



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

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**To:** Members, Member Organizations, Participants and Participant Organizations  
**From:** Joe Cusick, Vice President — Surveillance, NASDAQ PHLX LLC<sup>SM</sup>  
**DATE:** April 11, 2017

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### Enforcement No. 2017-03; FINRA Matter No. 20150443191-03

On April 4, 2017, the Business Conduct Committee (the "Committee") issued a disciplinary decision against UBS Securities LLC ("UBSW" or the "Firm"), a member organization of NASDAQ PHLX LLC ("PHLX" or the "Exchange"). In connection with a Statement of Charges issued in this action, the Firm submitted an Offer of Settlement, Stipulation of Facts and Consent to Sanctions ("Offer"). Solely to settle these proceedings, and without admitting or denying the charges, the Firm consented to findings in connection with Matter No. 20150443191-03 that during the period from May 1, 2015 through May 31, 2015 (the "Relevant Period"), the Firm violated Rule 17a-3(a)(6)(i) of the Securities Exchange Act of 1934 (the "Exchange Act") and Exchange Rule 760 by generating and maintaining certain inaccurate timestamps on the Firm's books and records with respect to certain options orders routed to floor brokers on the Exchange.<sup>1</sup>

More specifically, during the Relevant Period,<sup>2</sup> the Firm failed to show the correct time of entry on the memorandum of 17 brokerage orders routed to floor brokers on PHLX. The Firm also failed to show the correct time the order was received on the memorandum for 2 of the above brokerage orders, as well as for the memorandum for 2 additional brokerage orders routed to PHLX during the Relevant Period.

The Offer submitted by Respondent was accepted by the Committee and was the basis of its Decision. The Committee concurred in the sanctions consented to by Respondent, and ordered the imposition of the following sanctions against the Firm: (i) a censure, and (ii) a total fine of \$37,500 (to be paid jointly to the Exchanges, of which \$12,500 shall be paid to PHLX).

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For more information, contact:

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<sup>1</sup> Related disciplinary actions in connection with this matter also are being brought by the Chicago Board Options Exchange, Incorporated ("CBOE") and NYSE MKT LLC ("NYSE MKT") concerning similar additional books and records findings under Exchange Act Rule 17a-3 and those exchanges' books and records requirements. The Exchange, CBOE and NYSE MKT collectively are referred to herein as the "Exchanges."

<sup>2</sup> The timestamp issued identified from the examination were not limited to the Relevant Period.