

**THE NASDAQ OPTIONS MARKET LLC
NOTICE OF ACCEPTANCE OF AWC**

Certified, Return Receipt Requested

**TO: Barclays Capital Inc.
Penny Rosenberg
Director
745 7th Avenue
New York, NY 10019**

**FROM: The NASDAQ Options Market LLC ("Nasdaq")
c/o Financial Industry Regulatory Authority ("FINRA")
Department of Market Regulation
9509 Key West Avenue
Rockville, MD 20850**

DATE: October 22, 2013

RE: Notice of Acceptance of Letter of Acceptance, Waiver and Consent No. 20110275386-01

Please be advised that your above-referenced Letter of Acceptance, Waiver and Consent ("AWC") has been accepted by the Nasdaq Review Council's Review Subcommittee, or by the Office of Disciplinary Affairs on behalf of the Nasdaq Review Council, pursuant to Nasdaq Rule 9216. A copy of the AWC is enclosed herewith.

You are again reminded of your obligation, if currently registered, immediately to update your Uniform Application for Broker-Dealer Registration ("Form BD") to reflect the conclusion of this disciplinary action. Additionally, you must also notify FINRA (or Nasdaq if you are not a member of FINRA) in writing of any change of address or other changes required to be made to your Form BD.

You will be notified by the Registration and Disclosure Department regarding sanctions, and Nasdaq's Finance Department will send you an invoice regarding the payment of any fine.

Barclays Capital Inc.
Page 2

If you have any questions concerning this matter, please call Joaquin Gubb, Counsel, at (240) 386-5102.



Gerard P. Finn
Chief Counsel, Legal Section
Department of Market Regulation, FINRA

Signed on behalf of Nasdaq

Enclosure

FINRA District 10 – New York
Michael Solomon
Regional Director
One World Financial Center
200 Liberty Street
New York, NY 10281

James Van De Graaff
Counsel for Respondent
Katten Munchin Rosenman LP
525 W, Monroe Street
Chicago, IL 60661-3693

**THE NASDAQ OPTIONS MARKET
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20110275386-01**

TO: The NASDAQ Options Market, LLC
c/o Department of Market Regulation
Financial Industry Regulatory Authority (“FINRA”)

RE: Barclays Capital Inc., Respondent
Broker-Dealer
CRD No. 19714

Pursuant to Rule 9216 of The NASDAQ Stock Market LLC (“Nasdaq”) Code of Procedure, Barclays Capital, Inc. (the “firm”) submits this Letter of Acceptance, Waiver and Consent (“AWC”) for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, Nasdaq will not bring any future actions against the firm alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The firm hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of Nasdaq, or to which Nasdaq is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by Nasdaq:

BACKGROUND

The firm has been a member of the Nasdaq Options Market, LLC (“NOM”) since September 23, 2008 and its registration with NOM remains in effect.

RELEVANT PRIOR DISCIPLINARY HISTORY

The firm has no relevant prior disciplinary history.

FACTS AND VIOLATIVE CONDUCT

The Options Regulation Team (the "staff") of the Department of Market Regulation conducted a review of the firm for compliance with applicable NOM Rules during the review period of January 1, 2010 through December 31, 2011 (the "review period").

As a result of that review, the staff concluded:

In a non-consecutive four week sample period during the review period, the firm failed to accurately report the Effective Date of 365 options transactions to the Options Clearing Corporation's Large Options Position Report ("LOPR"). The 365 violations were from a sample of 843 options trades identified by the firm involving Effective Date reporting issues (43.3% violation rate). The conduct described in this paragraph constitutes separate and distinct violations of NOM Rules Chapter III, Section 10.

B. The firm also consents to the imposition of the following sanctions:

A censure and a fine of \$12,500.

The firm agrees to pay the monetary sanction(s) in accordance with its executed Election of Payment Form.

The firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under Nasdaq's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against the firm;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;

- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the Nasdaq Review Council and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals

Further, the firm specifically and voluntarily waives any right to claim bias or prejudice of the Chief Regulatory Officer, the Nasdaq Review Council, or any member of the Nasdaq Review Council, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection of this AWC.

The firm further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

The firm understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by FINRA's Department of Market Regulation and the Nasdaq Review Council, the Review Subcommittee, or the Office of Disciplinary Affairs ("ODA"), pursuant to Nasdaq Rule 5316;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
- C. If accepted:
 - 1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by Nasdaq or any other regulator against the firm;
 - 2. Nasdaq may make a public announcement concerning this agreement and the subject matter thereof in accordance with Nasdaq Rule 5310 and IM-8310-3; and

3. The firm may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. The firm may not take any position in any proceeding brought by or on behalf of Nasdaq, or to which Nasdaq is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects the firm's right to take legal or factual positions in litigation or other legal proceedings in which Nasdaq is not a party.

D. The firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by Nasdaq, nor does it reflect the views of Nasdaq or its staff.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the firm to submit it.

9/2/13
Date

Barclays Capital Inc.
Respondent

By: Penny Resnick
Name: Penny Resnick
Title: Director

Reviewed by:

James D. Van De Graaf
James Van De Graaf
Counsel for Respondent
Katten Muchin Rosenman LP

Accepted by Nasdaq:

12/22/13
Date

Gerard P. Finn
Gerard P. Finn
Chief Counsel
Department of Market Regulation

Signed on behalf of Nasdaq, delegated
authority from the Director of ODA

ELECTION OF PAYMENT FORM

The firm intends to pay the fine proposed in the attached Letter of Acceptance, Waiver and Consent by the following method (check one):

- A firm check or bank check for the full amount;
- Wire transfer;
- The installment payment plan.¹
 - Monthly
 - Quarterly

Respectfully submitted,

Respondent
Barclays Capital Inc.

9/30/13
Date

By: Penny Rosenblat
Name: Penny Rosenblat
Title: Director

¹ The installment payment plan is only available for a fine of \$50,000 or more. Certain requirements apply.