



Notice of Disciplinary Action Against Bullock Trading LP, a former Member Organization, and Jason Ferrari, a former Associated Person of Bullock Trading LP

To: Members, Member Organizations, Participants and Participant Organizations

From: John C. Pickford, Enforcement Counsel, NASDAQ OMX PHLXSM

DATE: March 26, 2013

FINRA Matter No. 20100242464 Enforcement No. 2012-12

On March 25, 2013, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Bullock Trading LP ("Bullock"), a former member organization of the Exchange, and Jason Ferrari ("Ferrari"), a former Registered Options Trader ("ROT") associated with Bullock. In response to a Statement of Charges issued in this action, Bullock and Ferrari 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, Bullock and Ferrari consented to findings that during the period between April 2010 and June 2010 (the "Review Period"), they had committed violations of Exchange Rule 1014, Commentaries .01 and .03, and Options Floor Procedure Advices ("OFPA") B-3 and B-4. Specifically, Bullock and Ferrari consented to findings that during the Review Period, Ferrari, on behalf of Bullock, had effected 43.72% of his total options contracts in assigned options classes and had thereby failed to satisfy the minimum number of options contracts he was required to trade in his assigned options classes. Bullock and Ferrari also consented to findings that during the Review Period, Ferrari, on behalf of Bullock, while off-floor and without executing the minimum number of options contracts in person and in his assigned options classes, had executed five options contracts in his market maker account that were not for the purpose of hedging, reducing pre-existing risk, or rebalancing positions in his market maker account.

The Offer submitted by Bullock and Ferrari was accepted by the Committee and was the basis of its Decision. The Committee found that Bullock and Ferrari had violated Exchange Rule 1014, Commentaries .01 and .03, and OFPAs B-3 and B-4, concurred in the sanctions consented to by Bullock and Ferrari, and ordered the imposition of the following sanctions against them: (i) a censure; and (ii) a fine in the amount of \$1,000.

For more information, contact:

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