



Notice, Pursuant to Exchange By-law 18-2, of Disciplinary Action Against DSX, Inc., Member Organization

To: Members, Member Organizations, Participants and Participant Organizations

From: Mark Schepps, Chief Enforcement Counsel, NASDAQ OMX PHLXSM

DATE: November 19, 2009

NASDAQ OMX PHLX No. 09-24 Enforcement No. 2009-28

On November 16, 2009, the Business Conduct Committee (the "Committee") issued a disciplinary decision against DSX, Inc. ("DSX"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, DSX submitted an Offer of Settlement, Stipulation of Facts and Consent to Sanctions ("Offer"). Solely to settle this proceeding, and without either admitting or denying the charges, DSX consented to findings that it violated Section 17 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rules 17a-3 and 17a-5 promulgated thereunder, and Exchange Rules 703, 748, 757, 760 and 761 by failing to: (i) keep accurate books and records; (ii) maintain adequate written agreements and records pertaining to the compensation arrangement or plan of five of its employees and associated persons; (iii) ensure that two of its employees or associated persons properly completed, signed and dated form setting forth all trading accounts in which each employee or associated person maintains a beneficial interest, in order to comply with the Insider Trading and Securities Fraud Enforcement Act of 1988 ("ITSFEA"); (iv) maintain an adequate anti-money laundering compliance program ("AMLCP") insofar as it failed to conduct its AMLCP training for its employees and associated persons for the calendar year 2008; and (iv) establish, maintain and enforce adequate written supervisory procedures, and a system for applying such procedures, reasonably expected to prevent and detect, insofar as practicable, violations of the applicable securities laws and regulations, including the by-laws and rules of the Exchange. DSX's Offer was accepted by the Committee and was the basis of its Decision.

The Committee found that DSX violated Section 17 of the Exchange Act, Rules 17a-3, 17a-5 promulgated thereunder, and Rules 200 and 203(b) of Regulation SHO promulgated thereunder, and Exchange Rules 703, 748, 760 and 761, concurred in the sanctions consented to by it, and ordered the imposition of the following sanctions: (i) a censure and (ii) a fine of \$3,000.

For more information, contact:

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