

BrokerCheck Report

CRAIG GARRETT REILLY

CRD# 2967567

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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.

**CRAIG G. REILLY**

CRD# 2967567

Currently employed by and registered with the following Firm(s):

- B RQD* CLEARING, LLC**
 One World Trade Center
 Suite 47M
 New York, NY 10007
 CRD# 134284
 Registered with this firm since: 03/28/2018

Report Summary for this Broker

This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

Broker Qualifications

This broker is registered with:

- 20 Self-Regulatory Organizations
- 49 U.S. states and territories

This broker has passed:

- 0 Principal/Supervisory Exams
- 4 General Industry/Product Exams
- 1 State Securities Law Exam

Registration History

This broker was previously registered with the following securities firm(s):

- B VOLANT LIQUIDITY, LLC**
 CRD# 150063
 New York, NY
 03/2017 - 07/2018
- B CONVERGEX EXECUTION SOLUTIONS LLC**
 CRD# 35693
 NEW YORK, NY
 12/2014 - 03/2017
- B LIQUIDPOINT, LLC**
 CRD# 47658
 CHICAGO, IL
 03/2013 - 12/2014

Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

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

The following types of disclosures have been reported:

Type	Count
Regulatory Event	1



Broker Qualifications

Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This individual is currently registered with 20 SROs and is licensed in 49 U.S. states and territories through his or her employer.

Employment 1 of 1

Firm Name: **RQD* CLEARING, LLC**

Main Office Address: **ONE WORLD TRADE CENTER
SUITE 47M
NEW YORK, NY 10007**

Firm CRD#: **134284**

	SRO	Category	Status	Date
B	BOX Exchange LLC	General Securities Representative	Approved	03/28/2018
B	BOX Exchange LLC	Securities Trader	Approved	02/01/2019
B	Cboe BZX Exchange, Inc.	General Securities Representative	Approved	03/28/2018
B	Cboe BZX Exchange, Inc.	Securities Trader	Approved	02/01/2019
B	Cboe C2 Exchange, Inc.	General Securities Representative	Approved	03/28/2018
B	Cboe C2 Exchange, Inc.	Securities Trader	Approved	02/01/2019
B	Cboe EDGX Exchange, Inc.	General Securities Representative	Approved	03/28/2018
B	Cboe EDGX Exchange, Inc.	Securities Trader	Approved	02/01/2019
B	Cboe Exchange, Inc.	General Securities Representative	Approved	03/28/2018
B	Cboe Exchange, Inc.	Securities Trader	Approved	02/01/2019
B	FINRA	General Securities Representative	Approved	03/29/2018
B	FINRA	Securities Trader	Approved	02/01/2019
B	Investors' Exchange LLC	General Securities Representative	Approved	08/21/2024
B	Investors' Exchange LLC	Securities Trader	Approved	08/21/2024
B	MIAX Emerald, LLC	General Securities Representative	Approved	03/29/2019

Broker Qualifications



Employment 1 of 1, continued

SRO	Category	Status	Date
B MIAX Emerald, LLC	Securities Trader	Approved	03/29/2019
B MIAX PEARL, LLC	General Securities Representative	Approved	03/28/2018
B MIAX PEARL, LLC	Securities Trader	Approved	02/01/2019
B MIAX Sapphire	General Securities Representative	Approved	08/21/2024
B MIAX Sapphire	Securities Trader	Approved	08/21/2024
B Miami International Securities Exchange, LLC	General Securities Representative	Approved	03/28/2018
B Miami International Securities Exchange, LLC	Securities Trader	Approved	02/01/2019
B NYSE American LLC	General Securities Representative	Approved	03/28/2018
B NYSE American LLC	Securities Trader	Approved	02/01/2019
B NYSE Arca, Inc.	General Securities Representative	Approved	03/28/2018
B NYSE Arca, Inc.	Securities Trader	Approved	02/01/2019
B Nasdaq BX, Inc.	General Securities Representative	Approved	03/28/2018
B Nasdaq BX, Inc.	Securities Trader	Approved	02/01/2019
B Nasdaq GEMX, LLC	General Securities Representative	Approved	03/28/2018
B Nasdaq GEMX, LLC	Securities Trader	Approved	02/01/2019
B Nasdaq ISE, LLC	General Securities Representative	Approved	03/28/2018
B Nasdaq ISE, LLC	Securities Trader	Approved	02/01/2019
B Nasdaq MRX, LLC	General Securities Representative	Approved	03/28/2018
B Nasdaq MRX, LLC	Securities Trader	Approved	02/01/2019
B Nasdaq PHLX LLC	General Securities Representative	Approved	03/28/2018
B Nasdaq PHLX LLC	Securities Trader	Approved	02/01/2019



Broker Qualifications

Employment 1 of 1, continued

SRO	Category	Status	Date
B Nasdaq Stock Market	General Securities Representative	Approved	03/28/2018
B Nasdaq Stock Market	Securities Trader	Approved	02/01/2019
B New York Stock Exchange	General Securities Representative	Approved	11/04/2024
B New York Stock Exchange	Securities Trader	Approved	11/04/2024

U.S. State/ Territory	Category	Status	Date
B Alabama	Agent	Approved	05/23/2024
B Alaska	Agent	Approved	05/28/2024
B Arizona	Agent	Approved	06/30/2021
B Arkansas	Agent	Approved	06/05/2024
B California	Agent	Approved	05/24/2024
B Colorado	Agent	Approved	03/02/2021
B Connecticut	Agent	Approved	05/24/2024
B Delaware	Agent	Approved	06/03/2024
B District of Columbia	Agent	Approved	05/29/2024
B Florida	Agent	Approved	05/24/2024
B Georgia	Agent	Approved	05/28/2024
B Idaho	Agent	Approved	05/23/2024
B Illinois	Agent	Approved	06/11/2024
B Indiana	Agent	Approved	08/16/2021
B Iowa	Agent	Approved	05/24/2024
B Kansas	Agent	Approved	05/23/2024

Broker Qualifications



Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Kentucky	Agent	Approved	05/29/2024
B	Louisiana	Agent	Approved	05/30/2024
B	Maine	Agent	Approved	05/24/2024
B	Michigan	Agent	Approved	05/28/2024
B	Minnesota	Agent	Approved	05/23/2024
B	Mississippi	Agent	Approved	05/24/2024
B	Missouri	Agent	Approved	05/24/2024
B	Montana	Agent	Approved	05/28/2024
B	Nebraska	Agent	Approved	05/24/2024
B	Nevada	Agent	Approved	05/23/2024
B	New Hampshire	Agent	Approved	05/29/2024
B	New Jersey	Agent	Approved	05/23/2024
B	New Mexico	Agent	Approved	05/24/2024
B	New York	Agent	Approved	06/29/2021
B	North Carolina	Agent	Approved	05/28/2024
B	North Dakota	Agent	Approved	05/29/2024
B	Ohio	Agent	Approved	05/25/2024
B	Oklahoma	Agent	Approved	05/28/2024
B	Oregon	Agent	Approved	05/28/2024
B	Pennsylvania	Agent	Approved	01/06/2021
B	Puerto Rico	Agent	Approved	06/07/2024

Broker Qualifications



Employment 1 of 1, continued

	U.S. State/ Territory	Category	Status	Date
B	Rhode Island	Agent	Approved	05/24/2024
B	South Carolina	Agent	Approved	05/24/2024
B	South Dakota	Agent	Approved	05/23/2024
B	Texas	Agent	Approved	05/24/2024
B	Utah	Agent	Approved	05/28/2024
B	Vermont	Agent	Approved	05/24/2024
B	Virgin Islands	Agent	Approved	05/24/2024
B	Virginia	Agent	Approved	05/24/2024
B	Washington	Agent	Approved	05/29/2024
B	West Virginia	Agent	Approved	05/30/2024
B	Wisconsin	Agent	Approved	05/23/2024
B	Wyoming	Agent	Approved	06/05/2024

Branch Office Locations

RQD* CLEARING, LLC

One World Trade Center
Suite 47M
New York, NY 10007

RQD* CLEARING, LLC

ONE WORLD TRADE CENTER
SUITE 47M
NEW YORK, NY 10007



Broker Qualifications

Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below. A passed exam or exam waiver does not permit a broker to do business without an active SRO or state registration.

This individual has passed 0 principal/supervisory exams, 4 general industry/product exams, and 1 state securities law exam.

Principal/Supervisory Exams

Exam	Category	Date
No information reported.		

General Industry/Product Exams

Exam	Category	Date
B General Securities Representative Examination	Series 7TO	01/02/2023
B Securities Trader Exam	Series 57TO	01/02/2023
B Securities Industry Essentials Examination	SIE	10/01/2018
B General Securities Representative Examination	Series 7	02/13/1998

State Securities Law Exams

Exam	Category	Date
B Uniform Securities Agent State Law Examination	Series 63	03/04/2022

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at www.finra.org/brokerqualifications/registeredrep/.

Broker Qualifications



Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



Registration and Employment History

Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
B 03/2017 - 07/2018	VOLANT LIQUIDITY, LLC	150063	New York, NY
B 12/2014 - 03/2017	CONVERGEX EXECUTION SOLUTIONS LLC	35693	NEW YORK, NY
B 03/2013 - 12/2014	LIQUIDPOINT, LLC	47658	CHICAGO, IL
B 01/2011 - 01/2013	KNIGHT CAPITAL AMERICAS LLC	149823	JERSEY CITY, NJ
B 11/2009 - 01/2011	KNIGHT DIRECT LLC	135924	JERSEY CITY, NJ
B 08/2006 - 11/2009	ON POINT EXECUTIONS, LLC	132390	NEW YORK, NY
B 06/2008 - 05/2009	REGAL SECURITIES, INC.	7297	NEW YORK, NY
B 07/2006 - 08/2006	HOLD BROTHERS ON-LINE INVESTMENT SERVICES L.L.C.	36816	ELMSFORD, NY
B 01/2005 - 06/2006	HAMPSHIRE TRADING, LLC	133323	LLOYD HARBOR, NY
B 04/2004 - 05/2004	EAGLE RIDGE SECURITIES, INC.	112353	NEW YORK, NY
B 09/2002 - 01/2004	ISRAEL A. ENGLANDER & CO., INC.	33725	BIRMINGHAM, MI
B 05/1999 - 05/2000	AXA ADVISORS, LLC	6627	NEW YORK, NY
B 05/1999 - 01/2000	THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES	4039	NEW YORK, NY
B 04/1998 - 12/1998	STRATEGIC ASSETS INC.	37590	MELVILLE, NY
B 02/1998 - 03/1998	FOSTER JEFFRIES SECURITIES, LLC	30144	WESTBURY, NY

Employment History



Registration and Employment History

Employment History, continued

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.

Employment	Employer Name	Position	Investment Related	Employer Location
03/2018 - Present	RQD* Clearing, LLC	DIRECTOR OF SALES	Y	NEW YORK, NY, United States
03/2017 - Present	VOLANT HOLDING, LLC	DIRECTOR OF SALES	Y	NEW YORK, NY, United States
03/2017 - 03/2018	VOLANT LIQUIDITY, LLC	DIRECTOR OF SALES	Y	New York, NY, United States
12/2014 - 02/2017	CONVERGEX EXECUTION SOLUTIONS LLC	REGISTERED REPRESENTATIVE	Y	NEW YORK, NY, United States

Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

No information reported.

Disclosure Events



What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
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 broker is required to disclose a particular criminal event.
 - A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
 -
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all 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 brokers and brokerage 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.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	1	0



Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

Disclosure 1 of 1

Reporting Source: Regulator
Regulatory Action Initiated By: NYSE MKT LLC

Sanction(s) Sought: Other: N/A

Date Initiated: 08/15/2013

Docket/Case Number: 20110275622

Employing firm when activity occurred which led to the regulatory action: N/A

Product Type: No Product

Allegations: NYSE AMEX OPTIONS RULE 16: REILLY FAILED TO ADHERE TO THE PRINCIPLES OF GOOD BUSINESS PRACTICE IN CONDUCT OF HIS BUSINESS AFFAIRS BY SHARING NON-PUBLIC CONFIDENTIAL CUSTOMER INFORMATION, AND PROPRIETARY FIRM INFORMATION WITH A NON-AFFILIATED THIRD PARTY. WHILE SEEKING EMPLOYMENT WITH A MEMBER FIRM, REILLY SENT AN UNSOLICITED EMAIL TO AN EMPLOYEE OF THE FIRM, WHICH DESCRIBED HOW TO INTERPRET AN ATTACHED DOCUMENT THAT LISTED WHAT APPEARED TO BE THE NAMES OF ALL OF HIS PRESENT MEMBER FIRM'S CUSTOMERS, WITH THE COMMISSION RATES CHARGED TO EACH CUSTOMER FOR VARIOUS TYPES OF TRANSACTIONS. THE EMAIL ALSO INCLUDED AN ATTACHED REPORT THAT CONTAINED THE DETAILS



(DATE, TIME, BUY/SELL, OPTIONS SYMBOL, VOLUME, AND PRICE) OF ALL TRADES EXECUTED BY HIS FIRM DURING THE PRIOR MONTH. THE CUSTOMER ACCOUNT NUMBER ON WHOSE BEHALF THE TRADE WAS EXECUTED WAS ALSO INCLUDED WITHIN THE REPORT. IN SOME INSTANCES THE CUSTOMERS' CLEARING FIRM NUMBER WAS APPENDED TO THE ACCOUNT NAME. THE INFORMATION CONTAINED WITHIN THE DOCUMENTS ATTACHED TO THE EMAIL CONTAINED CONFIDENTIAL PROPRIETARY INFORMATION OF THE FIRM AS WELL AS CONFIDENTIAL CUSTOMER INFORMATION. HOWEVER, THE DOCUMENTS DID NOT CONTAIN PERSONAL CONFIDENTIAL INFORMATION, AS THE DOCUMENTS RELATED ONLY TO INSTITUTIONAL CUSTOMERS. IN SWORN TESTIMONY, REILLY INDICATED THAT HE SENT THE EMAIL TO BE PROACTIVE AND SHOW THE MEMBER FIRM THAT HE WAS SEEKING EMPLOYMENT WITH, THE BUSINESS HE HAD PREVIOUSLY BUILT, AND TO DEMONSTRATE THAT HE WAS CAPABLE OF DEVELOPING A BUSINESS AT THAT MEMBER FIRM FOR ITS PUBLIC CUSTOMER BASE. NONE OF THE INFORMATION SENT BY REILLY TO THE MEMBER FIRM WAS USED FOR ANY OTHER PURPOSE BY REILLY, NOR WAS IT USED FOR ANY PURPOSE BY THE MEMBER FIRM OR ANY THIRD PARTY.

Current Status:	Final
Resolution:	Decision
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	09/10/2013
Sanctions Ordered:	Censure Civil and Administrative Penalty(ies)/Fine(s)
If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?	No



(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?

(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or



(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?

Monetary Sanction 1 of 1

Monetary Related Sanction: Civil and Administrative Penalty(ies)/Fine(s)

Total Amount: \$13,500.00

Portion Levied against individual: \$13,500.00

Payment Plan:

Is Payment Plan Current:

Date Paid by individual:

Was any portion of penalty waived? No

Amount Waived:

Regulator Statement

A HEARING OFFICER AT FINRA CONSIDERED A STIPULATION OF FACTS AND CONSENT TO PENALTY ENTERED INTO BETWEEN THE LEGAL SECTION OF THE MARKET REGULATION DEPARTMENT AT FINRA ON BEHALF OF NYSE REGULATION, INC. AND RESPONDENT CRAIG REILLY. FOR THE SOLE PURPOSE OF SETTLING THIS DISCIPLINARY PROCEEDING, WITHOUT ADJUDICATION OF ANY ISSUES OF LAW OR FACT, AND WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS OR FINDINGS REFERRED TO IN THE STIPULATION OF FACTS AND CONSENT TO PENALTY, REILLY STIPULATED TO THE FACTS AND FINDINGS. THEREFORE, REILLY IS CENSURED AND FINED \$13,500. A FAILURE TO PAY THE SANCTION WHICH



IS PART OF THE SETTLEMENT AGREEMENT COULD RESULT IN A SEPARATE DISCIPLINARY ACTION FOR SUCH NON-PAYMENT.

REILLY VOLUNTARILY ENTERED INTO AN AGREEMENT WITH HIS FIRM, WHEREIN, ALTHOUGH HE DENIED HE VIOLATED THE TERMS OF A CONFIDENTIALITY AGREEMENT HE HAD EXECUTED AT THE FIRM DURING HIS EMPLOYMENT, REILLY REPRESENTED THAT HE HAD DELETED ANY CONFIDENTIAL OR PROPRIETARY INFORMATION IN HIS POSSESSION BELONGING TO THE FIRM AND HAD NOT TRANSFERRED THE INFORMATION TO ANY THIRD PARTY, AND ALSO AGREED TO PAY THE FIRM THE SUM OF \$17,500.

DECISION BECAME FINAL SEPTEMBER 10, 2013.

Reporting Source:	Broker
Regulatory Action Initiated By:	NYSE MKT LLC
Sanction(s) Sought:	Other: N/A
Date Initiated:	08/15/2013
Docket/Case Number:	20110275622
Employing firm when activity occurred which led to the regulatory action:	N/A
Product Type:	No Product
Allegations:	NYSE AMEX OPTIONS RULE 16: REILLY FAILED TO ADHERE TO THE PRINCIPLES OF GOOD BUSINESS PRACTICE IN CONDUCT OF HIS BUSINESS AFFAIRS BY SHARING NON-PUBLIC CONFIDENTIAL CUSTOMER INFORMATION, AND PROPRIETARY FIRM INFORMATION WITH A NON-AFFILIATED THIRD PARTY. WHILE SEEKING EMPLOYMENT WITH A MEMBER FIRM, REILLY SENT AN UNSOLICITED EMAIL TO AN EMPLOYEE OF THE FIRM, WHICH DESCRIBED HOW TO INTERPRET AN ATTACHED DOCUMENT THAT LISTED WHAT APPEARED TO BE THE NAMES OF ALL OF HIS PRESENT MEMBER FIRM'S CUSTOMERS, WITH THE COMMISSION RATES CHARGED TO EACH CUSTOMER FOR VARIOUS TYPES OF TRANSACTIONS. THE EMAIL ALSO INCLUDED AN ATTACHED REPORT THAT CONTAINED THE DETAILS (DATE, TIME, BUY/SELL, OPTIONS SYMBOL, VOLUME, AND PRICE) OF ALL TRADES EXECUTED BY HIS FIRM DURING THE PRIOR MONTH. THE CUSTOMER ACCOUNT NUMBER ON WHOSE BEHALF THE TRADE WAS EXECUTED WAS ALSO INCLUDED WITHIN THE REPORT. IN SOME INSTANCES THE CUSTOMERS' CLEARING FIRM NUMBER WAS APPENDED TO THE ACCOUNT NAME. THE INFORMATION CONTAINED WITHIN THE



DOCUMENTS ATTACHED TO THE EMAIL CONTAINED CONFIDENTIAL PROPRIETARY INFORMATION OF THE FIRM AS WELL AS CONFIDENTIAL CUSTOMER INFORMATION. HOWEVER, THE DOCUMENTS DID NOT CONTAIN PERSONAL CONFIDENTIAL INFORMATION, AS THE DOCUMENTS RELATED ONLY TO INSTITUTIONAL CUSTOMERS. IN SWORN TESTIMONY, REILLY INDICATED THAT HE SENT THE EMAIL TO BE PROACTIVE AND SHOW THE MEMBER FIRM THAT HE WAS SEEKING EMPLOYMENT WITH, THE BUSINESS HE HAD PREVIOUSLY BUILT, AND TO DEMONSTRATE THAT HE WAS CAPABLE OF DEVELOPING A BUSINESS AT THAT MEMBER FIRM FOR ITS PUBLIC CUSTOMER BASE. NONE OF THE INFORMATION SENT BY REILLY TO THE MEMBER FIRM WAS USED FOR ANY OTHER PURPOSE BY REILLY, NOR WAS IT USED FOR ANY PURPOSE BY THE MEMBER FIRM OR ANY THIRD PARTY.

Current Status:	Final
Resolution:	Decision
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No
Resolution Date:	09/10/2013
Sanctions Ordered:	Censure Civil and Administrative Penalty(ies)/Fine(s)
Monetary Sanction 1 of 1	
Monetary Related Sanction:	Civil and Administrative Penalty(ies)/Fine(s)
Total Amount:	\$13,500.00
Portion Levied against individual:	\$12,500.00
Payment Plan:	
Is Payment Plan Current:	
Date Paid by individual:	
Was any portion of penalty waived?	No
Amount Waived:	

**Broker Statement**

A HEARING OFFICER AT FINRA CONSIDERED A STIPULATION OF FACTS AND CONSENT TO PENALTY ENTERED INTO BETWEEN THE LEGAL SECTION OF THE MARKET REGULATION DEPARTMENT AT FINRA ON BEHALF OF NYSE REGULATION, INC. AND RESPONDENT CRAIG REILLY. FOR THE SOLE PURPOSE OF SETTling THIS DISCIPLINARY PROCEEDING, WITHOUT ADJUDICATION OF ANY ISSUES OF LAW OR FACT, AND WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS OR FINDINGS REFERRED TO IN THE STIPULATION OF FACTS AND CONSENT TO PENALTY, REILLY STIPULATED TO THE FACTS AND FINDINGS. THEREFORE, REILLY IS CENSURED AND FINED \$13,500. A FAILURE TO PAY THE SANCTION WHICH IS PART OF THE SETTLEMENT AGREEMENT COULD RESULT IN A SEPARATE DISCIPLINARY ACTION FOR SUCH NON-PAYMENT. REILLY VOLUNTARILY ENTERED INTO AN AGREEMENT WITH HIS FIRM, WHEREIN, ALTHOUGH HE DENIED HE VIOLATED THE TERMS OF A CONFIDENTIALLY AGREEMENT HE HAD EXECUTED AT THE FIRM DURING HIS EMPLOYMENT, REILLY REPRESENTED THAT HE HAD DELETED ANY CONFIDENTIAL OR PROPRIETARY INFORMATION IN HIS POSSESSION BELONGING TO THE FIRM AND HAD NOT TRANSFERRED THE INFORMATION TO ANY THIRD PARTY, AND ALSO AGREED TO PAY THE FIRM THE SUM OF \$17,500. DECISION BECAME FINAL SEPTEMBER 10, 2013.

End of Report



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