



Notice of Disciplinary Action Against J.P. Morgan Clearing Corp., Member Organization

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Enforcement Counsel, NASDAQ OMX PHLXSM
DATE: April 10, 2012

FINRA Matter No. 20090199132
Enforcement No. 2012-04

On April 4, 2012, the Business Conduct Committee (the "Committee") issued a disciplinary decision against J.P. Morgan Clearing Corp. ("JP Morgan" or the "Firm"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, JP Morgan submitted an Offer of Settlement, Stipulation of Facts and Consent to Sanctions ("Offer"). Solely to settle this proceeding, and without admitting or denying the charges, JP Morgan consented to findings that during the period between January 19, 2010 and March 31, 2010, it had violated Exchange Rule 1003 by failing to accurately report 18,356 options positions required to be reported to the Large Options Position Report, or LOPR, as a result of its failure to include, among other things, valid city codes, country codes and options symbols.

JP Morgan's Offer was accepted by the Committee and was the basis of its Decision. The Committee found that JP Morgan had violated Exchange Rule 1003, concurred in the sanctions consented to by it, and ordered the imposition of the following sanctions: (i) a censure; and (ii) a \$50,000 fine.

For more information, contact:

- John C. Pickford, Enforcement Counsel, NASDAQ OMX PHLX, at +1 215 496 5273