



Notice, Pursuant to Exchange By-law 18-2, of Disciplinary Action Against Octeg, LLC, Member Organization

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Enforcement Counsel, NASDAQ OMX PHLXSM
DATE: June 12, 2012

Enforcement No. 2012-06

On June 12, 2012, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Octeg, LLC ("Octeg"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, Octeg 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, Octeg consented to findings that it violated Exchange Rule 1014(b)(ii)(D)(1) by inadvertently failing to quote continuously, two-sided markets in multiple options, thereby resulting in 1,162 instances where the firm did not adequately quote in at least 60% of the series in those options and did not adequately quote the series 90% of the trading day on two occasions. Octeg's Offer was accepted by the Committee and was the basis of its Decision.

The Committee found that Octeg violated Exchange Rule 1014(b)(ii)(D)(1), concurred in the sanctions consented to by it, and ordered the imposition of the following sanctions: (i) a censure and (ii) a fine of \$7,500.

For more information, contact:

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