



DISCIPLINARY DECISION

Cboe Exchange, Inc.

Star No. 20180579081/File No. USRI-8703

Citadel Securities, LLC

Pursuant to Exchange Rule 17.3, attached to and incorporated as part of this Decision is a Letter of Consent.

Applicable Rule(s)

- Cboe Rule 4.2 – Adherence to Law
- Rule 14e-4 – Prohibited Transactions in Connection with Partial Tender Offers, promulgated under the Securities Exchange Act of 1934, as amended

Sanction

A censure, a monetary fine in the amount of \$30,000, and disgorgement in the amount of \$26,668

Effective Date

August 28, 2019



Greg Hoogasian, CRO, SVP

CBOE EXCHANGE, INC.

_____)	
In the Matter of:)	
)	
Citadel Securities, LLC)	
131 South Dearborn Street)	
32 nd Floor)	STAR No. 20180579081
Chicago, Illinois 60603)	
)	
)	
Subject)	
_____)	

Letter of Consent

In order to resolve these proceedings pursuant to Cboe Exchange, Inc. (the “Exchange” or “Cboe”) Rule 17.3 – Expedited Proceedings, the Subject, Citadel Securities, LLC (“Citadel” or the “Firm”), hereby submits this Letter of Consent in the above captioned matter. Only for purposes of this proceeding, and without adjudication of any issues of law or fact, and without admitting or denying any allegations, or that a violation of Exchange Rules has been committed, Citadel consents to the Stipulation of Facts and Findings and Sanction set forth below.

Stipulation of Facts and Findings

1. During all relevant periods herein, Citadel was an Exchange Trading Permit Holder registered to conduct business as a Market-Maker.
2. During all relevant periods herein, Citadel was acting as a registered Broker-Dealer.
3. During all relevant periods noted herein, Cboe Rule 4.2 – Adherence to Law, and Rule 14e-4 – Prohibited Transactions in Connection with Partial Tender Offers, promulgated under the Exchange Act, as amended, were in full force and effect.
4. Market Regulation staff conducted an investigation to determine whether any violations of Rule 14e-4, promulgated under the Exchange Act, occurred in connection with the partial tender offer for CBS Corp. Cl. B (“CBS”) that commenced on October 19, 2017 and expired on November 16, 2017.
5. On or about November 16, 2017, Citadel tendered 34,299 shares in excess of its net long position for the partial tender offer in CBS.
6. The acts, practices, and conduct described in Paragraph 5, above, constitute a violation of Cboe Rule 4.2 and Exchange Act Rule 14e-4 by Citadel, in that Citadel tendered shares for the partial tender offer in CBS in excess of its net long position.


Sanction: A \$30,000 fine, a censure and disgorgement in the amount of \$26,668.

Subject acknowledges that it has read the foregoing Letter of Consent, that no promise or inducement of any kind has been made to it by the Exchange or its staff, and that this Letter of Consent is voluntary on its part.

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

Subject also acknowledges that the Chief Regulatory Officer's decision to accept or reject this Letter of Consent is final, and that it may not seek review thereof in accordance with Exchange Rule 17.3.

Aug 21, 2019
Date


Citadel Securities, LLC

Michael G. Felty
Print Name

CCO, Core Compliance
Title