRIL 24, 2012,COUNSEL FOR TRC RECEIVED A CALL FROM FERC ENFORCEMENT ATTORNEY AS OFFICIAL NOTICE TO THE FUND THAT THE FERC HAD DECIDED TO CLOSE THE FILE ON THE TRC INVESTIGATION INTO THE VIRTUAL TRADING PRACTICES OF THE FUND IN DECEMBER 2007 AND JANUARY 2008 AND THAT THERE WOULD BE NO FURTHER ORDERS REGARDING THIS MATTER.

Regulatory - On Appeal

Disclosure 1 of 1

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL MARKETS INDIA PRIVATE LIMITED
Current Status:	On Appeal
Appealed To and Date Appeal Filed:	SECURITIES APPELLATE TRIBUNAL, INDIA ON 12/08/2022
Allegations:	ON OCTOBER 29, 2020, SEBI ISSUED A NOTICE (THE "NOTICE") TO TOWER RESEARCH CAPITAL MARKETS INDIA PRIVATE LIMITED ("TRCMIPL") ALLEGING VIOLATION OF NSE GUIDELINES DATED 16 APRIL, 2012, AS AMENDED ("NSE GUIDELINES"). SPECIFICALLY, THE NOTICE ALLEGED THAT TRCMIPL VIOLATED (I) POINT 2(A) OF CHAPTER V OF NSE BYE-LAWS READ WITH CLAUSE A(2) AND CLAUSE A(5) OF THE CODE OF CONDUCT SPECIFIED UNDER SCHEDULE II READ WITH REGULATION 9(F) OF THE SEBI (STOCK BROKERS AND SUB-BROKER) REGULATIONS, 1992 (THE "SBSB REGULATIONS") AND (II) REGULATIONS 3(B), 3(C), 3(D) AND 4(1) OF SEBI (PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET) REGULATIONS, 2003 READ WITH SECTIONS 12A(A), 12A(B) AND 12A(C) OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992. PER THE ORDER DATED OCTOBER 19, 2022, SEBI HELD THAT TRCMIPL VIOLATED POINT 2(A) OF CHAPTER V OF NSE BYE-LAWS READ WITH CLAUSE A(2) AND CLAUSE A(5) OF THE CODE OF CONDUCT SPECIFIED UNDER SCHEDULE II READ WITH REGULATION 9(F) OF THE SBSB REGULATIONS AND IMPOSED A PENALTY OF INR 300,000 (APPROX. $3,650). SEBI COMPLETELY DISCHARGED TRCMIPL OF ALL THE CHARGES UNDER REGULATIONS 3(B), 3(C), 3(D) AND 4(1) OF THE SEBI (PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET) REGULATIONS, 2003 READ WITH SECTIONS 12A(A), 12A(B) AND 12A(C) OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992. ON DECEMBER 8, 2022, TRCMIPL FILED AN APPEAL BEFORE THE SECURITIES APPELLATE TRIBUNAL CHALLENGING THAT TRCMIPL VIOLATED POINT 2(A) OF CHAPTER V OF NSE BYE-LAWS READ WITH CLAUSE A(2) AND CLAUSE A(5) OF THE CODE OF CONDUCT SPECIFIED UNDER SCHEDULE II READ WITH REGULATION 9(F) OF THE SBSB REGULATIONS AND THE IMPOSITION OF PENALTY BY SEBI. THE APPEAL IS PRESENTLY PENDING ADJUDICATION BEFORE THE SECURITIES APPELLATE TRIBUNAL, INDIA.
Initiated By:	SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)

Date Initiated:	10/19/2022
Docket/Case Number:	ADJUDICATION ORDER NO. ORDER/GR/BM/2022-23/20497
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	10/19/2022
Sanctions Ordered:	Monetary/Fine $3,650.00
Other Sanctions Ordered:	
Sanction Details:	SEBI IMPOSED A PENALTY OF INR 300,000 (APPROX. $3,650) ON TRCMIPL. TRCMIPL DEPOSITED THE PENALTY AMOUNT ON DECEMBER 2, 2022.
Firm Statement	PER THE ORDER DATED OCTOBER 19, 2022, SEBI HELD THAT TRCMIPL VIOLATED POINT 2(A) OF CHAPTER V OF NSE BYE-LAWS READ WITH CLAUSE A(2) AND CLAUSE A(5) OF THE CODE OF CONDUCT SPECIFIED UNDER SCHEDULE II READ WITH REGULATION 9(F) OF THE SEBI (STOCK BROKERS AND SUB-BROKER) REGULATIONS, 1992 (THE "SBSB REGULATIONS") AND IMPOSED A PENALTY OF INR 300,000 (APPROX. $ 3,650). SEBI COMPLETELY DISCHARGED TRCMIPL OF ALL THE CHARGES UNDER REGULATIONS 3(B), 3(C), 3(D) AND 4(1) OF SEBI (PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET) REGULATIONS, 2003 READ WITH SECTIONS 12A(A), 12A(B) AND 12A(C) OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992. ON DECEMBER 8, 2022, TRCMIPL FILED AN APPEAL BEFORE THE SECURITIES APPELLATE TRIBUNAL CHALLENGING THAT TRCMIPL VIOLATED VIOLATED POINT 2(A) OF CHAPTER V OF NSE BYE-LAWS READ WITH CLAUSE A(2) AND CLAUSE A(5) OF THE CODE OF CONDUCT SPECIFIED UNDER SCHEDULE II READ WITH REGULATION 9(F) OF THE SBSB REGULATIONS AND THE IMPOSITION OF PENALTY BY SEBI. THE APPEAL IS PRESENTLY PENDING ADJUDICATION BEFORE THE SECURITIES APPELLATE TRIBUNAL, INDIA.

Criminal - Final Disposition

Disclosure 1 of 1

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL LLC
Current Status:	Final
Status Date:	11/6/2019
Charge Details:	ON NOVEMBER 6, 2019, TOWER RESEARCH CAPITAL LLC ("TOWER") ENTERED INTO A DEFERRED PROSECUTION AGREEMENT ("DPA") WITH THE U.S. DEPARTMENT OF JUSTICE ("DOJ") AND THE U.S. ATTORNEY'S OFFICE FOR THE SOUTHERN DISTRICT OF TEXAS ("U.S. ATTORNEY'S OFFICE"). THE DPA DEFERS PROSECUTING TOWER FOR ONE FELONY COUNT OF COMMODITIES FRAUD IN VIOLATION OF 18 U.S.C. §1348(1). UNDER THE TERMS OF THE DPA, TOWER ACCEPTED RESPONSIBILITY FOR THE CONDUCT OF THREE FORMER EMPLOYEES WHO, FROM APPROXIMATELY MARCH 2012 UNTIL DECEMBER 2013, PLACED ORDERS TO BUY AND SELL E-MINI S&P 500, E-MINI NASDAQ 100 AND E-MINI DOW FUTURES CONTRACTS (COLLECTIVELY, "E-MINI FUTURES CONTRACTS") WITH THE INTENT TO CANCEL THOSE ORDERS BEFORE EXECUTION. TOWER ALSO ENTERED INTO A SETTLEMENT WITH THE U.S. COMMODITY FUTURES TRADING COMMISSION ("CFTC") TO RESOLVE THE CFTC'S CONCURRENT INVESTIGATION ARISING OUT OF THE SAME TRADING ACTIVITY.
Felony:	Yes
Court Details:	U.S. DISTRICT COURT - SOUTHERN DISTRICT OF TEXAS (DOCKET NO. 4:19-CR-00819)
Charge Date:	11/06/2019
Disposition Details:	ON NOVEMBER 6, 2019, TOWER ENTERED INTO THE DPA WITH THE DOJ AND U.S. ATTORNEY'S OFFICE. THE DPA DEFERS PROSECUTING TOWER FOR ONE COUNT OF COMMODITIES FRAUD IN VIOLATION OF 18 U.S.C. §1348(1). TOWER AGREED TO PAY A TOTAL AMOUNT OF $67,493,849, COMPRISED OF THE FOLLOWING COMPONENTS: (A) MONETARY PENALTY OF $24.4 MILLION; (B) DISGORGEMENT OF PROFITS OF $10.5 MILLION; AND (C) RESTITUTION OF $32,593,849. THE MONETARY PENALTY OF $24.4 MILLION WAS OFFSET IN FULL BY THE PAYMENT OF A CIVIL MONETARY PENALTY TO THE CFTC TO SETTLE AN INVESTIGATION OF THE SAME TRADING ACTIVITY. TOWER PAID THE AMOUNTS DUE ON NOVEMBER 14, 2019. THE DPA ALSO REQUIRES TOWER TO COMPLY WITH ON-GOING COMPLIANCE, COOPERATION AND REPORTING OBLIGATIONS. IF TOWER COMPLIES WITH ITS OBLIGATIONS UNDER THE DPA, THE DOJ AND U.S.

ATTORNEY'S OFFICE WILL SEEK A DISMISSAL WITH PREJUDICE OF THE CHARGES FILED AGAINST TOWER.

THE DPA EXPIRED ON NOVEMBER 6, 2022 AND THE INITIAL DEADLINE FOR THE DOJ TO DISMISS THE CHARGES FILED AGAINST TOWER WAS MAY 6, 2023. IN APRIL 2023, TOWER AGREED WITH THE DOJ TO EXTEND CERTAIN OF ITS OBLIGATIONS UNDER THE DPA UNTIL NOVEMBER 6, 2023 AND THE DISMISSAL DATE TO MAY 6, 2024.
ON MAY 7, 2024, THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS DISMISSED WITH PREJUDICE THE CHARGES FILED AGAINST TOWER.

Firm Statement	TOWER ENTERED INTO THE DPA WITH THE DOJ AND U.S. ATTORNEY'S OFFICE IN CONNECTION WITH AN INVESTIGATION INTO THE TRADING OF E-MINI FUTURES CONTRACTS BY THREE FORMER TRADERS. UNDER THE TERMS OF THE DPA, TOWER ACCEPTED RESPONSIBILITY FOR THE CONDUCT OF THE FORMER TRADERS WHO, FROM APPROXIMATELY MARCH 2012 UNTIL DECEMBER 2013, PLACED ORDERS TO BUY AND SELL E-MINI FUTURES CONTRACTS WITH THE INTENT TO CANCEL THOSE ORDERS BEFORE EXECUTION. THE DPA CITED A NUMBER OF FACTORS THAT THE DOJ AND U.S. ATTORNEY'S OFFICE TOOK INTO CONSIDERATION IN ENTERING INTO THE DPA. IN PARTICULAR, TOWER CONDUCTED A THOROUGH INTERNAL INVESTIGATION, INCLUDING COLLECTING, ANALYZING AND ORGANIZING VOLUMINOUS EVIDENCE AND INFORMATION AND MAKING REGULAR FACTUAL PRESENTATIONS TO THE DOJ AND U.S. ATTORNEY'S OFFICE. TOWER RECEIVED FULL CREDIT FOR ITS COOPERATION DURING THE INVESTIGATION. IN ADDITION, TOWER ENGAGED IN EXTENSIVE REMEDIAL MEASURES, INCLUDING SWIFTLY MOVING IN EARLY 2014 TO TERMINATE THE TRADERS INVOLVED AND ENHANCING ITS COMPLIANCE PROGRAM AND INTERNAL CONTROLS TO DETECT AND DETER SIMILAR CONDUCT.

Criminal - Pending Charge

Disclosure 1 of 1

Reporting Source:	Firm
Affiliate:	TOWER RESEARCH CAPITAL MARKETS INDIA PRIVATE LIMITED
Current Status:	Pending
Status Date:	
Charge Details:	ON MAY 12, 2026, TOWER RESEARCH CAPITAL MARKETS INDIA PRIVATE LIMITED ("TRCMIPL") RECEIVED SUMMONS FROM THE COURT OF THE SPECIAL JUDGE, CBI, DIRECTING TRCMIPL TO APPEAR AND ANSWER CHARGES IN CONNECTION WITH ALLEGED OFFENCES UNDER SECTION 120B READ WITH SECTIONS 418 AND 420 OF THE INDIAN PENAL CODE, 1860, SECTIONS 85 AND 66 READ WITH SECTION 43 OF THE INFORMATION TECHNOLOGY ACT, 2000, AND SECTION 13(2) READ WITH SECTION 13(1)(D) OF THE PREVENTION OF CORRUPTION ACT, 1988. ACCORDINGLY, TRCMIPL APPEARED BEFORE THE AFORESAID COURT ON MAY 18, 2026.
Felony:	Yes
Court Details:	CBI, COURT NO 606, 6TH FLOOR, ROUSE AVENUE, DISTRICT COURT COMPLEX, NEW DELHI (FIR NO. RC 2162018A0011 (RC AC1 2018 A0011))
Charge Date:	05/12/2026
Firm Statement	TRCMIPL HAS NOT YET RECEIVED COPIES OF THE DETAILED CHARGES AND OTHER RELEVANT DOCUMENTS PERTAINING TO THE MATTER AND IS IN THE PROCESS OF OBTAINING THE SAME IN ACCORDANCE WITH APPLICABLE LEGAL PROCEDURES.

End of Report

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