



2022 Disciplinary Actions as of October 11, 2022

The following is a list of disciplinary actions that have resulted in the imposition of penalties for violations of specified provisions of the federal securities laws and/or the Constitution and Rules of the Exchange. New actions are added to the list as and when they are finalized.

A. Disciplinary Sanctions Imposed Pursuant to BOX Rule 12030, Letters of Consent:

- Global Execution Brokers, LP (“GEB” or “the Firm”) was censured and fined a total of \$150,000, of which \$10,000 is payable to BOX. FINRA, on behalf of BOX, conducted a review of the Firm’s execution of an options order in March of 2018. As a result of its review, FINRA determined that the Firm failed to establish, document, and maintain a system of risk management controls reasonably designed to prevent the entry of erroneous orders in violation of BOX Rules 3010, 3070(a)(1), and 7000(c)(4). In addition, from March 2018 through November 2021 GEB failed to establish and maintain a system of supervisory controls, including written procedures, reasonably designed to achieve compliance with BOX rules relating to the post-trade review of potentially erroneous orders, in violation of BOX Rules 3010, 3070(a)(1), and 7000(c)(4).
- Jefferies LLC (“Jefferies” or “the Firm”) was censured and fined a total of \$225,000, of which \$10,000 was payable to BOX for violations of Exchange Rule 3010 by failing to establish, maintain, and enforce a supervisory system reasonably designed to comply with recordkeeping requirements. FINRA, on behalf of BOX, conducted a review of the Firm’s adherence to recordkeeping requirements. As a result of its review, FINRA determined that the Firm failed to accurately record the times its Derivatives Trading Desk received and transmitted options orders to BOX. In addition, Jefferies violated BOX Rule 3010 by failing to establish, maintain, and enforce a supervisory system reasonably designed to comply with the recordkeeping provisions of the federal securities laws and BOX rules.
- Volant Liquidity, LLC (“Volant” or “the Firm”) was censured and fined a total of \$15,000 for violation of Exchange rules by failing to meet the 60% continuous quoting requirement for BOX Market Makers. FINRA, on behalf of BOX, conducted a review of the Firm’s adherence to the continuous quoting requirements between February 2020, through Mach 2022. As a result of its review, FINRA determined that the Firm

failed to meet the 60% continuous quoting requirement for BOX Market Makers and determined that the Firm violated BOX Rules 8040(a)(1), (a)(7), and 8050(c)(1) because its quotes exceeded the maximum bid/ask width differentials prescribed by BOX between October 2020, through September 2021.

- Dash Financial Technologies LLC (“Dash” or “the Firm”) was censured and fined a total of \$125,000, of which, \$10,890 was payable to BOX for violation of Exchange rules relating to market orders for options. FINRA, on behalf of BOX, conducted a review of the Firm’s adherence to the Market Access Rule between October 2018 and September 2020. As a result of its review, FINRA determined that the Firm failed to establish, document, and maintain erroneous order controls and supervisory procedures applicable to market orders for options. The Firm’s failure to establish and maintain written supervisory procedures and a supervisory system reasonably designed to ensure compliance with the Market Access Rule violated BOX Rule 3070.
- Goldman Sachs & Co. LLC (“Goldman” or “the Firm”) was censured and fined a total of \$225,000, of which, \$5,000 was payable to BOX for violations of Exchange rules to establish, maintain and enforce a supervisory system reasonably designed to comply with recordkeeping requirements. FINRA, on behalf of BOX, conducted a review of the Firm’s adherence to recordkeeping requirements. As a result of its review, FINRA determined that the Firm had no automated system or exception reports designed to verify that traders were recording option order transmission times as required or that supervisors were appropriately reviewing the order tickets to detect instances when the transmission times were omitted. The Firm’s failure to maintain such system and supervisory review violates BOX Rule 3010.
- IMC Financial Markets (“IMC” or “the Firm”) was censured and fined a total of \$15,000 for its failure to meet the 60 percent continuous quoting requirement for BOX Market Makers and because its quotes exceeded the maximum bid-ask width differentials prescribed by the Exchange. FINRA, on behalf of BOX, conducted a review of the Firm’s adherence to continuous quote and quote width requirements between January 2020 and September 2020. As a result of its review, FINRA determined that, on 51 trade dates, IMC violated BOX Rules 8040 and 8050 because its quotes exceeded the maximum bid-ask width differentials prescribed by the Exchange. Additionally, on 35 trade dates IMC violated BOX Rule 8050 by failing to meet the 60 percent continuous quoting requirement for BOX Market Makers.
- Two Sigma Securities, LLC (“Two Sigma” or “the Firm”) was censured and fined a total of \$10,000 for violations of Exchange rules to maintain quotes within the maximum bid-ask width differentials and by failing to meet the 60% continuous quoting requirement for BOX Market Makers prescribed by the Exchange. FINRA, on behalf of BOX, conducted a review of the Firm’s adherence to continuous quote and quote width requirements between January 2020 and April 2020. As a result of its review FINRA determined that, on 39 trade dates, the Firm violated BOX Rules 8040 and

8050 because its quotes exceeded the maximum bid-ask width differentials prescribed by the Exchange. Additionally, on five trade dates, the Firm violated BOX Rule 8050 by failing to meet the 60% continuous quoting requirement for BOX Market Makers.