**BrokerCheck Report**

# SPOT TRADING L.L.C.

CRD# 47666



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

Please contact FINRA with any concerns.

**About BrokerCheck®**

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

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

**Thank you for using FINRA BrokerCheck.**

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

brokercheck.finra.org

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

# SPOT TRADING L.L.C.

CRD# 47666

SEC# 8-51855

## Main Office Location

440 S. LASALLE STREET, SUITE 2800
CHICAGO, IL 60605

## Mailing Address

440 S. LASALLE STREET, SUITE 2800
CHICAGO, IL 60605

## Business Telephone Number

312-362-4550

# 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 Illinois on 05/28/1999.

Its fiscal year ends in December.

## Firm History

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

## Firm Operations

This brokerage firm is no longer registered with FINRA or a national securities exchange.

## Disclosure Events

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

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

**The following types of disclosures have been reported:**

| Type | Count |
|---|---|
| Regulatory Event | 6 |

## Registration Withdrawal Information

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

| | |
|---|---|
| **Date firm ceased business:** | 12/31/2017 |
| **Does this brokerage firm owe any money or securities to any customer or brokerage firm?** | No |

## Firm Profile

This firm is classified as a limited liability company.

This firm was formed in Illinois on 05/28/1999.

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.

**SPOT TRADING L.L.C.**

**Doing business as SPOT TRADING L.L.C.**

**CRD#** 47666

**SEC#** 8-51855

**Main Office Location**

440 S. LASALLE STREET, SUITE 2800
CHICAGO, IL 60605

**Mailing Address**

440 S. LASALLE STREET, SUITE 2800
CHICAGO, IL 60605

**Business Telephone Number**

312-362-4550

# 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):** | SPOT HOLDINGS L.P. |
| **Is this a domestic or foreign entity or an individual?** | Domestic Entity |
| **Position** | MANAGER |
| **Position Start Date** | 04/2010 |
| **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):** | BRODSKY, STEPHEN ARTHUR<br>2969588 |
| **Is this a domestic or foreign entity or an individual?** | Individual |
| **Position** | CHIEF EXECUTIVE OFFICER |
| **Position Start Date** | 04/2013 |
| **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):** | CERNY, PATRICIA L<br>4814964 |
| **Is this a domestic or foreign entity or an individual?** | Individual |
| **Position** | CHIEF COMPLIANCE OFFICER |
| **Position Start Date** | 08/2017 |

## Direct Owners and Executive Officers (continued)

| | |
|---|---|
| **Percentage of Ownership** | Less than 5% |
| **Does this owner direct the management or policies of the firm?** | No |
| **Is this a public reporting company?** | No |

| | |
|---|---|
| **Legal Name & CRD# (if any):** | HARAVON, EDWARD ALBERT |
| **Is this a domestic or foreign entity or an individual?** | Individual |
| **Position** | CHIEF OPERATING OFFICER |
| **Position Start Date** | 04/2013 |
| **Percentage of Ownership** | Less than 5% |
| **Does this owner direct the management or policies of the firm?** | Yes |
| **Is this a public reporting company?** | No |

## Firm Profile

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

### Indirect Owners

| | |
|---|---|
| **Legal Name & CRD# (if any):** | MERRILEES, ROBERT DAVID<br>2372787 |
| **Is this a domestic or foreign entity or an individual?** | Individual |
| **Company through which indirect ownership is established** | SPOT HOLDINGS L.P. |
| **Relationship to Direct Owner** | MANAGER |
| **Relationship Established** | 04/2010 |
| **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 History

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

No information reported.

# Firm Operations

## Registrations

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

**This firm is no longer registered.**

**The firm's registration was from 08/20/1999 to 02/24/2018.**

 

# 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 2 types of businesses.**

### Types of Business

| |
|---|
| Put and call broker or dealer or option writer |
| Trading securities for own account |

### Other Types of Business

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

Non-Securities Business Description:

# Firm Operations

## Clearing Arrangements

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

## Introducing Arrangements

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

# Firm Operations

## Industry Arrangements

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

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

| | |
|---|---|
| **Name:** | GOLDMAN, SACHS & CO. |
| **CRD #:** | 361 |
| **Business Address:** | 200 WEST STREET<br>NEW YORK, NY 10282 |
| **Effective Date:** | 03/07/2016 |
| **Description:** | CERTAIN OF THE ACCOUNTS, FUNDS OR SECURITIES OF APPLICANT WILL BE HELD OR MAINTAINED WITH APPLICANT'S CLEARING FIRM, GOLDMAN, SACHS & CO. 200 WEST STREET, NEW YORK, NY 10282. |

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

### Control Persons/Financing

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

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

# Firm Operations

## Organization Affiliates

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

**This firm is not, 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.**

**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 | 6 | 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 6**

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Current Status:** | Final |

| | |
|---|---|
| **Allegations:** | SPOT: (I) TENDERED SHARES FOR THE PARTIAL TENDER OFFER IN CBS IN EXCESS OF ITS NET LONG POSITION; AND (II) FAILED TO ADEQUATELY ENFORCE ITS WRITTEN SUPERVISORY PROCEDURES TO ASSURE COMPLIANCE WITH RULE 14E-4, PROMULGATED UNDER THE EXCHANGE ACT. VIOLATIONS OF EXCHANGE RULES 4.2, 4.24 AND EXCHANGE ACT RULE 14E-4. SPOT WAS CENSURED, FINED $20,000 AND A DISGORGEMENT OF $50,966. |
| **Initiated By:** | CBOE EXCHANGE, INC. |
| **Date Initiated:** | 07/10/2018 |
| **Docket/Case Number:** | 18-0013/ 20170545996 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Civil and Administrative Penalt(ies) /Fine(s) |
| **Other Sanction(s)/Relief Sought:** | |
| **Resolution:** | Consent |
| **Resolution Date:** | 08/30/2018 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $20,000.00 |
| **Other Sanctions Ordered:** | DISGORGEMENT IN THE AMOUNT OF $50,966. |
| **Sanction Details:** | A $20,000 FINE, A CENSURE AND DISGORGEMENT IN THE AMOUNT OF $50,966. |

**Disclosure 2 of 6**

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Current Status:** | Final |
| **Allegations:** | SPOT, WITHOUT FIRST BORROWING OR ENTERING INTO BONA-FIDE ARRANGEMENT TO BURROW SECURITIES FAILED TO CLOSE OUT APPROXIMATELY THIRTY-THREE (33) FAIL-TO-DELIVER POSITIONS IN FOUR SECURITIES. IN ADDITION, SPOT INCREASED ITS SHORT POSITION IN FOUR (4) SECURITIES ON EIGHTEEN (18) DAYS WHEN A FAIL-TO-DELIVER POSITION HAD NOT BEEN PROPERLY CLOSED OUT. (VIOLATION OF CBOE RULE 4.2 AND REGULATION SHO RULE 204) |
| **Initiated By:** | CBOE EXCHANGE, INC. |

| | |
|---|---|
| **Date Initiated:** | 03/26/2018 |
| **Docket/Case Number:** | 18-0008/ 20150466866 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Civil and Administrative Penalt(ies) /Fine(s) |
| **Other Sanction(s)/Relief Sought:** | |
| **Resolution:** | Consent |
| **Resolution Date:** | 04/25/2018 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $20,000.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | A $20,000 FINE AND A CENSURE.IN ADOPTING THIS SANCTION, THE BUSINESS CONDUCT COMMITTEE CONSIDERED CERTAIN MITIGATING CIRCUMSTANCES, INCLUDING, BUT NOT LIMITED TO, SPOT'S TERMINATION OF ITS REGISTRATION AS A BROKER-DEALER IN FEBRUARY 2018, THE SIZE OF THE FIRM AND THE LACK OF EVIDENCE SUGGESTING INTENTIONAL CONDUCT. |

**Disclosure 3 of 6**

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Current Status:** | Final |
| **Allegations:** | THIS MATTER IS DISMISSED. |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 04/06/2017 |
| **Docket/Case Number:** | 17-0032/ 20150467247 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | |
| **Other Sanction(s)/Relief Sought:** | |

| | |
|---|---|
| **Resolution:** | Dismissed |
| **Resolution Date:** | 04/25/2018 |

| | |
|---|---|
| **Reporting Source:** | Firm |
| **Current Status:** | Pending |
| **Allegations:** | FROM ON OR ABOUT JUNE 1, 2013 THROUGH ON OR ABOUT DECEMBER 31, 2015, THE FIRM, ON NUMEROUS OCCASIONS, FAILED TO GRANT PRIORITY TO THE HIGHEST BID AND/OR LOWEST OFFER WHEN SUCH BID OR OFFER WAS AVAILABLE (CBOE RULE 6.45B). |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 04/06/2017 |
| **Docket/Case Number:** | STAR NO. 20150467247 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Censure |
| **Other Sanction(s)/Relief Sought:** | |
| **Firm Statement** | THE FIRM HAS UNTIL APRIL 21, 2017 TO RESPOND TO THESE ALLEGATIONS. |

**Disclosure 4 of 6**

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Current Status:** | Final |
| **Allegations:** | SPOT TRADING L.L.C. ("SPOT"), AN EXCHANGE TPH ORGANIZATION, WAS CENSURED AND FINED $7,500 FOR THE FOLLOWING CONDUCT. SPOT RESPONDED TO A TOTAL OF 1,628 AIM AUCTIONS, RECEIVING EXECUTIONS ON 83 RESPONSES FOR A TOTAL OF 303 CONTRACTS, WHILE SPOT TRADING DID NOT HOLD AN APPOINTMENT. (EXCHANGE RULE 6.74A - AUTOMATED IMPROVEMENT MECHANISM ("AIM")) |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 09/09/2014 |
| **Docket/Case Number:** | 14-0117 |

| | |
|---|---|
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Civil and Administrative Penalt(ies) /Fine(s) |
| **Other Sanction(s)/Relief Sought:** | |
| **Resolution:** | Consent |
| **Resolution Date:** | 10/06/2014 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $7,500.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | A $7,500 FINE AND A CENSURE. |

| | |
|---|---|
| **Reporting Source:** | Firm |
| **Current Status:** | Final |
| **Allegations:** | FIRM WAS CENSURED AND FINED $7,500 FOR RESPONDING TO 1,628 AIM AUCTIONS, RECEIVING EXECUTIONS ON 83 RESPONSES FOR A TOTAL OF 303 CONTRACTS, IN OPTIONS CLASSES IN WHICH SPOT TRADING L.L.C. DID NOT HOLD AN APPOINTMENT, AN ALLEGED VIOLATION OF CBOE RULE 6.74A. |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 10/06/2014 |
| **Docket/Case Number:** | FILE NO. 14-0117 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Censure |
| **Other Sanction(s)/Relief Sought:** | |
| **Resolution:** | Consent |
| **Resolution Date:** | 10/06/2014 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $7,500.00 |

| | |
|---|---|
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | $7,500 FINE PAID ON 10/17/2014. |
| **Firm Statement** | FIRM WAS CENSURED AND FINED $7,500 FOR RESPONDING TO 1,628 AIM AUCTIONS, RECEIVING EXECUTIONS ON 83 RESPONSES FOR A TOTAL OF 303 CONTRACTS, IN OPTIONS CLASSES IN WHICH SPOT TRADING L.L.C. DID NOT HOLD AN APPOINTMENT, AN ALLEGED VIOLATION OF CBOE RULE 6.74A. |

**Disclosure 5 of 6**

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Current Status:** | Final |
| **Allegations:** | SPOT TRADING LLC ("SPOT"), AN EXCHANGE TPH ORGANIZATION, WAS CENSURED AND FINED $2,500 FOR THE FOLLOWING CONDUCT.  SPOT FAILED TO REGISTER ONE ASSOCIATED PERSON AS A PROPRIETARY TRADER PRINCIPAL (TP) WITH THE EXCHANGE IN WEBCRD.  (EXCHANGE RULE 3.6A - QUALIFICATION AND REGISTRATION OF TRADING PERMIT HOLDERS AND ASSOCIATED PERSONS) |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 08/01/2014 |
| **Docket/Case Number:** | 14-0126 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Civil and Administrative Penalt(ies) /Fine(s) |
| **Other Sanction(s)/Relief Sought:** | |
| **Resolution:** | Decision & Order of Offer of Settlement |
| **Resolution Date:** | 12/01/2014 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $2,500.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | A $2,500 FINE AND A CENSURE. |

| | |
|---|---|
| **Reporting Source:** | Firm |
| **Current Status:** | Final |
| **Allegations:** | FROM ON OR ABOUT APRIL 1, 2013 THROUGH ON OR ABOUT MAY 6, 2013, THE FIRM FAILED TO PROPERLY REGISTER ONE ASSOCIATED PERSON AS A PROPRIETARY TRADER PRINCIPAL (TP) WITH THE EXCHANGE IN WEBCRD. |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 08/01/2014 |
| **Docket/Case Number:** | 14-0126 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Censure |
| **Other Sanction(s)/Relief Sought:** | |
| **Resolution:** | Decision & Order of Offer of Settlement |
| **Resolution Date:** | 12/01/2014 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $2,500.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | $2,500 FINE AND A CENSURE. |
| **Firm Statement** | FROM ON OR ABOUT APRIL 1, 2013 THROUGH ON OR ABOUT MAY 6, 2013, THE FIRM FAILED TO PROPERLY REGISTER ONE ASSOCIATED PERSON AS A PROPRIETARY TRADER PRINCIPAL (TP) WITH THE EXCHANGE IN WEBCRD. |

**Disclosure 6 of 6**

| | |
|---|---|
| **Reporting Source:** | Regulator |
| **Current Status:** | Final |
| **Allegations:** | SPOT TRADING L.L.C. ("SPOT"), AN EXCHANGE TPH ORGANIZATION, WAS CENSURED AND FINED $15,000 FOR THE FOLLOWING CONDUCT. SPOT FAILED TO REGISTER AND QUALIFY THREE ASSOCIATED PERSONS AS PROPRIETARY TRADER PRINCIPALS (TP) IN WEBCRD. (EXCHANGE RULE 3.6A - QUALIFICATION AND REGISTRATION OF TRADING PERMIT HOLDERS |

| | |
|---|---|
| | AND ASSOCIATED PERSONS) |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 06/04/2013 |
| **Docket/Case Number:** | 13-0032 |
| **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:** | |
| **Resolution:** | Decision & Order of Offer of Settlement |
| **Resolution Date:** | 09/18/2013 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $15,000.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | A $15,000 FINE AND A CENSURE |

| | |
|---|---|
| **Reporting Source:** | Firm |
| **Current Status:** | Final |
| **Allegations:** | FIRM WAS CENSURED AND FINED $15,000 FOR FAILURE TO REGISTER AND QUALIFY THREE ASSOCIATED PERSONS AS PROPRIETARY TRADER PRINCIPALS (TP) IN WEBCRD. |
| **Initiated By:** | CHICAGO BOARD OPTIONS EXCHANGE |
| **Date Initiated:** | 09/18/2013 |
| **Docket/Case Number:** | FILE NO. 13-0032 |
| **Principal Product Type:** | Options |
| **Other Product Type(s):** | |
| **Principal Sanction(s)/Relief Sought:** | Censure |
| **Other Sanction(s)/Relief Sought:** | |

| | |
|---|---|
| **Resolution:** | Order |
| **Resolution Date:** | 09/18/2013 |
| **Sanctions Ordered:** | Censure<br>Monetary/Fine $15,000.00 |
| **Other Sanctions Ordered:** | |
| **Sanction Details:** | THE THREE ASSOCIATED PERSONS IN QUESTION ARE NOW REGISTERED AS PROPRIETARY TRADER PRINCIPALS (TP) IN WEBCRD.<br><br>$15,000 FINE PAID ON 9/26/2013. |
| **Firm Statement** | FIRM WAS CENSURED AND FINED $15,000 FOR FAILURE TO REGISTER AND QUALIFY THREE ASSOCIATED PERSONS AS PROPRIETARY TRADER PRINCIPALS (TP) IN WEBCRD. |

# End of Report

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