



## Notice of Disciplinary Action against UBS Securities LLC, Member Organization

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**To:** Members, Member Organizations, Participants and Participant Organizations  
**From:** John C. Pickford, Assistant General Counsel, NASDAQ OMX PHLX<sup>SM</sup>  
**DATE:** December 21, 2015

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**Enforcement No. 2015-16**  
**FINRA No. 20140420749**  
**FINRA No. 20140438131**

On December 16, 2015, the Business Conduct Committee (the "Committee") of the NASDAQ OMX PHLX LLC ("PHLX" or the "Exchange") issued a disciplinary decision against UBS Securities LLC ("UBS" or the "Firm"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, UBS submitted an Offer of Settlement. Solely to settle this proceeding, and without admitting or denying the charge, UBS consented to findings that during the periods between April 1, 2014 and May 15, 2014 ("Review Period I"), and November 1, 2014 and February 28, 2015 ("Review Period II"), UBS violated Exchange Rule 1014(b)(ii)(D)(1). Specifically, on 415 instances during Review Period I, UBS, while acting as a Directed Remote Streaming Quote Trader ("DRSQT"), failed to quote continuous, two-sided markets in 99% of the options series listed on the Exchange in at least 60% of its assigned options series on the Exchange for at least 90% of the trading day. Additionally, on seven separate trade dates during Review Period II, UBS, while acting as a DRSQT, failed to quote: (i) continuous, two-sided markets in at least 99% of the options series listed on the Exchange in at least 60% of its assigned options series for at least 90% of the trading day; and/or (ii) at least 99% of the series in an option for at least 90% of the trading day as measured from the time it had commenced quoting in the option to the end of the trading day.

The Committee found that UBS had violated Exchange Rule 1014(b)(ii)(D)(1), and ordered the imposition of the following sanctions against UBS: (i) a censure; and (ii) a fine in the amount of \$35,000.

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For more information, contact:

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