BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CBOE EXCHANGE, INC.

_____

In the Matter of:	)	
	)	
Belvedere Trading LLC	)	File No. 17-0028
10 S. Riverside Plaza	)	STAR No. 20150465678
Suite 2100	)	
Chicago, IL 60606	)	
	)	
Respondent	)	
	)	

DECISION ACCEPTING OFFER OF SETTLEMENT

This proceeding was instituted by the Business Conduct Committee (the "Committee") of the Cboe Exchange, Inc. (the "Exchange" or "Cboe") 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"), Belvedere Trading LLC ("Belvedere"), 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, Belvedere was an Exchange Trading Permit Holder registered to conduct business on the Exchange as a Market-Maker.

2.   During all relevant periods, Belvedere was acting as a registered broker-dealer.

3.   During all relevant periods, Exchange Rule 6.45B – <u>Priority and Allocation of Trades in Index Options and Options on ETFs on the CBOE Hybrid System</u> was in full force and effect.

4. During all relevant periods, the rules of priority and order allocation procedures were set forth in Rule 6.45B for index and ETF options on the CBOE Hybrid Systems (including Hybrid 3.0).

5. During the approximate period from on or about June 1, 2014 through on or about June 30, 2016, Belvedere, on numerous occasions, failed to grant priority to the highest bid and/or lowest offer when such bid or offer was available.

FINDINGS

The acts, practices and conduct described in Paragraph 5 above constitute violations of Exchange Rule 6.45B by Belvedere, in that Belvedere, on numerous occasions, failed to grant priority to the highest bid and/or lowest offer when such bid or offer was available.

SANCTION

The sanction to be imposed shall consist of a $7,500 fine and a censure.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, Belvedere Trading LLC shall be and hereby is censured and fined in the amount of seven thousand five hundred dollars ($7,500).

> **SO ORDERED**
> **FOR THE COMMITTEE**

Dated: **August 30, 2018**   By: **/s/ Richard Bruder __**
                                     Richard Bruder
                                     Chairman
                                     Business Conduct Committee