

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

_____)
In the Matter of:)
)
Bluefin Trading, LLC)
3 Park Avenue)
37th Floor) File No. 14-0027
New York, NY 10016)
)
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”), Bluefin Trading, LLC (“Bluefin”), 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, Bluefin was an Exchange Trading Permit Holder registered to conduct business as a Market-Maker.
2. During all relevant periods in which the activity noted below occurred, Bluefin was acting as a registered broker-dealer.

3. During all relevant periods herein, Exchange Rule 3.6A – Qualification and Registration of Trading Permit Holders and Associated Persons was in full force and effect.
4. The Exchange conducted an option market participant examination of Bluefin that focused on the months of May 2012 through July 2012. The examination included, but was not limited to, a review of Bluefin’s compliance with Exchange Rule 3.6A.
5. Rule 3.6A(a) provides, in relevant part, that “individual Trading Permit Holders and individual associated persons engaged or to be engaged in the securities business of a Trading Permit Holder or TPH organization shall be registered with the Exchange in the category of registration appropriate to the function to be performed as prescribed by the Exchange.”¹
6. Bluefin failed to register one Associated Person² as a Proprietary Trader (PT) with the Exchange in WebCRD by November 5, 2011.

FINDINGS

The acts, practices and conduct described in Paragraph 6 above constitute a violation of Exchange Rule 3.6A by Bluefin, in that Bluefin failed to register one Associated Person as a Proprietary Trader (PT) with the Exchange in WebCRD by November 5, 2011.

SANCTION

The sanction to be imposed shall consist of a \$2,500 fine and a censure.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, Bluefin Trading, LLC shall be and hereby is censured and fined in the amount of two thousand five hundred dollars (\$2,500).

**SO ORDERED
FOR THE COMMITTEE**

Dated: June 27, 2014

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

¹ See CBOE Regulatory Circulars RG11-077 and RG11-131.

² Person associated with a broker or dealer as defined in the Securities Exchange Act of 1934, as amended, Section 3(a)(18).