



Notice of Disciplinary Action Against Wolverine Execution Services, LLC, a Member Organization

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Assistant General Counsel, NASDAQ OMX PHLXSM
DATE: December ____, 2014

FINRA Matter No. 20120341223
Enforcement No. 2014-17

On December 22, 2014, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Wolverine Execution Services, LLC ("WEXX" or the "Firm"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, WEXX submitted an Offer of Settlement, Stipulation to Findings and Consent to Sanctions ("Offer"). Solely to settle this proceeding, and without admitting or denying the charges, WEXX stipulated to findings that during the period between July 1, 2011 and October 11, 2012, WEXX violated Exchange Rules 707, 748, 760 and 785, and Section 17(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), and Rule 17a-3 promulgated thereunder, by: (i) marking with inaccurate origin codes, across multiple options exchanges, a total of approximately 265,176 options contracts, of which 49,155 contracts executed on the Exchange; and (ii) failing to have supervisory systems and controls in place, including a separate system of follow-up and review, reasonably designed to achieve compliance with the Exchange's origin code requirements.

The Offer submitted by WEXX was accepted by the Committee and was the basis of its Decision. The Committee found that WEXX had violated Exchange Rules 707, 748, 760 and 785, and Section 17(a) of the Exchange Act, and Rule 17a-3 promulgated thereunder, concurred in the sanctions consented to by the Firm, and ordered the imposition of the following sanctions: (i) a censure; and (ii) a total fine of \$235,000, of which \$45,000 shall be paid to the Exchange. WEXX will pay the balance of its fine to NASDAQ OMX BX, Inc., BOX Options Exchange LLC, NYSE Arca, Inc., The Nasdaq Options Market LLC, International Securities Exchange, LLC, and NYSE MKT LLC pursuant to separate settlement agreements.

For more information, contact:

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