

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

_____)	
In the Matter of:)	
)	
Wolverine Execution Services, LLC)	
175 W. Jackson Blvd.)	File No. C2 15-0013
Suite 200)	STAR No. 20150467455
Chicago, IL 60604)	
)	
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”), Wolverine Execution Services, LLC (“WEX”), 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, WEX was an Exchange Permit Holder registered to conduct an agency brokerage business on the Exchange.
2. During all relevant periods, WEX 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 WEX that focused on the months of July 2014 through September 2014. The examination included, but was not limited to, a review of WEX'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 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(b) provides, in relevant part: "Each Permit Holder subject to Exchange Act Rule 15c3-1 shall designate a Financial/Operations Principal.... Each Financial/Operations Principal designated by a Permit Holder...shall be registered in that capacity with the Exchange in a form and manner prescribed by the Exchange..."
7. Exchange Rule 3.4(c) provides, in relevant part: "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."
8. From on or about March 27, 2013 through on or about December 23, 2014, WEX failed to register its FINOP as a Financial and Operations Principal ("FN") with the Exchange in WebCRD.
9. From on or about May 21, 2014 through on or about December 23, 2014, WEX failed to register its Chief Compliance Officer as a Proprietary Trader Compliance Officer ("CT") with the Exchange in WebCRD.
10. From on or about May 21, 2014 through on or about December 23, 2014, WEX failed to register the minimum number of individuals required to register as a Proprietary Trader Principal ("TP") with the Exchange in WebCRD.

FINDINGS

The acts, practices, and conduct described in Paragraph 8 above constitute a violation of Exchange Rule 3.4 by WEX, in that WEX failed to register its FINOP as a Financial and Operations Principal ("FN") with the Exchange in WebCRD.

The acts, practices, and conduct described in Paragraph 9 above constitute a violation of Exchange Rule 3.4 by WEX, in that WEX failed to register its Chief Compliance Officer as a Proprietary Trader Compliance Officer ("CT") with the Exchange in WebCRD.

The acts, practices, and conduct described in Paragraph 10 above constitute a violation of Exchange Rule 3.4 by WEX, in that WEX failed to register the minimum number of individuals required to register as a Proprietary Trader Principal ("TP") with the Exchange in WebCRD by May 21, 2014.

SANCTION

The sanction to be imposed shall consist of a \$10,000 fine and a censure.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, Wolverine Execution Services, LLC shall be and hereby is censured and fined in the amount of ten thousand dollars (\$10,000).

**SO ORDERED
FOR THE COMMITTEE**

Dated: December 29, 2015

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