



## Notice, Pursuant to Exchange By-law 18-2, of Disciplinary Action Against Knight Financial Products LLC, Former Member Organization

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**To:** Members, Member Organizations, Participants and Participant Organizations  
**From:** Mark Schepps, Chief Enforcement Counsel, NASDAQ OMX PHLX<sup>SM</sup>  
**DATE:** July 14, 2009

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### **NASDAQ OMX PHLX No. 09-19 Enforcement No. 2009-20**

On July 14, 2009, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Knight Financial Products LLC ("Knight"), a former member organization of the Exchange. In response to a Statement of Charges issued in this action, Knight 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, Knight consented to findings that it violated Exchange Rule 1082 by failing to execute incoming orders for various option series at the disseminated price in an amount up to the disseminated size. Knight's Offer was accepted by the Committee and was the basis of its Decision.

The Committee found that Knight violated Exchange Rule 1082, concurred in the sanctions consented to by it, and ordered the imposition of the following sanctions: (i) a censure and (ii) a fine of \$25,000.

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For more information, contact:

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