

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED

In the Matter of:)	
)	
Geneva Trading LLC)	
440 South LaSalle Street)	File No. 13-0056
Suite 1758)	
Chicago, IL 60605)	
)	
Respondent)	
)	

DECISION ACCEPTING OFFER OF SETTLEMENT

This proceeding was instituted by the Business Conduct Committee (the “Committee”) of the Chicago Board Options Exchange, Incorporated (the “Exchange”) as a result of an investigation by the staff of the Exchange, which indicated that there was probable cause for finding a violation within the disciplinary jurisdiction of the Exchange. In accordance with that determination, the Committee directed the issuance of a Statement of Charges (“Statement of Charges”). Pursuant to Exchange Rule 17.8, the respondent (“Respondent”), Geneva Trading LLC (“Geneva”), submitted an offer of settlement (“Offer of Settlement”).

In submitting the Offer of Settlement, the Respondent neither admitted nor denied the violations alleged in the Statement of Charges.

The Respondent has agreed that the determination of the Committee to accept the Offer of Settlement shall constitute a final Decision, and, as provided in Exchange Rule 17.8, the Respondent may not seek review thereof.

The Respondent understands and acknowledges that the Committee’s decision in this matter will become part of its disciplinary record and may be considered in any future Exchange proceeding.

With due regard to the particulars of this matter, the Committee believes it is appropriate to accept the Respondent’s Offer of Settlement based on the following stipulated facts and findings and thereby to impose the sanction specified below.

FACTS

1. During all relevant periods herein, Geneva was a Trading Permit Holder registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a Designated Primary Market-Maker.
2. During all relevant periods in which the activity noted below occurred, Geneva Trading was acting as a registered broker-dealer.

3. During all relevant periods herein, Exchange Rules 4.2 - Adherence to Law and 15.1 - Maintenance, Retention and Furnishing of Books, Records and Other Information; Section 17(a) of the Securities Exchange Act of 1934, as amended (the “Act”) and Rule 17a-3 - Records to be Made by Certain Exchange Members, Brokers and Dealers thereunder; and Regulation SHO promulgated under the Act and Rule 200 - Definitions and Marking Requirements for Short Sales thereunder; were in full force and effect.
4. In or about February 2012, the Exchange conducted an examination of Geneva that included, but was not limited to, a review of the policies, procedures, and practices of Geneva’s Regulation SHO compliance program.
5. In or about February 2012, Geneva improperly marked 14 of 838 sale orders reviewed. Specifically, Geneva marked 30 sell orders as “sell long” when Geneva had a net short position.

FINDINGS

The acts, practices and conduct described in Paragraph 5 above constitute a violation of Exchange Rules 4.2 and 15.1; Section 17(a) of the Act and Rule 17a-3 thereunder; and Regulation SHO of the Act and Rule 200 thereunder by Geneva, in that Geneva improperly marked 14 of 838 sale orders reviewed.

SANCTION

The sanction to be imposed shall consist of a \$5,000 fine and a censure.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, Geneva Trading LLC shall be and hereby is censured and fined in the amount of five thousand dollars (\$5,000).

**SO ORDERED
FOR THE COMMITTEE**

Dated: December 11, 2013

**By: /s/ Bruce Andrews
Bruce Andrews
Chairman
Business Conduct Committee**