



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

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Enforcement Counsel, NASDAQ OMX PHLXSM
DATE: April 19, 2010

NASDAQ OMX PHLX No. 10-08 Enforcement No. 2010-05

On April 14, 2010, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Citigroup Derivatives Markets, Inc. ("Citigroup"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, Citigroup 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, Citigroup consented to findings that it violated Exchange Rule 1014(b)(ii)(D)(1) by failing to meet its 99% option series quoting requirement on 50 occasions. Citigroup's Offer was accepted by the Committee and was the basis of its Decision.

The Committee found that Citigroup 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 \$2,000.

For more information, contact:

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