

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
C2 OPTIONS EXCHANGE, INCORPORATED

_____)	
In the Matter of:)	
Israel A. Englander & Co., LLC)	File No. C2 15-0012
666 Fifth Avenue)	STAR No. 20150462900
New York, NY 10103)	
Respondent)	
_____)	

DECISION ACCEPTING OFFER OF SETTLEMENT

This proceeding was instituted by the Business Conduct Committee (the “Committee”) of the C2 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”), Israel A. Englander & Co., LLC (“IAE”), 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, IAE was an Exchange Trading Permit Holder registered to conduct an agency brokerage business on the Exchange.
2. During all relevant periods, IAE was acting as a registered broker-dealer.
3. During all relevant periods herein, Exchange Rule 3.4 – Qualification and Registration was in full force and effect.

4. The Exchange conducted a routine Option Market Participant (OMP) examination of IAE that focused on the months of May 2014 through July 2014, which included, but was not limited to, a review of IAE's compliance with Exchange Rule 3.4.
5. Exchange Rule 3.4(a) provides, in relevant part: "Permit Holders that are individuals ('PHI') and associated persons of Permit Holders engaged or to be engaged in the securities business of a Permit Holder shall be registered with the Exchange in the category of registration appropriate to the function to be performed in a form and manner prescribed by the Exchange. Before the registration can become effective, the PHI or individual associated person shall pass a qualification examination appropriate to the category of registration in a form and manner prescribed by the Exchange and submit any required registration and examination fees."
6. Exchange Rule 3.4(c) provides, in relevant part: "Each Permit Holder shall designate a Chief Compliance Officer on Schedule A of Form BD. An individual designated as a Chief Compliance Officer is required to register with the Exchange and pass the appropriate heightened qualification examination(s) as prescribed by the Exchange."
7. From on or about May 21, 2014 through on or about April 17, 2015, IAE failed to register the minimum number of individuals required to register as a Proprietary Trader Principal (TP) with the Exchange in WebCRD.
8. From on or about May 21, 2014 through on or about April 17, 2015, IAE failed to register two (2) Associated Persons as a Proprietary Trader Principal (TP) with the Exchange in WebCRD.
9. From on or about May 21, 2014 through on or about April 17, 2015, IAE failed to register one (1) Associated Person as a Proprietary Trader (PT) with the Exchange in WebCRD.
10. From on or about May 21, 2014 through on or about April 23, 2015, IAE failed to register its Chief Compliance Officer ("CCO") as a Proprietary Trader Compliance Officer (CT) with the Exchange in WebCRD.

FINDINGS

The acts, practices, and conduct described in Paragraph 7 above constitute a violation of Exchange Rule 3.4(a) by IAE, in that IAE failed to register the minimum number of individuals required to register as a Proprietary Trader Principal (TP) with the Exchange in WebCRD.

The acts, practices, and conduct described in Paragraph 8 above constitute a violation of Exchange Rule 3.4(c) by IAE, in that IAE failed to register two (2) Associated Persons as a Proprietary Trader Principal (TP) with the Exchange in WebCRD.

The acts, practices, and conduct described in Paragraph 9 above constitute a violation of Exchange Rule 3.4(c) by IAE, in that IAE failed to register one (1) Associated Person as a Proprietary Trader (PT) with the Exchange in WebCRD.

The acts, practices, and conduct described in Paragraph 10 above constitute a violation of Exchange Rule 3.4(c) by IAE, in that IAE failed to register its CCO as CT with the Exchange in WebCRD.

SANCTION

The sanction to be imposed shall consist of a \$15,000 fine and a censure.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, Israel A. Englander & Co., LLC shall be and hereby is censured and fined in the amount of fifteen thousand dollars (\$15,000).

**SO ORDERED
FOR THE COMMITTEE**

Dated: December 29, 2015

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