

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CBOE FUTURES EXCHANGE

_____)	
In the Matter of:)	
)	
Straits Financial LLC,)	CFE 19-0001
)	USFI 342
Subject.)	ICT 109609
_____)	

DECISION ACCEPTING LETTER OF CONSENT

This proceeding was instituted by a Panel of the Business Conduct Committee (“BCC”) of the Cboe Futures Exchange (“CFE”) as a result of an investigation by CFE Regulation. In order to resolve this matter, Straits Financial LLC has submitted a Letter of Consent for purposes of this proceeding without admitting or denying that a violation of Exchange Rules has been committed. With due regard to the stipulated facts and findings and the proposed sanction contained therein, the BCC believes it appropriate to accept the Letter of Consent, attached hereto, and made a part of this decision.

So Ordered for the Committee

April 3, 2019

By: /s/Richard Bruder
Richard Bruder
Chairman
Business Conduct Committee Panel

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CBOE FUTURES EXCHANGE, LLC

In the Matter of:)	
)	
Straits Financial LLC,)	File No. CFE 19-0001
)	USFI 342
Subject.)	ICT 109609
)	

LETTER OF CONSENT

In order to resolve these proceedings pursuant to the CBOE Futures Exchange, LLC (“CFE”) Rule 703, Expedited Proceeding, Straits Financial LLC (“Straits”), hereby submits this Letter of Consent in the above captioned matter. For purposes of this proceeding and without admitting or denying that a violation of CFE Rules has been committed, Straits consents to the Stipulation of Facts and Findings and the Sanction set forth below.

Stipulation of Facts and Findings:

1. During all relevant periods herein, Straits was a CFE Trading Privilege Holder and Clearing Member.
2. During all relevant periods herein, CFE Rule 602 – Fictitious Transactions was in full force and effect, as follows:

Rule 602: Neither a Trading Privilege Holder nor any of its Related Parties shall create fictitious transactions or execute any Order for a fictitious transaction with knowledge of its nature.

3. During all relevant periods herein, the following CFE Policy and Procedure was in full force and effect, in relevant part, as follows:

Chapter XVIII, Part S.: The Exchange provides a testing environment and test symbols in the CFE System for Trading Privilege Holders to use for the purpose of testing. The entering of an Order(s) other than in a test environment or test symbol without the intent to execute a bona fide transaction, including for the purpose of verifying connectivity or checking a data feed, is not permissible. This prohibition does not preclude a market participant from entering a bona fide Order that is intended to be executed and where such execution may also serve some other risk management purpose, such as verifying the flow of the executed trades through the market participant’s back-office systems.

4. On August 24, 2017, Straits placed two test orders in the live September 2017 VX futures instead of CFE's testing environment.
5. The conduct described above constitutes a violation of CFE Rule 602.

Sanction: \$7,500 fine

Straits acknowledges that it has read the Letter of Consent and understands all of the provisions; no promise or inducement of any kind has been made to it by the Exchange or its staff; and this Letter of Consent is voluntary on its part.

Straits understands and acknowledges that the Business Conduct Committee's ("BCC") decision in this matter will become part of its disciplinary record and published, and may be considered in any future Exchange proceeding.

Straits also acknowledges that the BCC'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 703.

March 12, 2019 _____
Date

By:/s/Straits Financial LLC _____
Straits Financial LLC