

BrokerCheck Report

GFI SECURITIES LLC

CRD# 19982

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Please contact FINRA with any concerns.

About BrokerCheck®



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

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

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

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

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

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

- **How current is this information?**

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

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

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

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

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

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brokercheck.finra.org



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

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



GFI SECURITIES LLC

CRD# 19982

SEC# 8-43548

Main Office Location

55 WATER STREET
10TH FLOOR
NEW YORK, NY 10041
Regulated by FINRA New York Office

Mailing Address

55 WATER STREET
10TH FLOOR
NEW YORK, NY 10041

Business Telephone Number

646-346-7000

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 New York on 07/09/1997.

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
- 4 Self-Regulatory Organizations
- 26 U.S. states and territories

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

This firm conducts 5 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	30

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



Firm Profile

This firm is classified as a limited liability company.

This firm was formed in New York on 07/09/1997.

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.

GFI SECURITIES LLC

Doing business as GFI SECURITIES LLC

CRD# 19982

SEC# 8-43548

Main Office Location

55 WATER STREET
10TH FLOOR
NEW YORK, NY 10041

Regulated by FINRA New York Office

Mailing Address

55 WATER STREET
10TH FLOOR
NEW YORK, NY 10041

Business Telephone Number

646-346-7000

Other Names of this Firm

Name	Where is it used
12TH STREET CAPITAL, A DIVISION OF GFI SECURITIES LLC	NY
AUREL PARTNERS A DIVISION OF GFI SECURITIES LLC	NJ, NY
CAVENTOR CAPITAL, A DIVISION OF GFI SECURITIES LLC.	NY
FENICS-PM, A DIVISION OF GFI SECURITIES LLC	NY
LATIUM, A DIVISION OF GFI SECURITIES LLC	NY
SUNRISE A DIVISION OF GFI SECURITIES	IL, NY
SUNRISE BROKERS, A DIVISION OF GFI SECURITIES LLC	NY



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):	GFINET INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Position	SOLE MEMBER
Position Start Date	11/2001
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):	ABULARRAGE, JOHN JOSEPH 3265633
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF EXECUTIVE OFFICER
Position Start Date	11/2021
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):	ANZALONE, THOMAS JOSEPH 1161513
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF OPERATIONS OFFICER/PRINCIPAL OPERATIONS OFFICER
Position Start Date	04/2018



Firm Profile

Direct Owners and Executive Officers (continued)

Percentage of Ownership Less than 5%

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

Is this a public reporting company? No

Legal Name & CRD# (if any): HAUF, JASON WILLIAMS
4163331

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

Position CHIEF FINANCIAL OFFICER

Position Start Date 06/2022

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): LEWIS, THOMAS JOSEPH
2684821

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

Position PRINCIPAL

Position Start Date 06/2021

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): LYNCH, MARTIN

Firm Profile



Direct Owners and Executive Officers (continued)

	5612726
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF OPERATING OFFICER
Position Start Date	11/2021
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
<hr/>	
Legal Name & CRD# (if any):	SULFARO, MICHAEL CARL 2483562
Is this a domestic or foreign entity or an individual?	Individual
Position	CHIEF COMPLIANCE OFFICER
Position Start Date	08/2024
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
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Firm Profile

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

Indirect Owners

Legal Name & CRD# (if any): BGC GP LIMITED

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

Company through which indirect ownership is established BGC GP, LLC

Relationship to Direct Owner MEMBER

Relationship Established 03/2008

Percentage of Ownership 75% or more

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

Is this a public reporting company? No

Legal Name & CRD# (if any): BGC GROUP, INC.

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

Company through which indirect ownership is established BGC HOLDINGS MERGER SUB, LLC

Relationship to Direct Owner SOLE MEMBER

Relationship Established 07/2023

Percentage of Ownership 75% or more

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

Is this a public reporting company? Yes

Legal Name & CRD# (if any): BGC GROUP, INC.

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



Firm Profile

Indirect Owners (continued)

Company through which indirect ownership is established BGC PARTNERS, INC.

Relationship to Direct Owner SOLE SHAREHOLDER

Relationship Established 07/2023

Percentage of Ownership 75% or more

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

Is this a public reporting company? Yes

Legal Name & CRD# (if any): BGC HOLDINGS MERGER SUB, LLC

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

Company through which indirect ownership is established BGC HOLDINGS, LLC

Relationship to Direct Owner SOLE MEMBER

Relationship Established 07/2023

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): BGC HOLDINGS U.S., INC.

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

Company through which indirect ownership is established BGC FINANCIAL GROUP, INC.

Relationship to Direct Owner SOLE SHAREHOLDER

Relationship Established 03/2008

Firm Profile



Indirect Owners (continued)

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): BGC PARTNERS LP

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

Company through which indirect ownership is established GFI GROUP INC.

Relationship to Direct Owner SOLE SHAREHOLDER

Relationship Established 01/2016

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): BGC PARTNERS, INC.

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

Company through which indirect ownership is established BGC GP LIMITED

Relationship to Direct Owner SOLE SHAREHOLDER

Relationship Established 06/2006

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



Firm Profile

Indirect Owners (continued) company?

Legal Name & CRD# (if any):	BGC PARTNERS, INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	BGC HOLDINGS U.S., INC.
Relationship to Direct Owner	SOLE SHAREHOLDER
Relationship Established	04/2008
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	GFI GROUP INC
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	GFINET INC.
Relationship to Direct Owner	SOLE SHAREHOLDER
Relationship Established	11/2001
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):	BGC PARTNERS INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity



Firm Profile

Indirect Owners (continued)

Company through which indirect ownership is established	BGC PARTNERS LP
Relationship to Direct Owner	LIMITED PARTNER
Relationship Established	04/2008
Percentage of Ownership	50% but less than 75%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any): BGC FINANCIAL GROUP.INC.

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

Company through which indirect ownership is established BGC PARTNERS, L.P.

Relationship to Direct Owner LIMITED PARTNER

Relationship Established 04/2008

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

Legal Name & CRD# (if any): BGC GP, LLC

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

Company through which indirect ownership is established BGC HOLDINGS MERGER SUB, LLC

Relationship to Direct Owner GENERAL PARTNER

Relationship Established 07/2023



Firm Profile

Indirect Owners (continued)

Percentage of Ownership Other General Partners

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

Is this a public reporting company? No

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

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

Company through which indirect ownership is established BGC PARTNERS, L.P.

Relationship to Direct Owner GENERAL PARTNER

Relationship Established 04/2008

Percentage of Ownership Other General Partners

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

Is this a public reporting company? No

Legal Name & CRD# (if any): BGC PARTNERS, INC.

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

Company through which indirect ownership is established BGC GP, LLC

Relationship to Direct Owner MANAGING MEMBER

Relationship Established 04/2008

Percentage of Ownership Other General Partners

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

Is this a public reporting company? No

Firm Profile



Indirect Owners (continued) company?

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

Federal Regulator	Status	Date Effective
SEC	Approved	04/05/1991

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

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

A government securities broker or dealer only: No

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

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	07/25/1987
NYSE Arca, Inc.	Approved	09/23/2004
Nasdaq ISE, LLC	Approved	12/04/2003
Nasdaq Stock Market	Approved	07/12/2006

Firm Operations



Registrations (continued)

U.S. States & Territories	Status	Date Effective
California	Approved	08/07/2008
Colorado	Approved	11/02/2016
Connecticut	Approved	08/25/2021
Florida	Approved	02/23/2017
Georgia	Approved	03/23/2016
Idaho	Approved	04/30/2018
Illinois	Approved	11/16/2021
Kentucky	Approved	04/11/2017
Maryland	Approved	03/16/2017
Massachusetts	Approved	01/10/2022
Minnesota	Approved	04/06/2017
Nevada	Approved	01/04/2024
New Jersey	Approved	08/16/2021
New York	Approved	02/28/1991
North Carolina	Approved	11/17/2016
Ohio	Approved	12/09/2010
Oklahoma	Approved	07/28/2021
Oregon	Approved	11/22/2021
Pennsylvania	Approved	01/31/2017
Puerto Rico	Approved	09/29/2021
South Carolina	Approved	06/09/2010
South Dakota	Approved	09/21/2021
Tennessee	Approved	10/18/2021
Texas	Approved	06/24/2010
Washington	Approved	11/02/2009
Wisconsin	Approved	02/16/2017



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 5 types of businesses.

Types of Business

Exchange member engaged in exchange commission business other than floor activities

Broker or dealer selling corporate debt securities

U S. government securities broker

Non-exchange member arranging for transactions in listed securities by exchange member

Other - FIRM OPERATES ATS. FIRM ENGAGES IN: U.S. & FORIEGN GOV AGENCY OBS & OPTIONS; MORTGAGE BACKED INSTRU; NON-\$ DENOMINATED REPOS; REPOS OF U.S. TREAS, DEBT &/OR EQUITY SEC; ASSET BACKED SEC; LISTED & OTC OPTIONS; INDICIES & OTHER BASKETS OF FINANCIAL INSTRU; TRI-PARTY REPOS IN U.S. GOV SEC; 144A SEC; BROKER OF DOMESTIC & FORIEGN CORP SEC OTC; NON-EXCHANGE MEMBER ARRANGING FOR TRANS IN LISTED SEC BY EXCHANGE MEMBER; EXH LISTED SECS; NMS SECS SMCAP SECS; BB SECS; OTC ADRS & GDRS

Other Types of Business

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

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

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

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

Introducing Arrangements

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

Firm Operations

Industry Arrangements



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

Name:	DELL EMC
Business Address:	8444 WEST PARK DRIVE #900 TYSONS, VA 22102
Effective Date:	11/05/2015
Description:	THIRD PARTY STORAGE
Name:	BLOOMBERG LP
Business Address:	731 LEXINGTON AVENUE NEW YORK, NY 10022
Effective Date:	05/21/2011
Description:	ELECTRONIC STORAGE MEDIA - THIRD PARTY WITH APPROPRIATE EXPERTISE (BLOOMBERG HOSTED MESSAGE COMPLIANCE SERVICE)
Name:	HITACHI VANTARA
Business Address:	2845 LAFAYETTE STREET SANTA CLARA, CA 95050-2639
Effective Date:	03/28/2014
Description:	ELECTRONIC DATA MEDIA STORAGE - THIRD PARTY VENDOR WITH APPROPRIATE EXPERTISE - (HITACHI CONTENT PLATFORM BY HITACHI VANTARA)
Name:	IT CONVERGENCE, INC.
Business Address:	118-35 QUEENS BLVD. SUITE 400 FOREST HILLS, NY 11375
Effective Date:	04/04/2013
Description:	ELECTRONIC STORAGE MEDIA - THIRD PARTY WITH APPROPRIATE EXPERTISE
Name:	FIS DATA SYSTEMS INC.
Business Address:	340 MADISON AVENUE, 8TH FLOOR NEW YORK, NY 10173
Effective Date:	11/15/2002
Description:	ELECTRONIC STORAGE MEDIA - THIRD PARTY WITH APPROPRIATE EXPERTISE

Firm Operations



Industry Arrangements (continued)

EXERCISE

Name: GOLDMAN SACHS & CO. LLC
CRD #: 361
Business Address: 200 WEST STREET
 NEW YORK, NY 10282
Effective Date: 04/28/2017
Description: CLEARING AGREEMENT

Name: CANTOR FITZGERALD & CO.
CRD #: 134
Business Address: 110 EAST 59TH ST
 FLOOR 4
 NEW YORK, NY 10022
Effective Date: 09/21/2015
Description: CLEARING AGREEMENT TREASURIES ONLY

Name: BGC FINANCIAL, L.P.
CRD #: 19801
Business Address: 1 SEAPORT PLAZA
 FLOOR 19
 NEW YORK, NY 10038
Effective Date: 09/21/2015
Description: CLEARING AGREEMENT

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: 04/28/2017
Description: CLEARING AGREEMENT

Name: CANTOR FITZGERALD & CO.
CRD #: 134
Business Address: 110 EAST 59TH ST

Firm Operations



Industry Arrangements (continued)

FLOOR 4
NEW YORK, NY 10022

Effective Date: 09/21/2015

Description: CLEARING AGREEMENT TREASURIES ONLY

Name: BGC FINANCIAL, L.P.

CRD #: 19801

Business Address: 199 SEAPORT PLAZA
FLOOR 19
NEW YORK, NY 10038

Effective Date: 09/21/2015

Description: CLEARING AGREEMENT

This firm does have customer 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: 04/28/2017

Description: CLEARING AGREEMENT

Name: CANTOR FITZGERALD & CO.

CRD #: 134

Business Address: 110 EAST 59TH ST
FLOOR 4
NEW YORK, NY 10022

Effective Date: 09/21/2015

Description: CLEARING AGREEMENT TREASURIES ONLY

Name: BGC FINANCIAL, L.P.

CRD #: 19801

Business Address: 199 SEAPORT PLAZA
FLOOR 19
NEW YORK, NY 10038

Effective Date: 09/21/2015

Description: CLEARING AGREEMENT

Firm Operations



Industry Arrangements (continued)

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.

O'CONNOR ALTERNATIVE INVESTMENTS, LLC is under common control with the firm.

CRD #:	336332
Business Address:	110 EAST 59TH STREET NEW YORK, NY 10022
Effective Date:	06/23/2025
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF O'CONNOR ALTERNATIVE INVESTMENTS, LLC IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCKHOLDER OF BGC GROUP, INC.

CONTINENTAL CAPITAL MARKETS S.A. is under common control with the firm.

Business Address:	CHEMIN DE CHANTAVRIL 1 1260 NYON, SWITZERLAND
Effective Date:	01/11/2023
Foreign Entity:	Yes
Country:	SWITZERLAND
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF CONTINENTAL CAPITAL MARKETS S.A. AND GFI SECURITIES LLC IS BGC GROUP, INC.

Firm Operations



Organization Affiliates (continued)

CANTOR FITZGERALD ASSET MANAGEMENT EUROPE LIMITED is under common control with the firm.

Business Address:	23 ST. STEPHEN'S GREEN DUBLIN 2, IRELAND D02AR55
Effective Date:	11/01/2018
Foreign Entity:	Yes
Country:	IRELAND
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF CANTOR FITZGERALD ASSET MANAGEMENT EUROPE LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI AFRICAN MONEY BROKERS (PTY) LTD. is under common control with the firm.

Business Address:	EQUITY HOUSE, 18 BOMPAS ROAD DUNKELD WEST JOHANNESBURG, SOUTH AFRICA 2196
Effective Date:	01/31/2017
Foreign Entity:	Yes
Country:	SOUTH AFRICA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI AFRICAN MONEY BROKERS (PTY) LTD AND GFI SECURITIES LLC IS BGC GROUP, INC.

S.A.M. AUREL BGC MONACO is under common control with the firm.

Business Address:	5 AVENUE ST. MICHEL VILLA CLAUDE-RDC-1ER & 2E SOUS-SOL, MONACO, MONACO 98000
Effective Date:	11/16/2021
Foreign Entity:	Yes
Country:	MONACO
Securities Activities:	Yes

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF S.A.M. AUREL BGC MONACO AND GFI SECURITIES LLC IS BGC GROUP, INC.

SMITH GROUP ASSET MANAGEMENT, LLC is under common control with the firm.

CRD #: 313265

Business Address: 100 CRESCENT COURT
7TH FLOOR
DALLAS, TX 75201

Effective Date: 05/05/2021

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE ULTIMATE PARENT OF GFI SECURITIES, LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF SMITH GROUP ASSET MANAGEMENT, LLC IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

NEWMARK SECURITIES, LLC is under common control with the firm.

CRD #: 309193

Business Address: 125 PARK AVENUE
NEW YORK, NY 10017

Effective Date: 04/08/2021

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF NEWMARK SECURITIES, LLC IS NEWMARK GROUP, INC. THE ULTIMATE PARENT OF BGC GROUP, INC. AND NEWMARK

Firm Operations



Organization Affiliates (continued)

GROUP INC. IS CANTOR FITZGERALD, LP., AS THE CONTROLLING STOCKHOLDER.

GFI GROUP (PHILIPPINES) INC. is under common control with the firm.

Business Address: 12/F UNIT C, MENARCO TOWER 32ND STREET,
BONIFACIO GLOBAL CITY, TAGUIG
METRO MANILA, PHILIPPINES 1634

Effective Date: 06/14/2019

Foreign Entity: Yes

Country: PHILIPPINES

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI GROUP (PHILIPPINES) INC. AND GFI SECURITIES LLC. IS BGC GROUP, INC.

CANTOR FITZGERALD SINGAPORE PTE LTD is under common control with the firm.

Business Address: 3 TEMASEK AVENUE #04-01
SINGAPORE, SINGAPORE 039139

Effective Date: 08/15/2018

Foreign Entity: Yes

Country: SINGAPORE

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD SINGAPORE PTE LTD IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

CANTOR FITZGERALD SECURITIES JAPAN CO., LTD. is under common control with the firm.

Business Address: AKASAKA BIZ TOWER, 38F,
5-3-1 AKASAKA,
MINATO-KU, TOKYO, JAPAN 107-6338

Effective Date: 03/28/2018

Firm Operations



Organization Affiliates (continued)

Foreign Entity:	Yes
Country:	JAPAN
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD SECURITIES JAPAN CO., LTD. IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

GFI INTERNATIONAL & CAPITAL MARKET BROKERS (PTY) LIMITED is under common control with the firm.

Business Address:	EQUITY HOUSE, 18 BOMPAS ROAD DUNKELD WEST JOHANNESBURG, SOUTH AFRICA 2196
Effective Date:	01/31/2017
Foreign Entity:	Yes
Country:	SOUTH AFRICA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI INTERNATIONAL & CAPITAL MARKET BROKERS (PTY) LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI SOUTH AFRICA (PTY) LTD is under common control with the firm.

Business Address:	EQUITY HOUSE, 18 BOMPAS ROAD DUNKELD WEST JOHANNESBURG, SOUTH AFRICA 2196
Effective Date:	01/31/2017
Foreign Entity:	Yes
Country:	SOUTH AFRICA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI SOUTH AFRICA (PTY) LTD AND GFI

Firm Operations**Organization Affiliates (continued)**

SECURITIES LLC IS BGC GROUP, INC.

CF SECURED, LLC is under common control with the firm.

CRD #: 285841

Business Address: 110 EAST 59TH STREET
NEW YORK, NY 10022

Effective Date: 05/16/2017

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CF SECURED, LLC IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

SUNRISE BROKERS (HONG KONG) LTD is under common control with the firm.

Business Address: AIA CENTRAL, SUITES 3001-3007, 30/F
1 CONNAUGHT ROAD
CENTRAL HONG KONG, HONG KONG

Effective Date: 12/15/2016

Foreign Entity: Yes

Country: HONG KONG

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC AND SUNRISE BROKERS (HONG KONG) LTD IS BGC GROUP, INC.

CANTOR FITZGERALD IRELAND LIMITED is under common control with the firm.

Business Address: 23 ST. STEPHEN'S GREEN
DUBLIN 2, IRELAND D02 AR55

Effective Date: 11/30/2012

Foreign Entity: Yes

Firm Operations



Organization Affiliates (continued)

Country:	IRELAND
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD IRELAND LIMITED IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

PERIMETER MARKETS, INC. is under common control with the firm.

Business Address:	36 LOMBARD STREET, SUITE 502 TORONTO, ON, CANADA M5C 2X3
Effective Date:	09/23/2016
Foreign Entity:	Yes
Country:	CANADA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF PERIMETER MARKETS, INC. AND GFI SECURITIES LLC IS BGC GROUP, INC.

CHINA CREDIT BGC MONEY BROKING COMPANY LIMITED is under common control with the firm.

Business Address:	NO. 8, 1, WEST TOWER, 12TH FLOOR BUILDING 1201, NO. 1202 CHONGWENMENWAI STREET DONGCHENG DISTRICT, CHINA
Effective Date:	02/25/2016
Foreign Entity:	Yes
Country:	CHINA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF CHINA CREDIT BGC MONEY BROKING COMPANY LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

FIXED INCOME SOLUTIONS PTY LTD is under common control with the firm.

Firm Operations



Organization Affiliates (continued)

Business Address:	LEVEL 56, 25 MARTIN PLACE SYDNEY, AUSTRALIA NSW 2000
Effective Date:	09/16/2016
Foreign Entity:	Yes
Country:	AUSTRALIA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF FIXED INCOME SOLUTIONS PTY LTD AND GFI SECURITIES LLC IS BGC GROUP, INC.

BGC SA FINANCIAL BROKERS (PROPRIETARY) LIMITED is under common control with the firm.

Business Address:	EQUITY HOUSE, 18 BOMPASS ROAD DUNKELD WEST JOHANNESBURG, SOUTH AFRICA 2196
Effective Date:	08/10/2008
Foreign Entity:	Yes
Country:	SOUTH AFRICA
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF BGC SA FINANCIAL BROKERS (PROPRIETARY) LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

BGC CAPITAL MARKETS AND FOREIGN EXCHANGE BROKER (KOREA) LIMITED is under common control with the firm.

Business Address:	10F SEOUL FINANCE CENTER, 136 SEJONG-DAERO SEOUL, KOREA 04520
Effective Date:	11/26/2013
Foreign Entity:	Yes
Country:	KOREA
Securities Activities:	Yes

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF BGC CAPITAL MARKETS AND FOREIGN EXCHANGE BROKER (KOREA) LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI SECURITIES LIMITED is under common control with the firm.

Business Address: 1 SNOWDEN STREET
LONDON, UNITED KINGDOM EC2A 2DQ

Effective Date: 02/25/2015

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI SECURITIES COLOMBIA S.A. is under common control with the firm.

Business Address: CALLE 100 #8A-49
TORRE B OFICINA 715
BOGOTA, COLOMBIA 110221

Effective Date: 02/25/2015

Foreign Entity: Yes

Country: COLOMBIA

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES COLOMBIA S.A. AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI KOREA MONEY BROKERAGE LIMITED is under common control with the firm.

Business Address: 19F ENA CENTER BLDG. 120
SEOSOMUN-RO JUNG-GU
SEOUL, KOREA 150-876

Firm Operations**Organization Affiliates (continued)**

Effective Date: 10/03/2013
Foreign Entity: Yes
Country: KOREA
Securities Activities: Yes
Investment Advisory Activities: No
Description: THE ULTIMATE PARENT OF GFI KOREA MONEY BROKERAGE LIMITED AND GFI SECURITIES LLC IS BGC GROUP INC.

GFI GROUP PTE LIMITED is under common control with the firm.

Business Address: 3 TEMASEK AVENUE #04-01
SINGAPORE, SINGAPORE 039139
Effective Date: 02/25/2015
Foreign Entity: Yes
Country: SINGAPORE
Securities Activities: Yes
Investment Advisory Activities: No
Description: THE ULTIMATE PARENT OF GFI GROUP PTE LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI GROUP MEXICO S.A. DE C.V. is under common control with the firm.

Business Address: MONTES URALES 470, 4 FLOOR, LOMAS DE CHAPULTEPEC
MIGUEL HIDALGO
MEXICO CITY CDMX, MEXICO 11000
Effective Date: 02/25/2015
Foreign Entity: Yes
Country: MEXICO
Securities Activities: Yes
Investment Advisory Activities: No
Description: THE ULTIMATE PARENT OF GFI GROUP MEXICO S.A. DE C.V. AND GFI SECURITIES LLC IS BGC GROUP, INC.

Firm Operations**Organization Affiliates (continued)****GFI EXCHANGE COLOMBIA S.A. is under common control with the firm.**

Business Address: CALLE 100 #8A-49
TORRE B OFICINA 715
BOGOTA, COLOMBIA 110221

Effective Date: 02/25/2015

Foreign Entity: Yes

Country: COLOMBIA

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI EXCHANGE COLOMBIA S.A. AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI BROKERS (CHILE) AGENTES DE VALORES SPA is under common control with the firm.

Business Address: AVENIDA ISIDORA GOYENCHEA #3162
LAS CONDES OF #203
SANTIAGO, CHILE 7550083

Effective Date: 02/26/2015

Foreign Entity: Yes

Country: CHILE

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI BROKERS (CHILE) ARGENTES DE VALORES SPA AND GFI SECURITIES LLC IS BGC GROUP, INC.

GFI (HK) SECURITIES, L.L.C. is under common control with the firm.

Business Address: AIA CENTRAL SUITE 1306-09, 13/F
1 CONNAUGHT ROAD
CENTRAL HK, HONG KONG

Effective Date: 02/25/2015

Foreign Entity: Yes

Country: HK

Firm Operations



Organization Affiliates (continued)

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI (HK) SECURITIES, L.L.C. AND GFI SECURITIES LLC IS BGC GROUP, INC.

REMATE LINCE, S.A.P.I. DE C.V. is under common control with the firm.

Business Address: AV. VASCO DE QUIROGA 2121
1ER PISO COL. SANTA FE
MEXICO CITY, D.F, MEXICO 01210

Effective Date: 05/08/2014

Foreign Entity: Yes

Country: MEXICO

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF REMATE LINCE, S.A.P.I. DE C.V. AND GFI SECURITIES LLC IS BGC GROUP, INC.

CANTOR FITZGERALD INVESTMENT ADVISORS, LP is under common control with the firm.

Business Address: 110 EAST 59TH STREET
NEW YORK, NY 10022

Effective Date: 11/15/2011

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD INVESTMENT ADVISORS, LP IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

FREEDOM INTERNATIONAL BROKERAGE COMPANY is under common control with the firm.

Business Address: 181 UNIVERSITY AVENUE, SUITE 1500

Firm Operations**Organization Affiliates (continued)**

TORONTO ONTARIO, CANADA M5H 3M7

Effective Date: 12/05/2013

Foreign Entity: Yes

Country: CANADA

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF FREEDOM INTERNATIONAL BROKERAGE COMPANY AND GFI SECURITIES LLC IS BGC GROUP, INC.

CANTOR FITZGERALD CANADA CORPORATION is under common control with the firm.

Business Address: 181 UNIVERSITY AVENUE SUITE 1500
TORONTO ON, CANADA M5H 3M7

Effective Date: 12/13/2007

Foreign Entity: Yes

Country: CANADA

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD CANADA CORPORATION IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

BGC PARTNERS (SINGAPORE) LTD. is under common control with the firm.

Business Address: 3 TEMASEK AVENUE #04-01
SINGAPORE, SINGAPORE 039139

Effective Date: 06/06/2013

Foreign Entity: Yes

Country: SINGAPORE

Securities Activities: Yes

Investment Advisory Activities: No

Firm Operations



Organization Affiliates (continued)

Description: THE ULTIMATE PARENT OF BGC PARTNERS (SINGAPORE) LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

BGC LIQUIDEZ DISTRIBUIDORA DE TITULOS E VALORES MOBILIARIOS LTDA. (TRADING NAME BGC LIQUIDEZ) is under common control with the firm.

Business Address: AVENIDA ALMIRANTE BARROSO, #52
23RD FLOOR,
RIO DE JANIERO, BRAZIL 20031-000

Effective Date: 01/30/2014

Foreign Entity: Yes

Country: BRAZIL

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF BGC LIQUIDEZ DISTRIBUIDORA DE TITULOS E VALORES MOBILIARIOS LTDA. (TRADING NAME BGC LIQUIDEZ) AND GFI SECURITIES LLC IS BGC GROUP, INC.

BGC PARTNERS (AUSTRALIA) PTY LIMITED is under common control with the firm.

Business Address: LEVEL 56, 25 MARTIN PLACE
SYDNEY, AUSTRALIA NSW2000

Effective Date: 12/23/2012

Foreign Entity: Yes

Country: AUSTRALIA

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF BGC PARTNERS (AUSTRALIA) PTY LIMITED AND GFI SECURITIES LLC IS BGC GROUP, INC.

CANTOR FITZGERALD (HONG KONG) CAPITAL MARKETS LIMITED is under common control with the firm.

Business Address: 6708-6712, THE CENTER
99 QUEENS ROAD
CENTRAL, HONG KONG

Effective Date: 07/15/2004

Firm Operations



Organization Affiliates (continued)

Foreign Entity:	Yes
Country:	HONG KONG
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD (HONG KONG) CAPITAL MARKETS LIMITED IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

AUREL BGC is under common control with the firm.

Business Address:	15-17 RUE VIVIENNE PARIS, FRANCE 75002
Effective Date:	06/03/2013
Foreign Entity:	Yes
Country:	FRANCE
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF AUREL BGC AND GFI SECURITIES LLC IS BGC GROUP, INC.

BGC BROKERS L.P. is under common control with the firm.

Business Address:	5 CHURCHILL PLACE LONDON, UNITED KINGDOM E14 5HU
Effective Date:	04/01/2013
Foreign Entity:	Yes
Country:	UNITED KINGDOM
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF BGC BROKERS L.P. AND GFI SECURITIES LLC IS BGC GROUP, INC.

Firm Operations**Organization Affiliates (continued)**

BGC SHOKEN KAISHA, LIMITED (TOKYO BRANCH) is under common control with the firm.

Business Address: AKASAKA BIZ TOWER 38F
5-3-1 AKASAKA, MINATO-KU
TOKYO, JAPAN 107-6338

Effective Date: 10/13/1993

Foreign Entity: Yes

Country: JAPAN

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF BGC SHOKEN KAISHA LIMITED (TOKYO BRANCH) AND GFI SECURITIES LLC IS BGC GROUP, INC.

CANTOR FITZGERALD EUROPE is under common control with the firm.

Business Address: 5 CHURCHILL PLACE
LONDON, UNITED KINGDOM E14 5HU

Effective Date: 01/14/2014

Foreign Entity: Yes

Country: UNITED KINGDOM

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD EUROPE IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

BGC SECURITIES (HONG KONG) LLC is under common control with the firm.

Business Address: AIA CENTRAL, SUITES 3001-3007, 30/F
1 CONNAUGHT ROAD
CENTRAL, HONG KONG

Effective Date: 02/07/2005

Foreign Entity: Yes

Country: HONG KONG

Firm Operations



Organization Affiliates (continued)

Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF BGC SECURITIES (HONG KONG) LLC AND GFI SECURITIES LLC IS BGC GROUP, INC.

MINT BROKERS is under common control with the firm.

CRD #:	13681
Business Address:	55 WATER STREET NEW YORK, NY 10041
Effective Date:	06/16/1983
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF MINT BROKERS AND GFI SECURITIES LLC IS BGC GROUP, INC.

CANTOR FITZGERALD & CO. is under common control with the firm.

CRD #:	134
Business Address:	110 EAST 59TH STREET NEW YORK, NY 10022
Effective Date:	12/29/1947
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF GFI SECURITIES LLC IS BGC GROUP, INC. AND THE ULTIMATE PARENT OF CANTOR FITZGERALD & CO. IS CANTOR FITZGERALD, L.P., WHICH IS THE CONTROLLING STOCK HOLDER OF BGC GROUP, INC.

Firm Operations



Organization Affiliates (continued)

BGC FINANCIAL, L.P. is under common control with the firm.

CRD #:	19801
Business Address:	55 WATER STREET NEW YORK, NY 10041
Effective Date:	01/05/1988
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF BGC FINANCIAL, L.P. AND GFI SECURITIES LLC IS BGC GROUP, INC.

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

CRD #:	154075
Business Address:	55 WATER STREET NEW YORK, NY 10041
Effective Date:	02/25/2015
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	No
Description:	THE ULTIMATE PARENT OF FMX EXECUTION, LLC AND GFI SECURITIES LLC IS BGC GROUP, INC.

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	30	0

Disclosure Event Details

What you should know about reported disclosure events:

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

Regulatory - Final

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

Disclosure 1 of 30

Reporting Source: Firm

Current Status: Final



Allegations: DURING THE PERIOD OF JANUARY 2020 THROUGH APRIL 2020, GFI SECURITIES SUBMITTED MULTIPLE BLOCKTRADES IN VARIOUS GOLD FUTURES TO THE EXCHANGE WITH INACCURATE TIMES AND ALSO FAILED TO REPORT BLOCK TRADES TO THE EXCHANGE WITHIN THE REQUIRED TIME PERIOD FOLLOWING EXECUTION, AND DID NOT DILIGENTLY SUPERVISE ITS STAFF INVOLVED IN THE BROKERING OF BLOCK TRADES.

Initiated By: COMEX

Date Initiated: 11/17/2021

Docket/Case Number: COMEX 20-1333-BC

Principal Product Type: Other

Other Product Type(s): COMMODITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 11/19/2021

Sanctions Ordered: Monetary/Fine \$75,000.00

Other Sanctions Ordered:

Sanction Details: IN ACCORDANCE WITH THE SETTLEMENT OFFER, THE PANEL ORDERED GFI TO PAY A FINE TO THE EXCHANGE IN THE AMOUNT OF \$75,000.

Disclosure 2 of 30

Reporting Source: Firm

Current Status: Final

Allegations: DURING THE PERIOD OF DECEMBER 1, 2017 THROUGH MARCH 31, 2018, GFI SECURITIES SUBMITTED MULTIPLE BLOCK TRADES IN VARIOUS NATURAL GAS, PETROCHEMICAL AND GOLD FUTURES AND OPTIONS TO THE EXCHANGE WITH INACCURATE EXECUTION TIMES AND ALSO FAILED TO REPORT BLOCK TRADES TO THE EXCHANGE WITHIN THE REQUIRED TIME PERIOD FOLLOWING EXECUTION, AND DID NOT SUFFICIENTLY TRAIN ITS STAFF INVOLVED IN THE BROKERING OF BLOCK TRADES

Initiated By: NYMEX/COMEX

Date Initiated: 01/23/2020



Docket/Case Number: NYMEX/COMEX CASE 18-0960-BC

Principal Product Type: Other

Other Product Type(s): COMMODITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Settled

Resolution Date: 03/12/2020

Sanctions Ordered: Monetary/Fine \$40,000.00

Other Sanctions Ordered:

Sanction Details: IN ACCORDANCE WITH THE SETTLEMENT OFFER, THE PANEL ORDERED GFI SECURITIES TO PAY A FINE TO THE EXCHANGE IN THE AMOUNT OF \$40,000 IN CONNECTION WITH THIS CASE AND COMPANION CASE COMEX 18-0960-BC (\$20,000 OF WHICH IS ALLOCATED TO NYMEX).EFFECTIVE DATE MARCH 16, 2020

Disclosure 3 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH, DOCUMENT, AND MAINTAIN A SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE FINANCIAL, REGULATORY, AND OTHER RISKS RELATED TO THE FIRM HAVING MARKET ACCESS AND PROVIDING ITS CUSTOMERS WITH ACCESS TO AN ALTERNATIVE TRADING SYSTEM (ATS). THE FINDINGS STATED THAT THE FIRM'S CUSTOMERS ROUTED EQUITY ORDERS TO ITS TRADERS, WHO THEN ROUTED CERTAIN OF THOSE TRADES DIRECTLY TO THE ARCA OR NASDAQ MARKET. FOR THOSE TRADES THAT THE FIRM ROUTED DIRECTLY TO THE MARKET, IT USED A THIRD-PARTY ORDER MANAGEMENT SYSTEM (OMS) TO MANAGE THE EQUITY TRADING. IN ADDITION, THE FIRM OPERATED THE ATS THAT OPERATED SESSIONS WHERE INTERESTED BUYS AND SELLS WERE MATCHED. THE FIRM FAILED TO DOCUMENT ITS SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE RISK OF THIS BUSINESS ACTIVITY. THE FIRM'S WSPS FOR ITS MARKET ACCESS RULE COMPLIANCE FOR THOSE TRADES THAT IT DIRECTED TO



THE MARKET THROUGH THE OMS CONSISTED ONLY OF THE OFF-THE-SHELF OMS MANUAL, WHICH IDENTIFIED THE VARIOUS RISK MANAGEMENT CONTROLS AVAILABLE THROUGH THE OMS. IN ADDITION, THE FIRM'S MARKET ACCESS WSPS SPECIFIC TO THE ATS CONTAINED ONLY A DESCRIPTION OF AVAILABLE CONTROLS THAT CUSTOMERS SUBSCRIBING TO IT COULD SET. WHILE THE FIRM SUBSEQUENTLY REVISED ITS WRITTEN PROCEDURES FOR BOTH THE TRADES DIRECTED TO THE MARKET THROUGH THE OMS AS WELL AS FOR THE ATS, THOSE REVISIONS INCLUDED ONLY GENERAL MARKET ACCESS RULE REQUIREMENTS AND FAILED TO DOCUMENT THE FIRM'S OWN SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES SPECIFICALLY TAILORED TO THOSE SYSTEMS. IN ADDITION, THE FIRM ESTABLISHED A DAILY TRADING CAPITAL LIMIT FOR ITS EQUITY TRADING, BUT FAILED TO DOCUMENT THE BASIS OR RATIONALE FOR THAT DETERMINATION. THE FINDINGS ALSO STATED THAT THE FIRM FAILED TO ESTABLISH RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO PREVENT THE ENTRY OF ORDERS THAT EXCEEDED APPROPRIATE PRE-SET CREDIT THRESHOLDS IN THE AGGREGATE FOR EACH OF ITS CUSTOMERS. THE FIRM FAILED TO IMPLEMENT SYSTEMATIC PRE-TRADE CREDIT LIMITS FOR ITS NON-BROKER-DEALER CUSTOMERS IN THE ATS. THE FINDINGS ALSO INCLUDED THAT THE FIRM FAILED TO CONDUCT AN ANNUAL REVIEW ONE YEAR TO ASSURE THE OVERALL EFFECTIVENESS OF ITS RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES WITH RESPECT TO THE ATS, AND FAILED PROPERLY TO COMPLETE THE REQUIRED CERTIFICATION FOR THAT YEAR THAT SUCH RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES COMPLIED WITH APPROPRIATE RULES.

Initiated By: FINRA

Date Initiated: 03/11/2020

Docket/Case Number: [2015048311501](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

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

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/11/2020

Does the order constitute a No



final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

Sanctions Ordered: Censure
Monetary/Fine \$50,000.00

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$50,000.

Regulator Statement FINES PAID IN FULL JUNE 17, 2020.

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 FROM NOVEMBER 2014 TO AUGUST 2018 IT FAILED TO ESTABLISH, DOCUMENT, AND MAINTAIN A SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE FINANCIAL, REGULATORY, AND OTHER RISKS RELATED TO THE FIRM HAVING MARKET ACCESS AND PROVIDING ITS CUSTOMERS WITH ACCESS TO AN ALTERNATIVE TRADING SYSTEM (ATS)

Initiated By: FINRA

Date Initiated: 03/11/2020

Docket/Case Number: [2015048311501](#)

Principal Product Type: Equity - OTC

Other Product Type(s): DEBT - CORPORATE

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 03/11/2020

Sanctions Ordered: Censure
Monetary/Fine \$50,000.00

**Other Sanctions Ordered:**

Sanction Details: A CENSURE AND A FINE OF \$50,000.00

Firm Statement THE FINDINGS STATED THAT THE FIRM'S CUSTOMERS ROUTED EQUITY ORDERS TO ITS TRADERS, WHO THEN ROUTED CERTAIN OF THOSE TRADES DIRECTLY TO THE ARCA OR NASDAQ MARKET. FOR THOSE TRADES THAT THE FIRM ROUTED DIRECTLY TO THE MARKET, IT USED A THIRD-PARTY ORDER MANAGEMENT SYSTEM (OMS) TO MANAGE THE EQUITY TRADING. IN ADDITION, THE FIRM OPERATED AN ATS THAT OPERATED SESSIONS WHERE INTERESTED BUYS AND SELLS WERE MATCHED. ALTHOUGH THE FIRM HAD ADEQUATE CONTROLS IN PLACE THE FIRM FAILED TO DOCUMENT ITS SYSTEM OF RISK MANAGEMENT CONTROLS AND SUPERVISORY PROCEDURES REASONABLY DESIGNED TO MANAGE THE RISK OF THIS BUSINESS ACTIVITY.

Disclosure 4 of 30

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 IN CONNECTION WITH THE 2017 CYCLE EXAMINATION OF THE FIRM, FINRA REVIEWED THE FIRM'S COMPLIANCE WITH NYSE ARCA REGISTRATION REQUIREMENTS FOR THE PERIOD AUGUST 13, 2013 THROUGH MAY 7, 2017 AND DETERMINED THAT THE FIRM FAILED TO REGISTER EIGHT QUALIFIED INDIVIDUALS AS GENERAL SECURITIES REPRESENTATIVES WITH NYSE ARCA FOR PERIODS RANGING FROM 47 DAYS TO 12 AND A HALF YEARS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). THE FINDINGS STATED THAT THE FIRM FAILED TO REGISTER THREE QUALIFIED INDIVIDUALS AS GENERAL SECURITIES PRINCIPALS WITH NYSE ARCA FOR PERIODS RANGING FROM FOUR YEARS TO 12 AND A HALF YEARS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). THE FIRM FAILED TO TIMELY REGISTER ITS CHIEF COMPLIANCE OFFICER WITH NYSE ARCA FOR A PERIOD OF 13 YEARS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). THE FIRM FAILED TO TIMELY REGISTER ITS CHIEF FINANCIAL OFFICER FOR A PERIOD 45 DAYS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). DURING THE PERIOD AUGUST 2013 THROUGH MAY 2017, THE FIRM FAILED TO ESTABLISH WRITTEN SUPERVISORY PROCEDURES THAT WERE REASONABLY DESIGNED TO ENSURE THAT ITS ASSOCIATED PERSONS WERE APPROPRIATELY REGISTERED WITH ALL RELEVANT EXCHANGES, INCLUDING NYSE ARCA, IN VIOLATION OF NYSE ARCA EQUITIES RULE 6.18(C).

Initiated By: NYSE ARCA, INC.



Date Initiated: 11/20/2019
Docket/Case Number: 2018057776801
Principal Product Type: Options
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Other
Other Sanction(s)/Relief Sought: N/A
Resolution: Other
Resolution Date: 11/20/2019
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: Monetary/Fine \$4,500.00
Other Sanctions Ordered:
Sanction Details: THE FIRM WAS FINED \$4,500.
Regulator Statement THIS MATTER WAS RESOLVED THROUGH ACCEPTANCE OF A MINOR RULE VIOLATION PLAN LETTER.

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 IN CONNECTION WITH THE 2017 CYCLE EXAMINATION OF THE FIRM, FINRA REVIEWED THE FIRM'S COMPLIANCE WITH NYSE ARCA REGISTRATION REQUIREMENTS FOR THE PERIOD AUGUST 13, 2013 THROUGH MAY 7, 2017 AND DETERMINED THAT THE FIRM FAILED TO REGISTER EIGHT QUALIFIED INDIVIDUALS AS GENERAL SECURITIES REPRESENTATIVES WITH NYSE ARCA FOR PERIODS RANGING FROM 47 DAYS TO 12 AND A HALF YEARS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). THE FINDINGS STATED THAT THE FIRM FAILED TO REGISTER THREE QUALIFIED INDIVIDUALS AS GENERAL SECURITIES PRINCIPALS WITH NYSE ARCA FOR PERIODS RANGING FROM FOUR YEARS TO 12 AND A HALF YEARS, IN VIOLATION OF



NYSE ARCA EQUITIES RULE 2.21(A). THE FIRM FAILED TO TIMELY REGISTER ITS CHIEF COMPLIANCE OFFICER WITH NYSE ARCA FOR A PERIOD OF 13 YEARS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). THE FIRM FAILED TO TIMELY REGISTER ITS CHIEF FINANCIAL OFFICER FOR A PERIOD 45 DAYS, IN VIOLATION OF NYSE ARCA EQUITIES RULE 2.21(A). DURING THE PERIOD AUGUST 2013 THROUGH MAY 2017, THE FIRM FAILED TO ESTABLISH WRITTEN SUPERVISORY PROCEDURES THAT WERE REASONABLY DESIGNED TO ENSURE THAT ITS ASSOCIATED PERSONS WERE APPROPRIATELY REGISTERED WITH ALL RELEVANT EXCHANGES, INCLUDING NYSE ARCA, IN VIOLATION OF NYSE ARCA EQUITIES RULE 6.18(C).

Initiated By:	NYSE ARCA
Date Initiated:	11/20/2019
Docket/Case Number:	2018057776801
Principal Product Type:	Options
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	N/A
Resolution:	Other
Resolution Date:	11/20/2019
Sanctions Ordered:	Monetary/Fine \$4,500.00
Other Sanctions Ordered:	N/A
Sanction Details:	THE FIRM WAS FINED \$4,500.
Firm Statement	THIS MATTER WAS RESOLVED THROUGH ACCEPTANCE OF A MINOR RULE VIOLATION PLAN LETTER.

Disclosure 5 of 30

Reporting Source:	Firm
Current Status:	Final
Allegations:	BROKERS EMPLOYED BY THE FIRM ON THE EMERGING MARKETS FOREIGN EXCHANGE OPTIONS ("EFX OPTIONS") DESK FALSELY REPRESENTED TO THE FIRM CLIENTS ("CLIENTS") THAT CERTAIN BIDS AND OFFERS WERE EXECUTABLE WHEN THEY WERE NOT EXECUTABLE,



AND ALSO FALSELY REPRESENTED TO THEM THAT CERTAIN TRADES HAD OCCURRED WHEN THEY HAD NOT, IN FACT, OCCURRED. BY SUCH CONDUCT, THE BROKERS INTENDED TO CREATE AN ILLUSION OF GREATER LIQUIDITY AND, AT TIMES, TIGHTER SPREADS ON THE FIRM'S TRADING PLATFORM FOR EFX OPTIONS AND INDUCE CLIENTS TO TRANSACT IN EFX OPTIONS VIA THE FIRM'S PLATFORM AT TIMES AND PRICES AT WHICH THEY OTHERWISE MIGHT NOT HAVE. THE FIRM VIOLATED THE MARTIN ACT 23-A OF THE NEW YORK GENERAL BUSINESS LAW AS WELL AS CIVIL VIOLATIONS UNDER NEW YORK STATE EXECUTIVE LAW SECTION 63(12)

Initiated By: NEW YORK STATE OFFICE OF THE ATTORNEY GENERAL

Date Initiated: 09/30/2019

Docket/Case Number: 19-114

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Undertaking

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

Resolution: Other

Resolution Date: 09/30/2019

Sanctions Ordered: Monetary/Fine \$5,000,000.00
Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details: ASSURANCE OF DISCONTINUANCE - THE FIRM AGREES IT SHALL NOT USE ANY FRAUD, DECEPTION, CONCEALMENT, SUPPRESSION OR FICTICIOUS PURCHASE OF SALE RELATED TO FX OPTIONS, BID, OFFER OR TRADE. THE FIRM WILL IMPLEMENT REASONABLE POLICIES AND PROVIDE TRAINING TO ITS EMPLOYEES ON ITS FX DESK AND IMPLEMENT PRATICABLE MEANS TO MONITOR ITS BROKERS ON THE EFX OPTIONS DESK. THE FIRM HAS AGREED TO RETAIN AT ITS OWN COST AN INDEPENDENT MONITOR ACCEPTABLE TO THE NYOAG TO MONITOR, ASSESS, AND PROVIDE THE OAG WITH PERIODIC REPORTS. THE OAG WILL CONFER WITH THE CFTC REGARDING THE INDEPENDENT MONITOR MATTERS TO ENSURE CONSISTENCY BETWEEN THIS ASSURANCE AND ANY ORDER ISSUED BY THE CFTC CONCERNING THE CONDUCT AT ISSUE. THE FIRM WILL PAY A SUM OF \$5,000,000 REPRESENTING MONETARY PENALTIES, COSTS, DISBURSEMENTS, AND DISGORGEMENT



TO THE OAG.

Disclosure 6 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: CFTC DOCKET #19-49, SEPTEMBER 30, 2019: THE COMMODITY FUTURES TRADING COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED TO DETERMINE WHETHER RESPONDENT ENGAGED IN THE VIOLATIONS SET FORTH HEREIN AND TO DETERMINE WHETHER ANY ORDER SHOULD BE ISSUED IMPOSING REMEDIAL SANCTIONS. BROKERS EMPLOYED BY THE FIRM ON THE EMERGING MARKETS FOREIGN EXCHANGE OPTIONS ("EFX OPTIONS") DESK AT THE FIRM ("BROKERS") FALSELY REPRESENTED TO THE FIRM CLIENTS ("CLIENTS") THAT CERTAIN BIDS AND OFFERS WERE EXECUTABLE WHEN THEY WERE NOT EXECUTABLE, AND ALSO FALSELY REPRESENTED TO THEM THAT CERTAIN TRADES HAD OCCURRED WHEN THEY HAD NOT, IN FACT, OCCURRED. BY SUCH CONDUCT, THE BROKERS INTENDED TO CREATE AN ILLUSION OF GREATER LIQUIDITY AND, AT TIMES, TIGHTER SPREADS ON THE FIRM'S TRADING PLATFORM FOR EFX OPTIONS AND INDUCE CLIENTS TO TRANSACT IN EFX OPTIONS VIA THE FIRM'S PLATFORM AT TIMES AND PRICES AT WHICH THEY OTHERWISE MIGHT NOT HAVE. THE BROKERS' INTENTIONALLY DECEPTIVE CONDUCT VIOLATED SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE BROKERS ENGAGED IN THE CONDUCT DESCRIBED HEREIN WITHIN THE SCOPE OF THEIR EMPLOYMENT WITH THE FIRM. ACCORDINGLY, THE FIRM IS LIABLE FOR THESE VIOLATIONS. BASED ON THE FOREGOING, THE COMMISSION FINDS THAT THE FIRM VIOLATED SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). IN ACCEPTING THE FIRM'S OFFER, THE COMMISSION RECOGNIZES THE FIRM'S COOPERATION WITH THE INVESTIGATION OF THIS MATTER. THE COMMISSION NOTES THAT RESPONDENT'S COOPERATION AND REMEDIATION IS REFLECTED IN THE FORM OF A REDUCED CIVIL MONETARY PENALTY.

Initiated By: COMMODITY FUTURES TRADING COMMISSION

Date Initiated: 09/30/2019

Docket/Case Number: 19-49

Principal Product Type: Options

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

N/A

Resolution:

Order

Resolution Date:

09/30/2019

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?

Yes

Sanctions Ordered:

Monetary/Fine \$10,000,000.00
Cease and Desist/Injunction

Other Sanctions Ordered:

UNDERTAKINGS

Sanction Details:

THE FIRM WAS ORDERED TO CEASE AND DESIST FROM VIOLATING SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE FIRM WAS FINED \$10,000,000 AND ORDERED TO COMPLY WITH THE CONDITIONS AND UNDERTAKINGS SET FORTH IN THE OFFER.

Regulator Statement

IN ANTICIPATION OF THE INSTITUTION OF AN ADMINISTRATIVE PROCEEDING, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT ("OFFER"), WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. BASED ON THE FOREGOING, THE COMMISSION FINDS THAT THE FIRM VIOLATED SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE FIRM SHALL CEASE AND DESIST FROM VIOLATING SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE FIRM SHALL PAY A CIVIL MONETARY PENALTY IN THE AMOUNT OF \$10,000,000 ("CMP OBLIGATION"). THE CMP OBLIGATION WILL BE CREDITED, DOLLAR FOR DOLLAR, UP TO THE AMOUNT OF \$5,000,000, BY THE AMOUNT OF ANY PAYMENT MADE PURSUANT TO THE NYOAG AGREEMENT. THE FIRM SHALL COMPLY WITH THE CONDITIONS AND UNDERTAKINGS SET FORTH IN THE OFFER. IN ACCEPTING THE FIRM'S OFFER, THE COMMISSION RECOGNIZES THE FIRM'S COOPERATION WITH THE INVESTIGATION OF THIS MATTER. THE COMMISSION NOTES THAT RESPONDENT'S COOPERATION AND REMEDIATION IS REFLECTED IN THE FORM OF A REDUCED CIVIL MONETARY PENALTY.



Reporting Source: Firm

Current Status: Final

Allegations: CFTC DOCKET #19-49, SEPTEMBER 30, 2019: THE COMMODITY FUTURES TRADING COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED TO DETERMINE WHETHER RESPONDENT ENGAGED IN THE VIOLATIONS SET FORTH HEREIN AND TO DETERMINE WHETHER ANY ORDER SHOULD BE ISSUED IMPOSING REMEDIAL SANCTIONS. BROKERS EMPLOYED BY THE FIRM ON THE EMERGING MARKETS FOREIGN EXCHANGE OPTIONS ("EFX OPTIONS") DESK AT THE FIRM ("BROKERS") FALSELY REPRESENTED TO THE FIRM CLIENTS ("CLIENTS") THAT CERTAIN BIDS AND OFFERS WERE EXECUTABLE WHEN THEY WERE NOT EXECUTABLE, AND ALSO FALSELY REPRESENTED TO THEM THAT CERTAIN TRADES HAD OCCURRED WHEN THEY HAD NOT, IN FACT, OCCURRED. BY SUCH CONDUCT, THE BROKERS INTENDED TO CREATE AN ILLUSION OF GREATER LIQUIDITY AND, AT TIMES, TIGHTER SPREADS ON THE FIRM'S TRADING PLATFORM FOR EFX OPTIONS AND INDUCE CLIENTS TO TRANSACT IN EFX OPTIONS VIA THE FIRM'S PLATFORM AT TIMES AND PRICES AT WHICH THEY OTHERWISE MIGHT NOT HAVE. THE BROKERS' INTENTIONALLY DECEPTIVE CONDUCT VIOLATED SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE BROKERS ENGAGED IN THE CONDUCT DESCRIBED HEREIN WITHIN THE SCOPE OF THEIR EMPLOYMENT WITH THE FIRM. ACCORDINGLY, THE FIRM IS LIABLE FOR THESE VIOLATIONS. BASED ON THE FOREGOING, THE COMMISSION FINDS THAT THE FIRM VIOLATED SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). IN ACCEPTING THE FIRM'S OFFER, THE COMMISSION RECOGNIZES THE FIRM'S COOPERATION WITH THE INVESTIGATION OF THIS MATTER. THE COMMISSION NOTES THAT RESPONDENT'S COOPERATION AND REMEDIATION IS REFLECTED IN THE FORM OF A REDUCED CIVIL MONETARY PENALTY.

Initiated By: COMMODITY FUTURES TRADING COMMISSION

Date Initiated: 09/30/2019

Docket/Case Number: 19-49

Principal Product Type: Options

Other Product Type(s):

Principal Sanction(s)/Relief Sought:



Other Sanction(s)/Relief Sought:	N/A
Resolution:	Order
Resolution Date:	09/30/2019
Sanctions Ordered:	Monetary/Fine \$10,000,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	UNDERTAKINGS
Sanction Details:	THE FIRM WAS ORDERED TO CEASE AND DESIST FROM VIOLATING SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE FIRM WAS FINED \$10,000,000 AND ORDERED TO COMPLY WITH THE CONDITIONS AND UNDERTAKINGS SET FORTH IN THE OFFER.
Firm Statement	IN ANTICIPATION OF THE INSTITUTION OF AN ADMINISTRATIVE PROCEEDING, RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT ("OFFER"), WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. BASED ON THE FOREGOING, THE COMMISSION FINDS THAT THE FIRM VIOLATED SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE FIRM SHALL CEASE AND DESIST FROM VIOLATING SECTIONS 4B(A)(2), 6(C)(1), AND 4C(A)(1)-(2) OF THE ACT, 7 U.S.C. §§ 6B(A)(2), 9(1), 6C(A)(1)-(2) (2012), AND REGULATION 180.1(A). THE FIRM SHALL PAY A CIVIL MONETARY PENALTY IN THE AMOUNT OF \$10,000,000 ("CMP OBLIGATION"). THE CMP OBLIGATION WILL BE CREDITED, DOLLAR FOR DOLLAR, UP TO THE AMOUNT OF \$5,000,000, BY THE AMOUNT OF ANY PAYMENT MADE PURSUANT TO THE NYOAG AGREEMENT. THE FIRM SHALL COMPLY WITH THE CONDITIONS AND UNDERTAKINGS SET FORTH IN THE OFFER. IN ACCEPTING THE FIRM'S OFFER, THE COMMISSION RECOGNIZES THE FIRM'S COOPERATION WITH THE INVESTIGATION OF THIS MATTER. THE COMMISSION NOTES THAT RESPONDENT'S COOPERATION AND REMEDIATION IS REFLECTED IN THE FORM OF A REDUCED CIVIL MONETARY PENALTY.

Disclosure 7 of 30

Reporting Source:	Regulator
Current Status:	Final
Allegations:	SEC ADMIN RELEASE 33-10710; 34-87152, SEPTEMBER 27, 2019: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND



HEREBY ARE, INSTITUTED PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST GFI SECURITIES LLC ("RESPONDENT" OR "GFI"). THESE PROCEEDINGS CONCERN MATERIAL MISSTATEMENTS THAT GFI, A REGISTERED BROKER-DEALER, MADE TO ITS CUSTOMERS CONCERNING HOW GFI'S REGISTERED REPRESENTATIVES HANDLED CUSTOMER IDENTITIES IN BROKERING SECURITIES TRANSACTIONS. GFI PUBLICLY REPRESENTED ITSELF AS AN INTERDEALER BROKER ("IDB") THAT GENERALLY MAINTAINED THE ANONYMITY OF CUSTOMER IDENTITIES WHEN BROKERING SECURITIES TRADES AND COMMUNICATING WITH POTENTIAL COUNTERPARTIES. NOTWITHSTANDING THESE REPRESENTATIONS, AT LEAST THREE REGISTERED REPRESENTATIVES ON GFI'S EQUITY DERIVATIVES DESK REGULARLY DISCLOSED CUSTOMER IDENTITIES TO POTENTIAL COUNTERPARTIES AND OTHERS DID SO OCCASIONALLY. THE GFI REGISTERED REPRESENTATIVES' ACTIONS WERE INCONSISTENT WITH GFI'S PUBLIC STATEMENTS CONCERNING CUSTOMER ANONYMITY. MOST GFI CUSTOMERS BELIEVED THAT GFI'S EQUITY DERIVATIVES DESK GENERALLY KEPT THEIR IDENTITIES ANONYMOUS. ANONYMITY WAS IMPORTANT TO MANY CUSTOMERS OF GFI'S EQUITY DERIVATIVES DESK BECAUSE THEY WERE CONCERNED THAT THE DISCLOSURE OF THEIR IDENTITIES COULD UNFAIRLY ADVANTAGE OTHER MARKET PARTICIPANTS. FOR EXAMPLE, SOME CUSTOMERS WERE CONCERNED ABOUT THE POSSIBILITY THAT OTHER MARKET PARTICIPANTS COULD USE THIS INFORMATION TO FRONT-RUN THEIR TRADES. GFI HAD WRITTEN INTERNAL POLICIES THAT GENERALLY REQUIRED ITS REGISTERED REPRESENTATIVES TO MAINTAIN THE CONFIDENTIALITY OF CUSTOMER INFORMATION, INCLUDING CUSTOMER IDENTITIES, BUT DID NOT ADEQUATELY INFORM AND TRAIN ITS EMPLOYEES CONCERNING THESE POLICIES. GFI RECEIVED COMMISSIONS BASED ON THE SUCCESSFUL BROKERING OF TRADES FOR CUSTOMERS WHO WERE NOT AWARE THAT THE REGISTERED REPRESENTATIVES ON GFI'S EQUITY DERIVATIVES DESK HAD DISCLOSED THEIR IDENTITIES TO OTHER CUSTOMERS. AS A RESULT OF ITS CONDUCT, THE FIRM WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/27/2019

Docket/Case Number: 3-19546

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:



Other Sanction(s)/Relief Sought:	N/A
Resolution:	Order
Resolution Date:	09/27/2019
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	Yes
Sanctions Ordered:	Censure Monetary/Fine \$4,300,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	
Sanction Details:	THE FIRM WAS CENSURED, FINED \$4,300,000 AND ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT.
Regulator Statement	RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. AS A RESULT OF ITS CONDUCT, THE FIRM WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. ACCORDINGLY, IT IS HEREBY ORDERED THAT: THE FIRM CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT. THE FIRM IS CENSURED. THE FIRM SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$4,300,000 TO THE SECURITIES AND EXCHANGE COMMISSION FOR TRANSFER TO THE GENERAL FUND OF THE UNITED STATES TREASURY. THE FIRM ENGAGED IN REMEDIAL EFFORTS TO IMPROVE TRAINING AND ENFORCEMENT OF ITS ANONYMITY POLICY.
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Reporting Source:	Firm
Current Status:	Final
Allegations:	SEC ADMIN RELEASE 33-10710; 34-87152, SEPTEMBER 27, 2019: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT") AND SECTION 15(B) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT") AGAINST GFI SECURITIES LLC ("RESPONDENT" OR "GFI"). THESE PROCEEDINGS CONCERN MATERIAL



MISSTATEMENTS THAT GFI, A REGISTERED BROKER-DEALER, MADE TO ITS CUSTOMERS CONCERNING HOW GFI'S REGISTERED REPRESENTATIVES HANDLED CUSTOMER IDENTITIES IN BROKERING SECURITIES TRANSACTIONS. GFI PUBLICLY REPRESENTED ITSELF AS AN INTERDEALER BROKER ("IDB") THAT GENERALLY MAINTAINED THE ANONYMITY OF CUSTOMER IDENTITIES WHEN BROKERING SECURITIES TRADES AND COMMUNICATING WITH POTENTIAL COUNTERPARTIES. NOTWITHSTANDING THESE REPRESENTATIONS, AT LEAST THREE REGISTERED REPRESENTATIVES ON GFI'S EQUITY DERIVATIVES DESK REGULARLY DISCLOSED CUSTOMER IDENTITIES TO POTENTIAL COUNTERPARTIES AND OTHERS DID SO OCCASIONALLY. THE GFI REGISTERED REPRESENTATIVES' ACTIONS WERE INCONSISTENT WITH GFI'S PUBLIC STATEMENTS CONCERNING CUSTOMER ANONYMITY. MOST GFI CUSTOMERS BELIEVED THAT GFI'S EQUITY DERIVATIVES DESK GENERALLY KEPT THEIR IDENTITIES ANONYMOUS. ANONYMITY WAS IMPORTANT TO MANY CUSTOMERS OF GFI'S EQUITY DERIVATIVES DESK BECAUSE THEY WERE CONCERNED THAT THE DISCLOSURE OF THEIR IDENTITIES COULD UNFAIRLY ADVANTAGE OTHER MARKET PARTICIPANTS. FOR EXAMPLE, SOME CUSTOMERS WERE CONCERNED ABOUT THE POSSIBILITY THAT OTHER MARKET PARTICIPANTS COULD USE THIS INFORMATION TO FRONT-RUN THEIR TRADES. GFI HAD WRITTEN INTERNAL POLICIES THAT GENERALLY REQUIRED ITS REGISTERED REPRESENTATIVES TO MAINTAIN THE CONFIDENTIALITY OF CUSTOMER INFORMATION, INCLUDING CUSTOMER IDENTITIES, BUT DID NOT ADEQUATELY INFORM AND TRAIN ITS EMPLOYEES CONCERNING THESE POLICIES. GFI RECEIVED COMMISSIONS BASED ON THE SUCCESSFUL BROKERING OF TRADES FOR CUSTOMERS WHO WERE NOT AWARE THAT THE REGISTERED REPRESENTATIVES ON GFI'S EQUITY DERIVATIVES DESK HAD DISCLOSED THEIR IDENTITIES TO OTHER CUSTOMERS. AS A RESULT OF ITS CONDUCT, THE FIRM WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 09/27/2019

Docket/Case Number: 3-19546

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

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

Resolution: Order



Resolution Date: 09/27/2019

Sanctions Ordered: Censure
Monetary/Fine \$4,300,000.00
Cease and Desist/Injunction

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED, FINED \$4,300,000 AND ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT.

Firm Statement RESPONDENT HAS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. AS A RESULT OF ITS CONDUCT, THE FIRM WILLFULLY VIOLATED SECTION 17(A)(2) OF THE SECURITIES ACT. ACCORDINGLY, IT IS HEREBY ORDERED THAT: THE FIRM CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A)(2) OF THE SECURITIES ACT. THE FIRM IS CENSURED. THE FIRM SHALL PAY A CIVIL MONEY PENALTY IN THE AMOUNT OF \$4,300,000 TO THE SECURITIES AND EXCHANGE COMMISSION FOR TRANSFER TO THE GENERAL FUND OF THE UNITED STATES TREASURY. THE FIRM ENGAGED IN REMEDIAL EFFORTS TO IMPROVE TRAINING AND ENFORCEMENT OF ITS ANONYMITY POLICY.

Disclosure 8 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: ON MARCH 5, 2018, GFI SECURITIES LLC (THE "FIRM") FAILED TO ADHERE TO THE REQUIREMENTS OF THE NASDAQ PHLX LLC RULES WHEN UTILIZING THE QUALIFIED CONTINGENT CROSS ("QCC") ORDER DESIGNATION BY DIRECTING THAT AN ORDER BE IMPROPERLY DESIGNATED AS A QCC, WHICH DID NOT QUALIFY AS A QCC IN THAT THE OPTIONS AND THE EQUITY COMPONENTS WERE NOT FULLY HEDGED IN RELATION TO EACH OTHER.

Initiated By: NASDAQ PHLX LLC

Date Initiated: 04/20/2018

Docket/Case Number: 2018.04.0032

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:	CENSURE
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/27/2019
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 \$7,500.00
Other Sanctions Ordered:	A REPRESENTATION THAT THE FIRM WILL REVIEW THE FIRM'S SUPERVISORY SYSTEMS AND TAKE CORRECTIVE ACTION WITH RESPECT TO THE SUPERVISORY DEFICIENCIES IDENTIFIED IN THE AWC, AND A REQUIREMENT THAT THE FIRM PROVIDE WITHIN 90 DAYS OF MARCH 27, 2019 A DETAILED REPRESENTATION, INCLUDING THE STEPS TAKEN, THAT THE FIRM HAS REVIEWED AND REVISED ITS SUPERVISORY SYSTEMS AND PROCESSES TO ADDRESS THE DEFICIENCIES IDENTIFIED IN THE AWC, AND TO ENSURE THAT THE FIRM IS IN FACT TAKING ALL ACTIONS OUTLINED IN ITS PROCESSES AND PROCEDURES, AND THE DATE ANY REVISED SYSTEMS WERE IMPLEMENTED.
Sanction Details:	FINE OF \$7500.00 WAS IMPOSED ON MARCH 27, 2019 AND HAS NOT BEEN PAID TO DATE BUT THE FIRM WILL BE INVOICED.
<hr/>	
Reporting Source:	Firm
Current Status:	Final
Allegations:	ON MARCH 5, 2018, GFI SECURITIES LLC (THE "FIRM") FAILED TO ADHERE TO THE REQUIREMENTS OF THE NASDAQ PHLX LLC RULES WHEN UTILIZING THE QUALIFIED CONTINGENT CROSS ("QCC") ORDER DESIGNATION BY DIRECTING THAT AN ORDER BE IMPROPERLY DESIGNATED AS A QCC, WHICH DID NOT QUALIFY AS A QCC IN THAT THE OPTIONS AND THE EQUITY COMPONENTS WERE NOT FULLY HEDGED IN RELATION TO EACH OTHER.
Initiated By:	NASDAQ PHLX LLC
Date Initiated:	04/20/2018
Docket/Case Number:	2018.04.0032



Principal Product Type:	Options
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	03/27/2019
Sanctions Ordered:	Censure Monetary/Fine \$7,500.00
Other Sanctions Ordered:	A REPRESENTATION THAT THE FIRM WILL REVIEW THE FIRM'S SUPERVISORY SYSTEMS AND TAKE CORRECTIVE ACTION WITH RESPECT TO THE SUPERVISORY DEFICIENCIES IDENTIFIED IN THE AWC, AND A REQUIREMENT THAT THE FIRM PROVIDE WITHIN 90 DAYS OF MARCH 27, 2019 A DETAILED REPRESENTATION, INCLUDING THE STEPS TAKEN, THAT THE FIRM HAS REVIEWED AND REVISED ITS SUPERVISORY SYSTEMS AND PROCESSES TO ADDRESS THE DEFICIENCIES IDENTIFIED IN THE AWC, AND TO ENSURE THAT THE FIRM IS IN FACT TAKING ALL ACTIONS OUTLINED IN ITS PROCESSES AND PROCEDURES, AND THE DATE ANY REVISED SYSTEMS WERE IMPLEMENTED.
Sanction Details:	FINE OF \$7500.00 WAS IMPOSED ON MARCH 27, 2019 AND HAS NOT BEEN PAID TO DATE BUT THE FIRM WILL BE INVOICED.

Disclosure 9 of 30

Reporting Source:	Firm
Current Status:	Final
Allegations:	GFI SECURITIES ("GFI") MAY HAVE VIOLATED EXCHANGE RULES 6.08(B)(I) IN WHICH IT FAILED TO COMPLY WITH THE RECORDKEEPING REQUIREMENTS ASSOCIATED WITH HANDLING CUSTOMER ORDERS; 6.07(B) IN WHICH IT FAILED TO RECORD AND MAINTAIN ALL WRITTEN AND/OR ORAL COMMUNICATIONS THAT LED TO THE EXECUTION OF CONSUMMATED BLOCK TRADES; 4.07(C) IN WHICH IT MISREPORTED THE CORRECT EXECUTION TIME OF BLOCK TRADES AND SUBMITTED BLOCK TRADES TO THE EXCHANGE BEYOND THE 15-MINUTE REPORTING PERIOD; 4.02(I) IN WHICH ONE OF ITS FORMER BROKERS INADVERTENTLY DISCLOSED THE IDENTITY OF A CUSTOMER TO A CO-BROKER WHO PLACED AN ORDER; AND 4.01 IN WHICH IT FAILED TO ADEQUATELY SUPERVISE ITS BROKERS' BLOCK TRADE ACTIVITY.



Initiated By: ICE FUTURES U.S. INC.

Date Initiated: 09/12/2018

Docket/Case Number: 2017-052

Principal Product Type: Futures - Commodity

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought: FINE \$42,500.00

Resolution: Settled

Resolution Date: 09/17/2018

Sanctions Ordered: Monetary/Fine \$42,500.00
Cease and Desist/Injunction

Other Sanctions Ordered:**Sanction Details:**

GFI SECURITIES ("GFI") MAY HAVE VIOLATED EXCHANGE RULES 6.08(B)(I) IN WHICH IT FAILED TO COMPLY WITH THE RECORDKEEPING REQUIREMENTS ASSOCIATED WITH HANDLING CUSTOMER ORDERS; 6.07(B) IN WHICH IT FAILED TO RECORD AND MAINTAIN ALL WRITTEN AND/OR ORAL COMMUNICATIONS THAT LED TO THE EXECUTION OF CONSUMMATED BLOCK TRADES; 4.07(C) IN WHICH IT MISREPORTED THE CORRECT EXECUTION TIME OF BLOCK TRADES AND SUBMITTED BLOCK TRADES TO THE EXCHANGE BEYOND THE 15-MINUTE REPORTING PERIOD; 4.02(I) IN WHICH ONE OF ITS FORMER BROKERS INADVERTENTLY DISCLOSED THE IDENTITY OF A CUSTOMER TO A CO-BROKER WHO PLACED AN ORDER; AND 4.01 IN WHICH IT FAILED TO ADEQUATELY SUPERVISE ITS BROKERS' BLOCK TRADE ACTIVITY.

Firm Statement

IN ACCORDANCE WITH THE TERMS OF SETTLEMENT, IN WHICH GFI NEITHER ADMITTED NOR DENIED THE RULE VIOLATION, GFI PAID A FINE IN THE AMOUNT OF \$42,500.00 AND AGREED TO CEASE AND DESIST FROM FUTURE VIOLATIONS OF RULES 6.08(B)(I); 6.07(B); 4.07(C); AND 4.02(I).

Disclosure 10 of 30

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 DESPITE PRIOR NOTICE FROM FINRA THAT THE FIRM'S WRITTEN SUPERVISORY PROCEDURES ("WSPS") DID NOT ADDRESS THE FIRM'S FACILITATION BUSINESS, THE FIRM FAILED TO HAVE ADEQUATE SUPERVISORY SYSTEMS INCLUDING ADEQUATE SYSTEMS OF FOLLOW-UP AND REVIEW, AND REASONABLE WSPS, WITH RESPECT TO THE FOLLOWING: (I) THE DESK'S PLACEMENT OF TRADES IN ITS PROPRIETARY AND ERROR ACCOUNTS, WHICH WERE USED INTERCHANGEABLY, ACTIVITY NOT DETECTED BY THE FIRM; (II) UNTIL SEPTEMBER 2013, ITS WSPS FAILED TO ADEQUATELY DISTINGUISH BETWEEN TRADES THAT SHOULD BE PLACED IN THE FIRM'S FACILITATION AND ERROR ACCOUNTS; (III) THE FIRM'S FAILURE TO FOLLOW ITS OWN WSPS REGARDING DOCUMENTATION OF CERTAIN ERRORS, IN THAT ON MULTIPLE OCCASIONS THE FIRM FAILED TO COMPLETE ERROR REPORTS DESPITE AN EXPLICIT REQUIREMENT TO DO SO REFERENCED IN THE FIRM'S WSPS; AND (IV) THE FIRM'S FAILURE TO TIMELY EVIDENCE THE FIRM'S MONTHLY SUPERVISORY REVIEW LOG IN FEBRUARY 2014 AND MAY 2016.

THE FINDINGS STATED THAT SPECIFICALLY, DESPITE PRIOR NOTICE TO THE FIRM FROM THE INTERNATIONAL SECURITIES EXCHANGE'S (ISE) THAT IT IMPROPERLY HAD USED THE SOLICITED ORDER MECHANISM (SOM) IN CONNECTION WITH THREE CROSSING ORDERS THAT DID NOT INCLUDE SOLICITED CONTRA ORDERS, THE FIRM IMPROPERLY USED THE SOM TO CROSS ORDERS THAT DID NOT INVOLVE SOLICITED CONTRA ORDERS ON 30 OCCASIONS FROM THE FOURTH QUARTER OF 2013 THROUGH THE THIRD QUARTER OF 2014, AND ON SIX OCCASIONS DURING THE THIRD QUARTER OF 2015. THE FIRM FAILED TO HAVE ADEQUATE SUPERVISORY SYSTEMS AND CONTROLS IN PLACE, INCLUDING WSPS AND SEPARATE SYSTEMS OF FOLLOW-UP AND REVIEW, WHICH WERE REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH ISE RULES RELATED TO THE PROPER USE OF THE SOM. ADDITIONALLY, THE FIRM FAILED TO ADEQUATELY SUPERVISE PERSONS ASSOCIATED WITH THE FIRM TO ENSURE COMPLIANCE WITH ISE RULES RELATED TO THE PROPER USE OF THE SOM.

THE FINDINGS ALSO STATED THAT NUMEROUS SITUATIONS WERE IDENTIFIED IN WHICH THE FIRM HAD FAILED TO ADHERE TO THE REQUIREMENTS OF ISE RULES WHEN UTILIZING THE QUALIFIED CONTINGENT CROSSES ("QCCS") ORDER DESIGNATION. THE FIRM ALSO EXECUTED SIX TRADES IN WHICH THE QCC TRADE HAD NOT BEEN PROPERLY HEDGED AND ONE TRADE IN WHICH THE QCC ORDER HAD BEEN EXECUTED WITHOUT A CORRESPONDING STOCK PRINT. THE FIRM FAILED TO HAVE ADEQUATE SUPERVISORY SYSTEMS AND CONTROLS IN PLACE, INCLUDING WSPS AND SEPARATE SYSTEMS OF FOLLOW-UP AND REVIEW, WHICH WERE REASONABLY DESIGNED TO ACHIEVE



COMPLIANCE WITH THE ISE'S QCC REQUIREMENTS. ADDITIONALLY, THE FIRM FAILED TO ADEQUATELY SUPERVISE PERSONS ASSOCIATED WITH THE FIRM AS TO ENSURE COMPLIANCE WITH THE ISE'S QCC REQUIREMENTS.

Initiated By: NASDAQ ISE, LLC

Date Initiated: 07/17/2017

Docket/Case Number: 2014039928501

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/17/2017

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

Sanctions Ordered: Censure
Monetary/Fine \$125,000.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: THE FIRM WAS CENSURED AND FINED \$125,000. AN UNDERTAKING REQUIRING THE FIRM TO REVIEW AND REVISE ITS SUPERVISORY SYSTEMS TO ADDRESS THE DEFICIENCIES DESCRIBED IN THE AWC.

Regulator Statement ASSOCIATED MATTER INCLUDES ISE FILE NOS. 2014-131, 2014-224, 2014-317, 2014-045, 2014-143, 2014-236, 2014-329, 2015-265, 2015-033, 2015-109, 2015-180, 2015-255, 2015-229, 2016-026, 2016-102, AND 2016-322

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 DESPITE



PRIOR NOTICE FROM FINRA THAT THE FIRM'S WRITTEN SUPERVISORY PROCEDURES ("WSPS") DID NOT ADDRESS THE FIRM'S FACILITATION BUSINESS, THE FIRM FAILED TO HAVE ADEQUATE SUPERVISORY SYSTEMS INCLUDING ADEQUATE SYSTEMS OF FOLLOW-UP AND REVIEW, AND REASONABLE WSPS, WITH RESPECT TO THE FOLLOWING: (I) THE DESK'S PLACEMENT OF TRADES IN ITS PROPRIETARY AND ERROR ACCOUNTS, WHICH WERE USED INTERCHANGEABLY, ACTIVITY NOT DETECTED BY THE FIRM; (II) UNTIL SEPTEMBER 2013, ITS WSPS FAILED TO ADEQUATELY DISTINGUISH BETWEEN TRADES THAT SHOULD BE PLACED IN THE FIRM'S FACILITATION AND ERROR ACCOUNTS; (III) THE FIRM'S FAILURE TO FOLLOW ITS OWN WSPS REGARDING DOCUMENTATION OF CERTAIN ERRORS, IN THAT ON MULTIPLE OCCASIONS THE FIRM FAILED TO COMPLETE ERROR REPORTS DESPITE AN EXPLICIT REQUIREMENT TO DO SO REFERENCED IN THE FIRM'S WSPS; AND (IV) THE FIRM'S FAILURE TO TIMELY EVIDENCE THE FIRM'S MONTHLY SUPERVISORY REVIEW LOG IN FEBRUARY 2014 AND MAY 2016. THE FINDINGS STATED THAT SPECIFICALLY, DESPITE PRIOR NOTICE TO THE FIRM FROM THE INTERNATIONAL SECURITIES EXCHANGE'S (ISE) THAT IT IMPROPERLY HAD USED THE SOLICITED ORDER MECHANISM (SOM) IN CONNECTION WITH THREE CROSSING ORDERS THAT DID NOT INCLUDE SOLICITED CONTRA ORDERS, THE FIRM IMPROPERLY USED THE SOM TO CROSS ORDERS THAT DID NOT INVOLVE SOLICITED CONTRA ORDERS ON 30 OCCASIONS FROM THE FOURTH QUARTER OF 2013 THROUGH THE THIRD QUARTER OF 2014, AND ON SIX OCCASIONS DURING THE THIRD QUARTER OF 2015. THE FIRM FAILED TO HAVE ADEQUATE SUPERVISORY SYSTEMS AND CONTROLS IN PLACE, INCLUDING WSPS AND SEPARATE SYSTEMS OF FOLLOW-UP AND REVIEW, WHICH WERE REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH ISE RULES RELATED TO THE PROPER USE OF THE SOM. ADDITIONALLY, THE FIRM FAILED TO ADEQUATELY SUPERVISE PERSONS ASSOCIATED WITH THE FIRM TO ENSURE COMPLIANCE WITH ISE RULES RELATED TO THE PROPER USE OF THE SOM. THE FINDINGS ALSO STATED THAT NUMEROUS SITUATIONS WERE IDENTIFIED IN WHICH THE FIRM HAD FAILED TO ADHERE TO THE REQUIREMENTS OF ISE RULES WHEN UTILIZING THE QUALIFIED CONTINGENT CROSSES ("QCCS") ORDER DESIGNATION. THE FIRM ALSO EXECUTED SIX TRADES IN WHICH THE QCC TRADE HAD NOT BEEN PROPERLY HEDGED AND ONE TRADE IN WHICH THE QCC ORDER HAD BEEN EXECUTED WITHOUT A CORRESPONDING STOCK PRINT. THE FIRM FAILED TO HAVE ADEQUATE SUPERVISORY SYSTEMS AND CONTROLS IN PLACE, INCLUDING WSPS AND SEPARATE SYSTEMS OF FOLLOW-UP AND REVIEW, WHICH WERE REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE ISE'S QCC REQUIREMENTS. ADDITIONALLY, THE FIRM FAILED TO ADEQUATELY SUPERVISE PERSONS ASSOCIATED WITH THE FIRM AS TO ENSURE COMPLIANCE WITH THE ISE'S QCC REQUIREMENTS.

Initiated By: NASDQ ISE, LLC



Date Initiated: 07/17/2017
Docket/Case Number: 2014039928501
Principal Product Type: Other
Other Product Type(s): UNSPECIFIED SECURITIES
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 07/17/2017
Sanctions Ordered: Censure
 Monetary/Fine \$125,000.00
Other Sanctions Ordered: UNDERTAKING
Sanction Details: THE FIRM WAS CENSURED AND FINED \$125,000. AN UNDERTAKING REQUIRING THE FIRM TO REVIEW AND REVISE ITS SUPERVISORY SYSTEMS TO ADDRESS THE DEFICIENCIES DESCRIBED IN THE AWC.
Firm Statement ASSOCIATED MATTER INCLUDES ISE FILE NOS. 2014-131, 2014-224, 2014-317, 2014-045, 2014-143, 2014-236, 2014-329, 2015-265, 2015-033, 2015-109, 2015-180, 2015-255, 2015-229, 2016-026, 2016-102, AND 2016-322

Disclosure 11 of 30

Reporting Source: Regulator
Current Status: Final
Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO REPORT TRANSACTIONS IN TRADE REPORTING AND COMPLIANCE ENGINE (TRACE)-ELIGIBLE CORPORATE DEBT SECURITIES TO TRACE WITHIN THE TIME REQUIRED BY FINRA RULE 6730(A).
Initiated By: FINRA
Date Initiated: 08/14/2014
Docket/Case Number: [2013036993601](#)
Principal Product Type: Debt - Corporate
Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/14/2014

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

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: SEE ABOVE

FINE PAID IN FULL ON AUGUST 26, 2014.

Reporting Source: Firm

Current Status: Final

Allegations: GFI FAILED TO REPORT TRANSACTIONS IN TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) ELIGIBLE CORPORATE DEBT SECURITIES TO TRACE WITHIN THE TIME REQUIRED BY FINRA RULE 6730

Initiated By: FINRA

Date Initiated: 08/14/2014

Docket/Case Number: [2013036993601](#)

Principal Product Type: Debt - Corporate

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)



Resolution Date: 08/14/2014

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: FINED

Firm Statement WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THE FIRM AGREED TO AN AWC AND PAID THE FINE TO FINRA ON AUGUST 26, 2014

Disclosure 12 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE SANCTIONS AND TO THE ENTRY OF FINDINGS THAT IT FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE WRITTEN POLICIES AND PROCEDURES THAT WERE REASONABLY DESIGNED TO PREVENT TRADE-THROUGHS OF PROTECTED QUOTATIONS IN NMS STOCKS THAT DO NOT FALL WITHIN ANY APPLICABLE EXCEPTION, AND IF RELYING ON AN EXCEPTION, ARE REASONABLY DESIGNED TO ASSURE COMPLIANCE WITH THE TERMS OF THE EXCEPTION. THE FINDINGS STATED THAT THE FIRM FAILED TO REPORT TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) THE CORRECT TIME OF TRADE EXECUTION FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES AND FAILED TO SHOW THE TIME OF EXECUTION ON THE MEMORANDUM OF BROKERAGE ORDERS.

Initiated By: FINRA

Date Initiated: 04/29/2014

Docket/Case Number: [2010023769301](#)

Principal Product Type: Other

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/29/2014



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 \$17,500.00

Other Sanctions Ordered:

Sanction Details: SEE ABOVE - FINE PAID IN FULL ON MAY 8, 2014.

Reporting Source: Firm

Current Status: Final

Allegations: GFI FAILED TO ESTABLISH, MAINTAIN AND ENFORCE WRITTEN POLICES AND PROCEDURES THAT WERE REASONABLY DESIGNED TO PREVENT TRADE-THROUGH OF PROTECTED QUOTATIONS IN NMS STOCK THAT DO NOT FALL WITHIN ANY APPLICABLE EXCEPTION. THE FINDINGS STATED THE FIRM FAILED TO REPORT TO TRACE THE CORRECT TIME OF TRADE EXECUTION FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES AND FAILED TO SHOW THE TIME OF EXECUTION ON THE MEMORANDUM OF BROKERAGE ORDERS.

Initiated By: FINRA

Date Initiated: 04/29/2014

Docket/Case Number: [2010023769301](#)

Principal Product Type: Other

Other Product Type(s): TRACE ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 04/29/2014

Sanctions Ordered: Censure
Monetary/Fine \$17,500.00

Other Sanctions Ordered:



Sanction Details: CENSURED AND FINED 17500.00

Firm Statement WITHOUT ADMITTING OR DENYING GFI AGREED TO AN AWC. GFI WAS CENSURED AND FINED. THE FINE WAS PAID IN FULL MAY 8, 2014.

Disclosure 13 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: FINRA RULE 7450(A) - GFI SECURITIES LLC FAILED TO TIMELY REPORT REPORTABLE ORDER EVENTS(ROES) TO THE ORDER AUDIT TRAIL SYSTEM (OATS); TRANSMITTED NEW ORDER REPORTS AND RELATED SUBSEQUENT REPORTS TO OATS WHERE THE TIMESTAMP FOR THE RELATED SUBSEQUENT REPORT OCCURRED PRIOR TO THE RECEIPT OF THE ORDER; TRANSMITTED EXECUTION OR COMBINED ORDER/EXECUTION REPORTS TO OATS THAT CONTAINED INACCURATE, INCOMPLETE, OR IMPROPERLY FORMATTED DATA; TRANSMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT THE OATS SYSTEM WAS UNABLE TO LINK TO THE CORRESPONDING NEW ORDER TRANSMITTED BY THE DESTINATION MEMBER FIRM DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; AND TRANSMITTED NEW ORDER REPORTS TO OATS WHERE OATS WAS UNABLE TO MATCH THE NEW ORDER REPORT TO ROUTE OR COMBINED ORDER/ROUTE REPORTS SUBMITTED BY OTHER MEMBER BROKER DEALERS WHERE THE FIRM WAS NAMED AS THE DESTINATION FIRM.

Initiated By: FINRA

Date Initiated: 01/07/2014

Docket/Case Number: [2011028587101](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/07/2014



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 \$7,500.00

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 \$7,500. FINE PAID IN FULL ON JANUARY 22, 2014.

Reporting Source:

Firm

Current Status:

Final

Allegations:

FINRA RULE 7450(A) - GFI SECURITIES LLC FAILED TO TIMELY REPORT REPORTABLE ORDER EVENTS(ROES) TO THE ORDER AUDIT TRAIL SYSTEM (OATS); TRANSMITTED NEW ORDER REPORTS AND RELATED SUBSEQUENT REPORTS TO OATS WHERE THE TIMESTAMP FOR THE RELATED SUBSEQUENT REPORT OCCURRED PRIOR TO THE RECEIPT OF THE ORDER; TRANSMITTED EXECUTION OR COMBINED ORDER/EXECUTION REPORTS TO OATS THAT CONTAINED INACCURATE, INCOMPLETE, OR IMPROPERLY FORMATTED DATA; TRANSMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT THE OATS SYSTEM WAS UNABLE TO LINK TO THE CORRESPONDING NEW ORDER TRANSMITTED BY THE DESTINATION MEMBER FIRM DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA; AND TRANSMITTED NEW ORDER REPORTS TO OATS WHERE OATS WAS UNABLE TO MATCH THE NEW ORDER REPORT TO ROUTE OR COMBINED ORDER/ROUTE REPORTS SUBMITTED BY OTHER MEMBER BROKER DEALERS WHERE THE FIRM WAS NAMED AS THE DESTINATION FIRM.

Initiated By:

FINRA

Date Initiated:

01/07/2014

Docket/Case Number:

[2011028587101](#)

Principal Product Type:

No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/07/2014

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

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 \$7,500.

Firm Statement GFI SECURITIES LLC FAILED TO COMPLY WITH FINRA RULE 7450(A) OATS REPORTING. 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 \$7,500.

Disclosure 14 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: FINRA RULES 2010, 6380A, NASD RULE 6130(D) - GFI SECURITIES LLC EXECUTED SHORT SALE TRANSACTIONS AND FAILED TO REPORT EACH OF THESE TRANSACTIONS TO THE FINRA/NASDAQ TRADE REPORTING FACILITY (FNTRF) WITH A SHORT SALE MODIFIER AND FAILED TO REPORT THE CORRECT SYMBOL INDICATING THE CAPACITY IN WHICH THE FIRM EXECUTED TRANSACTIONS IN REPORTABLE SECURITIES. THE FIRM FAILED TO REPORT TO THE FNTRF THE CORRECT TRADE REPORT MODIFIER INDICATING WHETHER THE TRADE OCCURRED AT A PRICE BASED ON AN AVERAGE WEIGHTING OR ANOTHER SPECIAL PRICING FORMULA FOR SOME LAST SALE REPORTS OF TRANSACTIONS IN REPORTABLE SECURITIES. THE FIRM FAILED, WITHIN 30 SECONDS AFTER EXECUTION, TO TRANSMIT TO THE FNTRF LAST SALE REPORTS OF TRANSACTIONS IN DESIGNATED SECURITIES. THIS CONDUCT CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF FINRA RULE 6380A AND A PATTERN OR PRACTICE OF LATE REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES IN VIOLATION OF FINRA RULE 2010.

Initiated By: FINRA

Date Initiated: 10/22/2012



Docket/Case Number: [2009017714001](#)

Principal Product Type: Other

Other Product Type(s): REPORTABLE SECURITIES, DESIGNATED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/22/2012

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

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

Other Sanctions Ordered:

Sanction Details: 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 \$25,000. FINE PAID IN FULL ON 11/7/2012

Reporting Source: Firm

Current Status: Final

Allegations: FINRA RULES 2010, 6380A, NASD RULE 6130(D) - IN 2008 GFI SECURITIES LLC EXECUTED 138 SHORT SALE TRANSACTIONS AND FAILED TO REPORT EACH OF THESE TRANSACTIONS TO THE FINRA/NASDAQ TRADE REPORTING FACILITY (FNTRF) WITH A SHORT SALE MODIFIER AND FAILED TO REPORT THE CORRECT CAPACITY IN WHICH THE FIRM EXECUTED TRANSACTIONS IN REPORTABLE SECURITIES. IN MAY 2009 THE FIRM FAILED TO REPORT TO THE FNTRF 37 TRADES WITH THE CORRECT TRADE REPORT MODIFIER INDICATING WHETHER THE TRADE OCCURRED AT A PRICE BASED ON AN AVERAGE WEIGHTING OR ANOTHER SPECIAL PRICING FORMULA FOR SOME LAST SALE REPORTS OF TRANSACTIONS IN REPORTABLE SECURITIES. THE FIRM FAILED, WITHIN 30 SECONDS AFTER EXECUTION, TO TRANSMIT TO THE FNTRF LAST SALE REPORTS OF



TRANSACTIONS IN DESIGNATED SECURITIES. THIS CONDUCT CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF FINRA RULE 6380A AND A PATTERN OR PRACTICE OF LATE REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES IN VIOLATION OF FINRA RULE 2010.

Initiated By: FINRA

Date Initiated: 10/22/2012

Docket/Case Number: [2009017714001](#)

Principal Product Type: Other

Other Product Type(s): REPORTABLE SECURITIES, DESIGNATED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/22/2012

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

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 \$25,000. FINE PAID IN FULL ON 11/7/2012

Disclosure 15 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: FINRA RULE 7450(A), NASD RULE 6955(A) - GFI SECURITIES LLC TRANSMITTED EXECUTION OR COMBINED ORDER/EXECUTION REPORTS TO THE ORDER AUDIT TRAIL SYSTEM (OATS) THAT CONTAINED INACCURATE, MISSING OR IMPROPERLY FORMATTED DATA SO THAT THE OATS SYSTEM WAS UNABLE TO LINK THE EXECUTION REPORTS TO THE RELATED TRADE REPORTS IN A FINRA TRADE REPORTING SYSTEM OR TRANSACTION REPORTING SYSTEM. THE FIRM TRANSMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT WERE SUBMITTED TO OATS BY OTHER MEMBERS WHERE THE FIRM WAS NAMED AS THE SENT TO FIRM THAT THE OATS SYSTEM WAS UNABLE TO MATCH TO A RELATED



NEW ORDER REPORT SUBMITTED BY THE FIRM DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.

Initiated By: FINRA

Date Initiated: 10/17/2011

Docket/Case Number: [2008012764501](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/17/2011

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

Sanctions Ordered: Censure
Monetary/Fine \$17,500.00

Other Sanctions Ordered:

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 \$17,500.

Reporting Source: Firm

Current Status: Final

Allegations: FINRA RULE 7450(A), NASD RULE 6955(A) - GFI SECURITIES LLC TRANSMITTED EXECUTION OR COMBINED ORDER/EXECUTION REPORTS TO THE ORDER AUDIT TRAIL SYSTEM (OATS) THAT CONTAINED INACCURATE, MISSING OR IMPROPERLY FORMATTED DATA SO THAT THE OATS SYSTEM WAS UNABLE TO LINK THE EXECUTION REPORTS TO THE RELATED TRADE REPORTS IN A FINRA TRADE REPORTING SYSTEM. THE FIRM TRANSMITTED ROUTE OR COMBINED ORDER/ROUTE REPORTS TO OATS THAT WERE SUBMITTED TO OATS BY OTHER MEMBERS WHERE THE



FIRM WAS NAMED AS THE SENT TO FIRM THAT THE OATS SYSTEM WAS UNABLE TO MATCH TO A RELATED NEW ORDER REPORT SUBMITTED BY THE FIRM DUE TO INACCURATE, INCOMPLETE OR IMPROPERLY FORMATTED DATA.

Initiated By: FINRA

Date Initiated: 10/17/2011

Docket/Case Number: [2008012764501](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/17/2011

Sanctions Ordered: Censure
Monetary/Fine \$17,500.00

Other Sanctions Ordered:

Sanction Details: FINED AND CENSURED

Firm Statement 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 \$17,500 WHICH WAS PAID TO FINRA.

Disclosure 16 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: SECTIONS 17(A)(2)AND (3) OF THE SECURITIES ACT OF 1933, SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934, SEC RULE 10B-5, NASD RULES 2110, 3010(A), 3010(B), INTERPRETATIVE MATERIAL 2110-5 - GFI SECURITIES LLC BROKERED INTER-DEALER CDS TRANSACTIONS AND IN RESPONSE TO CERTAIN COMMISSION REDUCTION PROPOSALS, AND UNKNOWN TO CUSTOMERS, THE FIRM AND COMPETING FIRMS COLLUDED WITH ONE ANOTHER IN AN EFFORT TO KEEP CUSTOMERS FROM OBTAINING CDS BROKERAGE SERVICES AT MORE FAVORABLE RATES AND BY ENGAGING IN ANTICOMPETITIVE CONDUCT, IT BENEFITTED ITSELF AT



CUSTOMERS' EXPENSE. THE FIRM ACTED UNETHICALLY AND FAILED TO OBSERVE HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE. THE FIRM ENGAGED IN A DEVICE, SCHEME OR ARTIFICE TO DEFRAUD, AND BY MAKING MATERIAL MISSTATEMENTS AND BY FAILING TO MAKE MATERIAL DISCLOSURES TO ITS CUSTOMERS, THE FIRM FAILED TO DISCLOSE THAT IT ENGAGED IN COLLUSIVE INTERACTIONS WITH COMPETING FIRMS TO THWART CUSTOMERS' EFFORTS TO OBTAIN BROKERAGE SERVICES AT BONA FIDE COMPETITIVE RATES AND MADE MATERIAL MISSTATEMENTS SUGGESTING IT WAS NOT ENGAGING IN SUCH INTERACTIONS. THE FIRM, IN CONNECTION WITH THE OFFER OR SALE OF ANY SECURITIES OR ANY SECURITY-BASED SWAP AGREEMENT MADE UNTRUE STATEMENTS OF MATERIAL FACTS OR OMITTED TO STATE MATERIAL FACTS TO OBTAIN MONEY OR PROPERTY; AND OR ENGAGED IN TRANSACTIONS THAT OPERATED AS A FRAUD OR DECEIT UPON THE PURCHASER. THE FIRM AND ITS OFFICERS KNEW, OR IGNORED RED FLAGS INDICATING THAT FIRM REGISTERED REPRESENTATIVES UNDER ITS SUPERVISION WERE ENGAGING IN IMPROPER COMMUNICATIONS WITH COMPETITORS REGARDING CDS BROKERAGE RATES. THE FIRM'S WRITTEN SUPERVISORY PROCEDURES WERE NOT REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH IM-2110-5 AND OTHER SECURITIES LAW REQUIREMENTS CONCERNING ANTI-COMPETITIVE CONDUCT; THE RELEVANT SECTION LACKED ANY SPECIFICITY ABOUT HOW, HOW OFTEN, OR BY WHOM SUPERVISORY REVIEWS WERE TO BE CONDUCTED TO ENSURE THAT SUCH CONDUCT WAS NOT OCCURRING. THE WRITTEN SUPERVISORY PROCEDURES FAILED TO PROVIDE FOR ONGOING AND SYSTEMATIC REVIEW OF BROKERS' ELECTRONIC AND TELEPHONIC COMMUNICATIONS FOR THAT PURPOSE. THE FIRM FAILED TO REVIEW EMPLOYEES' BLOOMBERG MESSAGES AND FAILED TO DOCUMENT SUCH REVIEWS UNTIL RECENTLY AND FAILED TO DOCUMENT THAT IT CONDUCTED ANY SUPERVISORY REVIEWS OF OTHER INSTANT-MESSAGING FORMS OF COMMUNICATIONS.

Initiated By: FINRA

Date Initiated: 09/27/2010

Docket/Case Number: [2006005158309](#)

Principal Product Type: Other

Other Product Type(s): CREDIT DEFAULT SWAPS (CDS)

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:



Resolution: Decision & Order of Offer of Settlement

Resolution Date: 02/27/2012

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 \$2,100,000.00

Other Sanctions Ordered:

Sanction Details: THE ALLEGATIONS OF FRAUD, THAT THE FIRM VIOLATED SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934, SEC RULE 10B-5, NASD RULE 2110 OR, IN THE ALTERNATIVE, SECTIONS 17(A)(2) AND (3) OF THE SECURITIES ACT OF 1933 AND NASD RULE 2110 WERE DROPPED BY FINRA. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$2,100,000 FOR VIOLATIONS OF NASD RULE 2110, INTERPRETATIVE MATERIAL 2110-5 AND FOR SUPERVISORY VIOLATIONS. FINE PAID IN FULL ON MARCH 12, 2012.

Reporting Source: Firm

Current Status: Final

Allegations: FINRA HAS ALLEGED THAT GFI VIOLATED SECTIONS 17(A)(2) AND (3) OF THE SECURITIES ACT OF 1933, SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934, SEC RULE 10B-5, NASD RULES 2110, 3010(A), 3010(B), INTERPRETIVE MATERIAL 2110-5. THE ALLEGED VIOLATIONS WERE RELATED TO COMMUNICATIONS AMONG PERSONNEL AT VARIOUS BROKERS IN CONNECTION WITH THE DETERMINATION OF THE COMMISSION RATES PAID TO THEM IN 2005 AND 2006 BY CERTAIN DEALERS FOR BROKERING TRANSACTIONS IN CREDIT DEFAULT SWAPS. IN ADDITION THE FINRA HAS ALLEGED THE FIRM'S WSPS WERE NOT REASONABLY DESIGNED TO PREVENT THE ALLEGED MISCONDUCT AND HAD NOT PROVIDED FOR THE ONGOING AND SYSTEMIC REVIEW OF THE FIRM'S ELECTRONIC AND TELEPHONIC COMMUNICATIONS.

Initiated By: FINRA

Date Initiated: 09/27/2010

Docket/Case Number: [2006005158309](#)



Principal Product Type: Other

Other Product Type(s): CREDIT DEFAULT SWAPS (CDS)

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Decision & Order of Offer of Settlement

Resolution Date: 02/27/2012

Sanctions Ordered: Censure
Monetary/Fine \$2,100,000.00

Other Sanctions Ordered:**Sanction Details:**

FINRA DROPPED THE ALLEGATIONS OF FRAUD, THAT THE FIRM VIOLATED SECTION 10(B) OF THE SECURITIES EXCHANGE ACT OF 1934, SEC RULE 10B-5, NASD RULE 2110 OR, IN THE ALTERNATIVE, SECTIONS 17(A)(2) AND (3) OF THE SECURITIES ACT OF 1933 AND NASD RULE 2110. WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$2,100,000 FOR VIOLATIONS OF NASD RULE 2110, INTERPRETATIVE MATERIAL 2110-5 AND FOR SUPERVISORY VIOLATIONS.

Firm Statement

IN OCTOBER 2010, THE STAFF OF THE MARKET REGULATION DEPARTMENT OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY INC. ("FINRA") (THE "STAFF") COMMENCED A DISCIPLINARY PROCEEDING BY FILING A COMPLAINT AGAINST GFI SECURITIES LLC AND FOUR OF ITS FORMER EMPLOYEES IN CONNECTION WITH ALLEGEDLY IMPROPER COMMUNICATIONS IN 2005 AND 2006 BETWEEN CERTAIN OF THESE FORMER EMPLOYEES AND THOSE AT OTHER INTERDEALER BROKERAGE FIRMS. ALL OF THE FORMER EMPLOYEES OF GFI SECURITIES LLC WHO WERE NAMED IN THE COMPLAINT RESIGNED IN APRIL 2008 TO BECOME EMPLOYED BY AFFILIATES OF COMPAGNIE FINANCIERE TRADITION. NONE OF OUR CURRENT EMPLOYEES WERE NAMED IN THE COMPLAINT. IN FEBRUARY 2012, GFI SECURITIES LLC REACHED AN AGREEMENT WITH FINRA TO SETTLE THIS MATTER PURSUANT TO WHICH GFI SECURITIES LLC WILL BE CENSURED AND WILL PAY A FINE FOR VIOLATIONS OF FINRA RULE 2110, INTERPRETIVE MATERIAL 2110-5 AND FINRA RULE 3010.

Disclosure 17 of 30

Reporting Source: Regulator



Current Status:	Final
Allegations:	NASD RULE 4632 - GFI SECURITIES LLC INCORRECTLY DESIGNATED AS THE BENCHMARK EXCEPTION MODIFIER "4" AND AS ".W" TO THE NASD/NASDAQ TRADE REPORTING FACILITY (NNTRF) LAST SALE REPORTS OF TRANSACTIONS IN DESIGNATED SECURITIES; INCORRECTLY REPORTED PRINCIPAL TRADES WITH A RISKLESS CAPACITY; AND FAILED TO IDENTIFY THE SECOND LEG OF RISKLESS PRINCIPAL TRANSACTIONS.
Initiated By:	FINRA
Date Initiated:	06/30/2009
Docket/Case Number:	2007010819301
Principal Product Type:	Other
Other Product Type(s):	DESIGNATED SECURITIES
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	06/30/2009
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Sanctions Ordered:	Censure Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
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 \$20,000.
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Reporting Source:	Firm
Current Status:	Final
Allegations:	GFI INCORRECTLY DESIGNATED AS THE BENCHMARK EXCEPTION MODIFIER "4" AND AS ".W" TO THE NASD/NASDAQ TRADER REPORTING



FACILITY TWO LAST SALE REPORTS OF TRANSACTIONS IN DESIGNATED SECURITIES. THE FIRM INCORRECTLY REPORTED A PRINCIPAL TRADE WITH A RISKLESS CAPACITY FOR 11 TRANSACTIONS.

Initiated By: FINRA

Date Initiated: 06/30/2009

Docket/Case Number: [2007010819301](#)

Principal Product Type: Other

Other Product Type(s): DESIGNATED SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 06/30/2009

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

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$20,000

Firm Statement THE MARKET REGULATION DEPT. OF NASD REGULATION CONDUCTED A REVIEW OF THE FIRMS ORDER HANDLING AND TRADE REPORTING, FOR TRADE DATES OCT. 23 AND OCT. 24 2007. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$20,000.

Disclosure 18 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 6230(A) - GFI SECURITIES LLC FAILED TO REPORT TO THE TRADE REPORTING AND COMPLIANCE ENGINE (TRACE)TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES WITHIN 15 MINUTES OF THE TIME OF EXECUTION THAT THE FIRM WAS REQUIRED TO REPORT.

Initiated By: FINRA

Date Initiated: 11/24/2008

Docket/Case Number: [2007010304701](#)



Principal Product Type: Other
Other Product Type(s): TRACE-ELIGIBLE SECURITIES
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 11/24/2008
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 \$10,000.00
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 \$10,000.

Reporting Source: Firm
Current Status: Final
Allegations: FINRA DEPT OF MARKET REGULATION CONDUCTED A REVIEW OF THE FIRMS COMPLIANCE WITH TRADE REPORTING TO THE TRADE REPORTING AND COMPLIANCE ENGINE. THE REVIEW PERIOD WAS APRIL 1, 2007 THRU JUNE 30, 2007. GFI FAILED TO REPORT TRACE TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN 15 MINUTES OF THE TIME OF EXECUTION.
Initiated By: FINRA
Date Initiated: 11/24/2008
Docket/Case Number: [2007010304701](#)
Principal Product Type: Other
Other Product Type(s): TRACE-ELIGIBLE SECURITIES



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 11/24/2008

Sanctions Ordered: Censure
Monetary/Fine \$10,000.00

Other Sanctions Ordered: CENSURED AND FINED

Sanction Details: MONETARY FINE OF 10,000

Firm Statement THE MARKET REGULATION DEPT. OF NASD REGULATION CONDUCTED A TRADE REPORTING REVIEW FOR APRIL 1, 2007 TO JUNE 30, 2007 THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$10,000.

Disclosure 19 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 4632(A), 4642(A), 6130(B) - GFI SECURITIES LLC FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT TO THE NASDAQ MARKET CENTER (NMC) LAST SALE REPORTS OF TRANSACTIONS IN NASDAQ SECURITIES. THE FIRM FAILED TO ACCEPT OR DECLINE REPORTABLE SECURITIES IN THE TRADE REPORTING FACILITY (TRF) AND REPORTABLE SECURITIES IN THE OTC REPORTING FACILITY WITHIN 20 MINUTES AFTER EXECUTION THAT IT HAD AN OBLIGATION TO ACCEPT OR DECLINE AS THE ORDER ENTRY IDENTIFIER (OEID).

Initiated By: FINRA

Date Initiated: 07/18/2008

Docket/Case Number: [2006005556001](#)

Principal Product Type: Other

Other Product Type(s): NASDAQ SECURITIES, REPORTABLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:



Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/18/2008

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

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

Other Sanctions Ordered:

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

Reporting Source: Firm

Current Status: Final

Allegations: GFI SECURITIES LLC FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT TO THE NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN NASDAQ SECURITIES. THE FIRM FAILED TO ACCEPT OR DECLINE REPORTABLE SECURITIES IN THE TRADE REPORTING FACILITY AND REPORTABLE SECURITIES IN THE OTC REPORTING FACILITY WITHIN 20 MINUTES AFTER EXECUTION THAT WE HAD AN OBLIGATION TO ACCEPT OR DECLINE AS THE ORDER ENTRY IDENTIFIER.

Initiated By: FINRA

Date Initiated: 07/18/2008

Docket/Case Number: 20060055560-01

Principal Product Type: Other

Other Product Type(s): NASDAQ SECURITIES, REPORTABLE SECURITIES

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/18/2008



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

Other Sanctions Ordered:

Sanction Details: THE FIRM WAS CENSURED AND FINED \$15,000

Firm Statement THE STAFF OF MARKET REGULATION CONDUCTED TWO EXAMS ON GFI SECURITIES NO. 2006005560, 20070080539, AND FOUND GFI SECURITIES FAILED WITHIN 90 SECONDS AFTER EXECUTION TO TRANSMIT LAST SALE REPORTS OF NASDAQ SECURITIES. THE FIRM FAILED TO ACCEPT OR DECLINE REPORTABLE SECURITIES IN THE TRADE REPORTING FACILITY AND REPORTABLE SECURITIES IN THE OTC REPORTING FACILITY WITHIN 20 MINUTES. THE FIRM WAS FINED AND CENSURED. THE FINE OF 15,000 WILL BE PAID TO FINRA

Disclosure 20 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110, 6130(B) - GFI SECURITIES LLC FAILED TO ACCEPT OR DECLINE IN THE NASDAQ MARKET CENTER (NMC) TRANSACTIONS IN REPORTABLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION THAT THE FIRM HAD AN OBLIGATION TO ACCEPT OR DECLINE IN THE NMC AS THE OEID.

Initiated By: FINRA

Date Initiated: 09/28/2007

Docket/Case Number: [2006004110801](#)

Principal Product Type: Other

Other Product Type(s): REPORTABLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/28/2007



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

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

Other Sanctions Ordered:

Sanction Details: 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 \$25,000.

Reporting Source: Firm

Current Status: Final

Allegations: E20060041108 A REVIEW DONE FOR THE TIME PERIOD OF SEPTEMBER 2005 TO DECEMBER 2005 FINA FOUND THAT GFI FAILED TO ACCEPT OR DECLINE IN THE NASDAQ MARKET CENTER TRANSACTIONS IN REPORTABLE SECURITIES WITHIN TWENTY MINUTES AFTER EXECUTION. THE FIRM HAD AN OBLIGATION TO ACCEPT OR DECLINE IN THE NMC AS THE OEID

Initiated By: FINRA

Date Initiated: 01/30/2006

Docket/Case Number: 20060041108-01

Principal Product Type: Other

Other Product Type(s): REPORTABLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 09/28/2007

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

Other Sanctions Ordered:



Sanction Details:	THE FIRM IS CENSURED AND FINED \$25,000.
Firm Statement	THE TRADE REPORTING COMPLIANCE TEAM OF MARKET REGULATION CONDUCTED THE REVIEW AND FOUND THE FIRM FAILED TO ACCEPT OR DECLINE REPORTABLE SECURITIES WITHIN TWENTY MINUTES IN NASDAQ MARKET CENTER. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$25,000 WHICH HAS BEEN PAID TO FINRA.

Disclosure 21 of 30

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 1031, 2110, 6230: RESPONDENT MEMBER FIRM FAILED TO REPORT REQUIRED YIELD INFORMATION FOR CORPORATE BOND TRANSACTIONS ELIGIBLE FOR TRADE REPORTING AND COMPLIANCE ENGINE (TRACE) REPORTING. RESPONDENT, ACTING THROUGH INDIVIDUAL, PERMITTED AN INDIVIDUAL TO ACT IN A CAPACITY REQUIRING REGISTRATION WITH NASD WHEN AN INDIVIDUAL WAS NOT REGISTERED IN ANY CAPACITY. HE WAS ENGAGED IN ACTIVITY INVOLVING THE PURCHASE AND SALE OF FIXED INCOME SECURITIES ON BEHALF OF INSTITUTIONAL CUSTOMERS.
Initiated By:	NASD
Date Initiated:	08/02/2006
Docket/Case Number:	E102005015602
Principal Product Type:	Debt - Corporate
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	08/02/2006
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 \$37,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, RESPONDENT MEMBER FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED 30,000 JOINTLY AND SEVERALLY, AND FINED AN ADDITIONAL \$7,500.

Reporting Source: Firm

Current Status: Final

Allegations: GFI FAILED TO REPORT IN 44 TRANSACTIONS THE REQUIRED YIELD INFORMATION TO TRACE. BY REASON FOREGOING, GFI VIOLATED NASD SYSTEMS AND PROGRAMS RULE 6230 AND NASD CONDUCT RULE 2110. FROM IN OR ABOUT NOV. 2004 THROUGH ON OR ABOUT SEPTEMBER 30, 2004, GFI ACTING THROUGH, FEWER, PERMITTED KO TO ACT IN A CAPACITY REQUIRING REGISTRATION WITH NASD WHEN KO WAS NOT REGISTERED IN ANY CAPACITY. DURING THIS PERIOD, KO WORKED ON GFIS'S ASSET BACKED SECURITIES DESK WHERE HE WAS ENGAGED IN ACTIVITY INVOLVING THE PURCHASE AND SALE OF FIXED INCOME SECURITIES ON BEHALF OF INSTITUTIONAL CUSTOMERS. SUCH ACTIVITY INCLUDED ENGAGING INSTITUTIONAL INVESTORS TO OBTAIN ORDERS, ACCEPTING ORDERS FROM INSTITUTIONAL CUSTOMERS AND ENTERING SUCH ORDERS INTO GFIS TRADE CAPTURE SYSTEM. BY REASON OF THE FOREGOING RESPONDENT VIOLATED NASD MEMBERSHIP AND REGISTRATION RULE 1031 AND NASD CONDUCT RULE 2110.

Initiated By: NASD

Date Initiated: 08/30/2005

Docket/Case Number: [E102005015602](#)

Principal Product Type: Debt - Corporate

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINED

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 08/02/2006



Sanctions Ordered:	Censure Monetary/Fine \$37,500.00
Other Sanctions Ordered:	
Sanction Details:	CENSURE AND FINE OF \$37,500 WHICH GFI SECURITIES WILL PAY TO THE NASD
Firm Statement	NASD REGULATION CONDUCTED A REVIEW E102005015602 AND FOUND THAT GFI FAILED TO REPORT IN 44 TRANSACTIONS THE REQUIRED YIELD INFORMATION TO TRACE. IN ADDITION, FROM IN OR ABOUT NOV. 2004 THROUGH ON OR ABOUT SEPTEMBER 30, 2004, GFI ACTING THROUGH, FEWER, PERMITTED AN EMPLOYEE TO ACT IN A CAPACITY REQUIRING REGISTRATION WITH NASD WHEN THE EMPLOYEE WAS NOT REGISTERED IN ANY CAPACITY. DURING THIS PERIOD, THE EMPLOYEE WORKED ON GFIS'S ASSET BACKED SECURITIES DESK WHERE HE WAS ENGAGED IN ACTIVITY INVOLVING THE PURCHASE AND SALE OF FIXED INCOME SECURITIES ON BEHALF OF INSTITUTIONAL CUSTOMERS. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$7,500 FOR THE TRACE VIOLATIONS AND \$30,000 FOR THE REGISTRATION VIOLATION, WHICH WILL BE PAID TO THE NASD.

Disclosure 22 of 30

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 2110, 3010, 6130(A), 6130(B), 6230(A), 6620(A), 6620(B) - GFI SECURITIES, LLC FAILED TO REPORT TO TRACE TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES EXECUTED ON A BUSINESS DAY DURING TRACE SYSTEM HOURS WITHIN 45 MINUTES OF THE TIME OF EXECUTION; THE FIRM'S SUPERVISORY SYSTEM FAILED TO PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO APPLICABLE SECURITIES LAWS, REGULATIONS, NASD RULES CONCERNING TRACE REPORTING; FAILED TO ACCEPT OR DECLINE IN NASDAQ MARKET CENTER TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION THAT THE FIRM HAD AN OBLIGATION TO ACCEPT OR DECLINE IN NASDAQ MARKET CENTER AS THE OEID; FAILED TO ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES FOR TRADE REPORTING WHICH SPECIFIED THAT THE DESIGNATED SUPERVISOR WOULD PERFORM A DAILY REVIEW AND DOCUMENT SUCH REVIEW ON THE SUPERVISORY CHECKLIST AND THAT COMPLIANCE WOULD CONDUCT A MONTHLY REVIEW OF THE ACT COMPLIANCE REPORT CARDS; FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES;



REPORTED THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTION IN OTC EQUITY SECURITIES IT WAS NOT REQUIRED TO REPORT; FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES AND FAILED TO DESIGNATE THROUGH NASDAQ MARKET CENTER SUCH LAST SALE REPORTS AS LATE; THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE SECURITIES LAWS, REGULATIONS, NASD RULES CONCERNING TRADE REPORTING.

Initiated By: NASD

Date Initiated: 05/11/2006

Docket/Case Number: [2005000178801](#)

Principal Product Type: Equity - OTC

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/11/2006

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 \$49,500.00

Other Sanctions Ordered: UNDERTAKING

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, GFI SECURITIES, LLC CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED, FINED, \$49,500, AND REQUIRED TO REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO TRADE REPORTING WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC.



Reporting Source: Firm

Current Status: Final

Allegations: 0050001788 REVIEW PERIOD OF JULY 1, 2004 TO SEPT. 30, 2004 GFIG FAILED TO REPORT TO TRACE TRANSACTIONS IN TRACE ELIGIBLE SECURITIES EXECUTED ON A BUSINESS DAY DURING TRACE SYSTEM HOURS WITHIN 45 MINUTES OF THE TIME OF EXECUTION. 20050002654 REVIEW PERIOD OF OCT. 1, 2004 TO DEC. 31, 2004 GFIG FAILED TO ACCEPT OR DECLINE IN NASDAQ MARKET CENTER TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION. 20050004909 REVIEW PERIOD OF SEPT. 1, 2004 TO DEC. 31, 2004 GFIG FAILED WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER 126 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. GFIG REPORTED THROUGH NASDAQ MARKET CENTER 56 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES IT WAS NOT REQUIRED TO REPORT. GFIG FAILED WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER 88 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES AND FAILED TO DESIGNATE THROUGH NASDAQ MARKET CENTER SUCH LAST SALE REPORTS AS LATE. THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS.

Initiated By: NASD

Date Initiated: 11/18/2004

Docket/Case Number: 20050001788-01

Principal Product Type: Equity - OTC

Other Product Type(s): TRACE-ELIGIBLE SECURITIES

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: \$49,500.00

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/12/2006

Sanctions Ordered: Censure
Monetary/Fine \$49,500.00

Other Sanctions Ordered:

Sanction Details: CENSURE AND FINE OF \$49,500 WHICH GFI PAID TO THE NASD

**Firm Statement**

THE MARKET REGULATION DEP'T OF NASD REGULATION CONDUCTED THREE TRADE REPORTING REVIEWS 0050001788, 0050002654, 20050004909 AND FOUND SEVERAL VIOLATIONS WHICH INCLUDE FAILING TO ACCEPT OR DECLINE IN NASDAQ MARKET CENTER TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION, FAILING TO REPORT TO TRACE TRANSACTIONS IN TRACE ELIGIBLE SECURITIES AND GFIG FAILING WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$49,500 WHICH HAS BEEN PAID TO THE NASD.

Disclosure 23 of 30**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

NASD RULES 2110, 6420(A)- GFI SECURITIES LLC FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH THE NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN CONSOLIDATED QUOTATION SERVICES SECURITIES; AND FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH THE NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN CQS SECURITIES AND FAILED TO DESIGNATE THROUGH THE NATIONAL MARKET CENTER SUCH LAST SALE REPORTS AS LATE.

Initiated By:

NASD

Date Initiated:

01/25/2006

Docket/Case Number:[2005000063601](#)**Principal Product Type:**

Other

Other Product Type(s):

CQS SECURITIES

Principal Sanction(s)/Relief Sought:**Other Sanction(s)/Relief Sought:****Resolution:**

Acceptance, Waiver & Consent(AWC)

Resolution Date:

01/25/2006



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

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

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DNEYING THE ALLEGATIONS, GFI SECURITIES CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THERFORE, THE FIRM IS CENSURED AND FINED \$25,000.

Reporting Source: Firm

Current Status: Final

Allegations: NASD RULES 2110, 6420(A)- GFI SECURITIES LLC FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH THE NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN CONSOLIDATED QUOTATION SERVICES SECURITIES; AND FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH THE NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN CQS SECURITIES AND FAILED TO DESIGNATE THROUGH THE NATIONAL MARKET CENTER SUCH LAST SALE REPORTS AS LATE.

Initiated By: NASD

Date Initiated: 10/12/2004

Docket/Case Number: 20050000636-01

Principal Product Type: Other

Other Product Type(s): CQS SECURITIES

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE \$25,0000

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 01/26/2006

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

**Other Sanctions Ordered:****Sanction Details:**

CENSURE AND FINE OF \$25,000 WHICH GFI WILL PAY TO THE NASD

Firm Statement

THE MARKET REGULATION DEPT. OF NASD REGULATION CONDUCTED A TRADE REPORTING REVIEW FOR MAY 1, 2004 TO AUGUST 31, 2004 AND THEY FOUND GFIG FAILED TO TRANSMIT WITHIN 90 SECONDS AFTER EXECUTION THROUGH THE NASDAQ MARKET CENTER LAST SALE REPORTS IN CQS SECURITIES; AND FAILED WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH THE NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN CQS SECURITIES AND FAILED TO DESIGNATE THROUGH THE NATIONAL MARKET CENTER SUCH LAST SALE REPORTS AS LATE. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$25,000.

Disclosure 24 of 30**Reporting Source:**

Regulator

Current Status:

Final

Allegations:

NASD CONDUCT RULE 2110 AND 3010;NASD MARKETPLACE RULE 6620(A)-RESPONDENT FIRM FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH NASDAQ MARKET CENTER LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. THE FINDINGS STATED THAT THE FIRM FAILED TO DESIGNATE THROUGH NASDAQ MARKET CENTER THE LAST SALE REPORTS AS LATE. NASD FOUND THAT THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS AND THE RULES OF NASD, CONCERNING ACT REPORTING. SPECIFICALLY, THE FIRM'S SUPERVISORY SYSTEM DID NOT INCLUDE WRITTEN SUPERVISORY PROCEDURES PROVIDING FOR (1) IDENTIFICATION OF THE PERSON RESPONSIBLE FOR SUPERVISION WITH RESPECT TO THE APPLICABLE RULES (2) A STATEMENT OF THE SUPERVISORY STEPS TO BE TAKEN BY THE IDENTIFIED PERSON; AND (3) A STATEMENT AS TO HOW THE COMPLETION OF THE STEPS INCLUDED IN THE WRITTEN SUPERVISORY PROCEDURES SHOULD BE DOCUMENTED.

Initiated By:

NASD

Date Initiated:

10/31/2005

Docket/Case Number:

[2005000099901](#)

Principal Product Type:

Other

Other Product Type(s):

OTC EQUITY SECURITIES



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2005

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 \$35,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, RESPONDENT FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, FIRM IS CENSURED AND FINED \$35,000.

Reporting Source: Firm

Current Status: Final

Allegations: DURING EXAM MRD200444725 CONDUCTED BY MARKET REGULATION, THE STAFF FOUND THAT GFIG FAILED WITHIN 90 SECONDS AFTER EXECUTION TO TRANSMIT THROUGH NASDAQ MARKET CENTER 259 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. GFIG FAILED WITHIN 90 SECONDS AFTER EXECUTION TO TRANSMIT THROUGH NASDAQ MARKET CENTER 157 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES AND FAILED TO DESIGNATE THROUGH NASDAQ MARKET CENTER SUCH LAST SALE REPORT AS LATE. GFIG'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF THE NASD CONCERNING ACT REPORTING.

Initiated By: NASD REGULATION MARKET REGULATION

Date Initiated: 03/02/2004

Docket/Case Number: 20050000999-01



Principal Product Type: Equity - OTC

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: FINE OF \$35,000.00

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/31/2005

Sanctions Ordered: Censure
Monetary/Fine \$35,000.00

Other Sanctions Ordered:

Sanction Details: CENSURE AND MONETARY FINE OF \$35,000

Firm Statement THE MARKET REGULATION DEPT. OF NASD REGULATION CONDUCTED A TRADE REPORTING REVIEW FOR SEPTEMBER 1, 2003 TO DECEMBER 31, 2003 AND THEY FOUND GFIG FAILED TO TRANSMIT THROUGH THE NASDAQ MARKET CENTER WITHIN 90 SECONDS AFTER EXECUTION, LAST SALE REPORTS IN OTC EQUITY SECURITIES AND THE SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$35,000.

Disclosure 25 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: NASD RULES 2110 AND 3010 - RESPONDENT MEMBER FAILED TO ACCEPT OR DECLINE IN ACT, TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION; THE FIRM'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF NASD, CONCERNING ACT REPORTING.

Initiated By: NASD

Date Initiated: 02/08/2005

Docket/Case Number: [CLG050012](#)

Principal Product Type: No Product

Other Product Type(s):



Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 02/08/2005

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: TO REVISE WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC THE FIRM'S WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF NASD CONCERNING ACT REPORTING.

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, GFIG CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS, THEREFORE THE FIRM IS CENSURED AND FINED \$25,000.

Reporting Source: Firm

Current Status: Final

Allegations: DURING EXAM MRD200445559 CONDUCTED BY MARKET REGULATION, THE STAFF FOUND THAT GFIG FAILED TO ACCEPT OR DECLINE IN ACT 321 TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN TWENTY MINUTES AFTER EXECUTION. GFIG'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF THE NASD CONCERNING ACT REPORTING.

Initiated By: NASD REGULATION

Date Initiated: 04/15/2004

Docket/Case Number: [CLG050012](#)

Principal Product Type: Equity - OTC

Other Product Type(s):



Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	FINE OF \$25,000
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	02/07/2005
Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	UNDERTAKING: TO REVISE WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC THE FIRM'S WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO THE APPLICABLE SECURITIES LAWS AND REGULATIONS, AND THE RULES OF NASD CONCERNING ACT REPORTING.
Sanction Details:	CENSURE AND FINED \$25,000 FIRM PAID THE NASD ON FEB. 17, 2005
Firm Statement	THE MARKET REGULATION DEPT. OF NASD REGULATION CONDUCTED A TRADE REPORTING REVIEW FOR JANUARY 1, 2004 TO MARCH 31, 2004 AND THEY FOUND GFIG FAILED TO ACCEPT OR DECLINE TRADES WITHIN THE TIME FRAME FOR ACT TRANSACTIONS AND FOUND THE SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$25,000. THE \$25,000 WAS PAID ON FEB. 17, 2005

Disclosure 26 of 30

Reporting Source:	Firm
Current Status:	Final
Allegations:	EXAM MRD 200235541 GFIG FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT 103 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. GFIG FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT 12 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES AND FAILED TO DESIGNATE THROUGH ACT SUCH LAST SALE REPORTS AS LATE. EXAM MRD 200339360 - GFIG FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT 113 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES. GFIG FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT 91 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES AND FAILED TO DESIGNATE THROUGH ACT SUCH LAST SALE REPORTS AS LATE.
Initiated By:	NASD REGULATION



Date Initiated: 03/01/2004
Docket/Case Number: CMS040061
Principal Product Type: Equity - OTC
Other Product Type(s):
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: FINE OF \$20,000
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 04/27/2004
Sanctions Ordered: Censure
 Monetary/Fine \$20,000.00
Other Sanctions Ordered:
Sanction Details: CENSURE AND FINED \$20,000 FIRM PAID THE NASD ON MAY 4, 2004
Firm Statement THE MARKET REGULATION DEPT. OF NASD REGULATION CONDUCTED TWO SEPERATE TRADE REPORTING REVIEWS FOR TWO TIME PERIODS. MRD200235541, MRD200339360. THEY FOUND VIOLATIONS WHICH INCLUDE LATE TRADE REPORTING. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$20,000. THE \$20,000 WAS PAID ON MAY 4, 2004.

Disclosure 27 of 30

Reporting Source: Regulator
Current Status: Final
Allegations: NASD RULES 2110, 6620(A) - WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT MEMBER CONSENTED TO THE ENTRY OF FINDINGS THAT IT FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY/BULLETIN BOARD SECURITIES; INCORRECTLY REPORTED TO ACT LAST SALE REPORTS OF TRANSACTIONS IN OTC/OTCBB SECURITIES ON AN "AS OF" BASIS; FAILED WITHIN 90 SECONDS AFTER EXECUTION TO TRANSMIT THROUGH ACT LAST SALE REPORTS OF TRANSACTIONS IN OTC/OTCBB SECURITIES AND FAILED TO DESIGNATE THROUGH ACT SUCH LAST SALE REPORTS AS LATE; AND INCORRECTLY DESIGNATED AS ".SLD" THROUGH ACT LAST SALE REPORTS OF TRANSACTIONS IN OTC/OTCBB SECURITIES REPORTED TO ACT WITHIN 90 SECONDS OF EXECUTION.
Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.



Date Initiated: 05/22/2002
Docket/Case Number: CMS020092
Principal Product Type: Other
Other Product Type(s): UNKNOWN TYPE OF SECURITIES
Principal Sanction(s)/Relief Sought:
Other Sanction(s)/Relief Sought:
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 05/22/2002
Sanctions Ordered: Censure
 Monetary/Fine \$25,000.00
Other Sanctions Ordered:
Sanction Details: CENSURED AND FINED \$25,000

Reporting Source: Firm
Current Status: Final
Allegations: THE FIRM FAILED TO TRANSMIT THROUGH ACT WITHIN 90 SECONDS LAST SALE REPORTS OF OCTBB. THE FIRM INCORRECTLY REPORTED TRADES ON AN 'AS OF' BASIS. THE FIRM FAILED TO DESIGNATE SOME TRADES AS LATE AND USED THE .SLD INDICATOR INCORRECTLY.
Initiated By: NASD REGULATION
Date Initiated: 04/27/2001
Docket/Case Number: CMS020092
Principal Product Type: Equity - OTC
Other Product Type(s): OTC/OTCBB
Principal Sanction(s)/Relief Sought: Censure
Other Sanction(s)/Relief Sought: FINE OF \$25,000
Resolution: Acceptance, Waiver & Consent(AWC)
Resolution Date: 03/21/2002



Sanctions Ordered:	Censure Monetary/Fine \$25,000.00
Other Sanctions Ordered:	
Sanction Details:	NASD REGULATION WILL INFORM THE FIRM OF WHEN TO PAY THE \$25,000 FINE.
Firm Statement	THE MARKET REGULATION DEP'T OF NASD REGULATION CONDUCTED A TRADE REPORTING REVIEW AND FOUND SEVERAL VIOLATIONS WHICH INCLUDE LATE TRADE REPORTING, INCORRECTLY REPORTING 'AS OFS' AND INCORRECT USE OF .SLD. THE FIRM HAS AGREED TO AN AWC, CENSURE AND FINE OF \$25,000.

Disclosure 28 of 30

Reporting Source:	Regulator
Current Status:	Final
Allegations:	NASD RULES 4632(A), 6620(A) AND 2110 - RESPONDENT FIRM FAILED WITHIN 90 SECONDS AFTER EXECUTION TO TRANSMIT THROUGH ACT 25 LAST SALE REPORTS OF TRANSACTIONS IN NASDAQ NATIONAL MARKET AND OTC EQUITY SECURITIES WHICH CONSTITUTED APPROXIMATELY 3.5% OF ALL TRANSACTIONS THAT RESPONDENT REPORTED TO ACT AS MMID DURING THE REVIEW PERIOD. THIS CONDUCT CONSTITUTE A PATTERN OR PRACTICE OF LATE REPORTING WITHOUT EXCEPTIONAL CIRCUMSTANCES.
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
Date Initiated:	07/17/2000
Docket/Case Number:	CMS000140
Principal Product Type:	Other
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	
Other Sanction(s)/Relief Sought:	
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	07/17/2000
Sanctions Ordered:	Censure Monetary/Fine \$7,500.00

**Other Sanctions Ordered:**

Sanction Details: CENSURED AND FINED \$7,500.00.

Reporting Source: Firm

Current Status: Final

Allegations: GFIG FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT 25 LAST SALE REPORTS OF TRANSACTIONS IN NASDAQ NATIONAL MARKETS SECURITIES. GFIG FAILED, WITHIN 90 SECONDS AFTER EXECUTION, TO TRANSMIT THROUGH ACT 98 LAST SALE REPORTS OF TRANSACTIONS IN OTC EQUITY SECURITIES.

Initiated By: NASD REGULATION INC.

Date Initiated: 03/17/2000

Docket/Case Number: CMS000140 AWC

Principal Product Type: Equity - OTC

Other Product Type(s): NASDAQ NATIONAL MARKET SECURITIES

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought: FINE OF \$7500

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 07/18/2000

Sanctions Ordered: Censure
Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: GFIG HAS AGREED TO PAY THE MONETARY SANCTIONED IMPOSED ON GFI SECURITIES LLC OF \$7500.

Disclosure 29 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: RESPONDENT MEMBER: FAILED TO DESIGNATE AS LATE TO ACT TRANSACTIONS IN NASDAQ NATIONAL MARKET SECURITIES; INCORRECTLY REPORTED TO ACT TRANSACTIONS BETWEEN FOREIGN



ENTITIES THAT WERE REPORTED ON FOREIGN EXCHANGES; FAILED TO ACCEPT OR DECLINE IN ACT TRANSACTIONS IN ELIGIBLE SECURITIES WITHIN 20 MINUTES AFTER EXECUTION; FAILED TO DESIGNATE AS ".T" TRADES TO ACT, TRANSACTIONS IN OTC EQUITY SECURITIES THAT WERE EXECUTED OUTSIDE OF NORMAL MARKET HOURS; FAILED TO DESIGNATE AS LATE TO ACT TRANSACTIONS IN OTC EQUITY SECURITIES; FAILED TO DESIGNATE AS LATE TO ACT TRANSACTIONS IN NASDAQ SMALLCAP SECURITIES; FAILED TO DESIGNATE AS LATE TO ACT TRANSACTIONS IN THIRD MARKET SECURITIES; REPORTED LATE TO ACT TRANSACTIONS REPRESENTING 47% OF ALL TRANSACTIONS MADE DURING A SPECIFIC PERIOD; SHOWED AN INCORRECT PRICE FOR ONE TRANSACTION FOR THE MEMORANDUM OF ONE BROKERAGE ORDER; SHOWED THE INCORRECT EXECUTION TIME ON THE MEMORANDA OF BROKERAGE ORDERS; FAILED TO SHOW, ON THE MEMORANDA OF BROKERAGE ORDERS, EXECUTION TIMES FOR THE TRANSACTIONS, AND FAILED TO SHOW ALL THE EXECUTION TIMES ON THE MEMORANDA OF BROKERAGE ORDERS WHERE EACH MEMORANDA REFLECTED MULTIPLE EXECUTIONS; FAILED TO PRESERVE FOR A PERIOD OF NOT LESS THAN THREE YEARS THE MEMORANDUM OF ONE BROKERAGE ORDER. (NASD RULE 2110, 3110, 4632, 4642, 6130, 6420, 6620; SEC RULES 17A-3, 17A-4)

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 05/26/1999

Docket/Case Number: CMS990046

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/26/1999

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

Other Sanctions Ordered:

Sanction Details: \$15,000.00 FINE; CENSURE
03-23-01, \$15,000 PAID 1/16/01

Regulator Statement NONE



Reporting Source: Firm

Current Status: Final

Allegations: NASD ALLEGED VARIOUS TECHNICAL ACT VIOLATIONS

Initiated By: NASD REGULATION
MARKET REGULATION

Date Initiated: 05/26/1999

Docket/Case Number: CMS990046

Principal Product Type: Equity - OTC

Other Product Type(s): OVER THE COUNTER ADRS

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 05/26/1999

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

Other Sanctions Ordered:

Sanction Details: MONITARY FINE \$15,000 PAYMENTS IN PROCESS

Firm Statement FIRM ENTERED INTO AWC TO AVOID PROTRACTED REGULATORY ACTION. ALLEGED VIOLATIONS INVOLVED UNLISTED AMERICAN DEPOSITORY RECEIPTS WHICH ALTHOUGH ARE SUBJECT TO ACT REGULATIONS DO NOT TRADE IN THE SAME MANNER AND HENCE NOT PROCESSED WITH THE SAME TECHNOLOGICAL EFFICIENCIES AFFORDED NATIONAL MARKET SYSTEM ISSUES

Disclosure 30 of 30

Reporting Source: Regulator

Current Status: Final

Allegations: THE AWC
ALLEGES THAT THE FOLLOWING VIOLATIONS OCCURRED:



GFIG FAILED TO DESIGNATE AS LATE TO ACT FIVE TRANSACTIONS IN LISTED SECURITIES. THIS VIOLATION CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF NASD MARKETPLACE RULE 6420(.).

GFIG FAILED TO DESIGNATE AS LATE TO ACT 47 TRANSACTIONS IN NASDAQ NATIONAL MARKET SECURITIES. THIS CONDUCT CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF NASD MARKETPLACE RULE 4632(A). GFIG FAILED TO DESIGNATE AS LATE TO ACT 248 TRANSACTIONS IN OTC EQUITY SECURITIES. THIS CONDUCT CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF NASD MARKETPLACE RULE 6620(A). GFIG FAILED TO ACCEPT OR DECLINE ONE TRANSACTION IN AN ELIGIBLE SECURITY WITHIN 20 MINUTES AFTER EXECUTION. THIS CONDUCT CONSTITUTES A VIOLATION OF NASD MARKETPLACE RULE 6130(B).

GFIG FAILED TO SHOW ON MEMORANDA OF 48 BROKERAGE ORDERS THE TIME OF EXECUTION AND ON THE MEMORANDUM OF ONE BROKERAGE ORDER THE CORRECT TIME OF EXECUTION. THIS CONDUCT CONSTITUTES SEPARATE AND DISTINCT VIOLATIONS OF SEC RULE 17A-3 AND NASD CONDUCT RULE 3110.

GFIG FAILED TO ESTABLISH, MAINTAIN, AND ENFORCE WRITTEN SUPERVISORY PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH THE APPLICABLE SECURITIES LAWS AND REGULATIONS REGARDING TRADE REPORTING AND REGISTRATION OF PERSONS WITH THE ASSOCIATION. THIS CONDUCT CONSTITUTES A VIOLATION OF NASD CONDUCT RULES 2110 AND 3010.

Initiated By: NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Date Initiated: 09/14/1998

Docket/Case Number: CMS980056 AWC

Principal Product Type: Other

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)



Resolution Date: 09/14/1998

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

Other Sanctions Ordered:

Sanction Details: LETTER OF ACCEPTANCE, WAIVER AND CONSENT NO. CMS980056 AWC.

ON SEPTEMBER 14, 1998, GFI GROUP INC. WAS NOTIFIED THAT THE LETTER OF ACCEPTANCE, WAIVER AND CONSENT (AWC) IT SUBMITTED WAS ACCEPTED BY THE NASD REGULATION, INC.'S DEPARTMENT OF ENFORCEMENT AND THE NATIONAL ADJUDICATORY COUNCIL. GFIG WAS CENSURED AND FINED \$20,000.

Regulator Statement 05-31-01, \$20,000 PAID 11/17/00

Reporting Source: Firm

Current Status: Final

Allegations: VARIOUS ACT REPORTING TECHNICAL VIOLATIONS AND THAT FIRM FAILED TO ENFORCE WRITTEN SUPERVISORY PROCEDURES REGARDING SAME. ABOVE ACTION WAS RESULT OF ROUTINE TAMMS EXAM.

Initiated By: NASD REGULATION MARKET REGULATION

Date Initiated: 03/11/1997

Docket/Case Number: MRD109600122 & CMS 980056

Principal Product Type: Equity - OTC

Other Product Type(s): OVER THE COUNTER ADRS

Principal Sanction(s)/Relief Sought: Censure

Other Sanction(s)/Relief Sought: \$20,000 ADMINISTRATIVE FINE

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 10/17/1998

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

Other Sanctions Ordered:

Sanction Details: MONITARY FINE \$20,000-PAYMENT PER NASDR TERMS
CENSURE



Firm Statement

FIRM ENTERED INTO THE AWC TO AVOID THE COSTS AND UNCERTANCI-
ES OF PROTRACTED REGULATORY ACTION. THE FIRM HAS TAKEN STEPS TO
UPDATE THE FIRMS TECHNOLOGY AND PROCEDURES.
MAIN PRODUCT: OTC ADR RISKLESS INTERDEALER TRADES.
MRD109600122 & CMS980056 CONCERNED THE SAME ALLEGATIONS AND
AS SUCH WERE COMBINED INTO ONE SETTLEMENT {AWC}.



Disclosure Events for Non-Registered Control Affiliates

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

	Pending	Final	On Appeal
Regulatory Event	0	1	0



Disclosure Event Details

Regulatory - Final

Disclosure 1 of 1

Reporting Source:	Firm
Affiliate:	CANTOR FITZGERALD, L.P.
Current Status:	Final
Allegations:	<p>THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE THAT CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED AGAINST CANTOR FITZGERALD, L.P. ("CFLP"). IN ANTICIPATION OF THE INSTITUTION OF THESE PROCEEDINGS, CFLP HAS SUBMITTED AN OFFER OF SETTLEMENT WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. THE COMMISSION FINDS THAT THIS MATTER CONCERNS MATERIALLY FALSE AND MISLEADING STATEMENTS MADE BY TWO SPECIAL PURPOSE ACQUISITION COMPANIES ("SPACS") CONTROLLED BY CANTOR FITZGERALD, L.P. ("CFLP"). THE MISSTATEMENTS RELATE TO ACTIVITIES CFLP, ACTING THROUGH A SMALL TEAM CONSISTING OF CFLP EXECUTIVES AS WELL AS PERSONNEL EMPLOYED BY CFLP SUBSIDIARIES, CAUSED EACH SPAC TO TAKE PRIOR TO ITS INITIAL PUBLIC OFFERING. THIS SMALL CFLP TEAM CONTROLLED THE ACTIONS OF THE CFLP SPACS, INCLUDING CONDUCTING A CENTRALIZED SEARCH FOR POTENTIAL BUSINESS COMBINATION TARGETS, AND ENGAGING IN SUBSTANTIVE DISCUSSIONS WITH POTENTIAL TARGETS. TO DATE CFLP HAS SPONSORED NINE SPACS THROUGH SUBSIDIARIES, WITH THE MAJORITY LAUNCHING THEIR IPOS OVER THE SEVEN MONTHS SPANNING AUGUST 2020 TO FEBRUARY 2021. IN NOVEMBER 2020, A CFLP SPAC, CF FINANCE ACQUISITION CORP. II ("CFAC II"), ANNOUNCED AN AGREEMENT TO MERGE WITH VIEW, INC. IN FORM S-1 FILINGS AND A PROSPECTUS CFLP CAUSED CFAC II TO FILE WITH THE COMMISSION BEFORE ITS AUGUST 2020 IPO, CFAC II FALSELY STATED THAT NEITHER CFAC II NOR ANYONE ACTING ON ITS BEHALF HAD INITIATED ANY SUBSTANTIVE DISCUSSIONS WITH ANY BUSINESS COMBINATION TARGET, CONTACTED ANY OF THE PROSPECTIVE TARGET BUSINESSES CONSIDERED BY CFLP'S PRIOR SPAC CF FINANCE ACQUISITION CORP., OR APPROACHED ANY SPECIFIC TARGET BUSINESS. IN FACT, CFLP PERSONNEL, ACTING ON BEHALF OF THE SPAC, HAD ALREADY INITIATED DISCUSSIONS WITH VIEW AND AT LEAST ONE OTHER POTENTIAL TARGET REGARDING A POTENTIAL BUSINESS COMBINATION AS EARLY AS JUNE 2020, AND THOSE DISCUSSIONS CONTINUED DURING THE TIME PERIOD BEFORE THE CFAC II IPO. THE FORM S-4 FILINGS AND A BUSINESS COMBINATION PROXY STATEMENT CFLP CAUSED CFAC II TO FILE WITH THE COMMISSION IN FEBRUARY 2021 ALSO INCLUDED FALSE</p>



STATEMENTS ABOUT THE TRUE HISTORY OF CFLP'S INTERACTIONS WITH VIEW. SIMILARLY, IN JULY 2021, ANOTHER CFLP SPAC, CF ACQUISITION CORP. V ("CFAC V"), ANNOUNCED AN AGREEMENT TO MERGE WITH SATELLOGIC INC. THE FORM S-1 FILINGS AND A PROSPECTUS CFLP CAUSED CFAC V TO FILE WITH THE COMMISSION BEFORE ITS JANUARY 2021 IPO FALSELY STATED THAT NEITHER CFAC V NOR ANYONE ACTING ON ITS BEHALF HAD INITIATED ANY SUBSTANTIVE DISCUSSIONS WITH ANY BUSINESS COMBINATION TARGET, CONTACTED ANY OF THE PROSPECTIVE TARGET BUSINESSES CONSIDERED BY THE FOUR PRIOR CFLP SPACS, OR APPROACHED ANY SPECIFIC TARGET BUSINESS. IN FACT, CFLP PERSONNEL, ACTING ON BEHALF OF ITS SPACS, HAD ALREADY INITIATED DISCUSSIONS WITH SATELLOGIC AND AT LEAST TWO OTHER POTENTIAL TARGETS REGARDING A POTENTIAL BUSINESS COMBINATION AS EARLY AS DECEMBER 2020, AND THOSE DISCUSSIONS CONTINUED DURING THE TIME PERIOD BEFORE THE CFAC V IPO. PRE-IPO DISCUSSIONS WITH SATELLOGIC ABOUT A POTENTIAL BUSINESS COMBINATION WITH A CFLP SPAC EXPLICITLY INCLUDED THE POSSIBILITY OF USING THE NOT-YET-LAUNCHED CFAC V AS THE ACQUISITION VEHICLE. THE BUSINESS COMBINATION PROXY STATEMENT CFLP CAUSED CFAC V TO FILE WITH THE COMMISSION IN NOVEMBER 2021 ALSO INCLUDED FALSE STATEMENTS ABOUT THE TRUE HISTORY OF CFLP'S INTERACTIONS WITH SATELLOGIC. AS A RESULT OF THE MATERIALLY MISLEADING STATEMENTS DESCRIBED THROUGHOUT THIS ORDER, CFLP CAUSED CFAC II AND CFAC V TO VIOLATE SECTIONS 17(A)(2) AND 17(A)(3) OF THE SECURITIES ACT, ANTIFRAUD PROVISIONS OF THE FEDERAL SECURITIES LAWS. CFLP ALSO CAUSED CFAC II AND CFAC V TO VIOLATE SECTION 14(A) OF THE EXCHANGE ACT AND RULE 14A-3 THEREUNDER.

Initiated By: UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Date Initiated: 12/12/2024

Docket/Case Number: 3-22348

Principal Product Type: Other

Other Product Type(s): UNSPECIFIED SECURITIES

Principal Sanction(s)/Relief Sought: Cease and Desist

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 12/12/2024

Sanctions Ordered: Monetary/Fine \$6,750,000.00
Cease and Desist/Injunction



Other Sanctions Ordered:

Sanction Details:

CFLP IS ORDERED TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTIONS 17(A)(2) OR 17(A)(3) OF THE SECURITIES ACT AND SECTION 14(A) OF THE EXCHANGE ACT AND RULE 14A-3 THEREUNDER AND SHALL PAY A CIVIL MONEY PENALTY OF \$6.75 MILLION.

Firm Statement

WE ARE REQUIRED TO MAKE THIS DISCLOSURE IN REGARD TO CANTOR FITZGERALD LP ("CFLP") WITH RESPECT TO A SETTLEMENT ENTERED INTO BY CFLP WITH THE SEC.

End of Report



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