



Notice of Disciplinary Action against Group One Trading, L.P., Member Organization

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Assistant General Counsel, NASDAQ OMX PHLXSM
DATE: December 21, 2015

Enforcement No. 2015-14
FINRA No. 20140432284
FINRA No. 20150452257

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 Group One Trading, L.P. ("Group One" or the "Firm"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, Group One submitted an Offer of Settlement. Solely to settle this proceeding, and without admitting or denying the charges, Group One consented to findings that during the period between August 1, 2014 and September 30, 2015 (the "Relevant Period"), Group One violated Exchange Rules 1014(b)(ii)(D)(1) and (2). Specifically, Group One consented to findings that: (i) on one trade date during the Relevant Period, while acting as a Remote Streaming Quote Trader, it had failed to quote continuous, two-sided markets in 60% of its assigned options series on the Exchange for at least 90% of the trading day; and (ii) on 22 separate trade dates during the Relevant Period, while acting as a Specialist, it had failed to quote continuous, two-sided markets in at least 99% of its assigned options series on the Exchange for at least 90% of the trading day.

The Committee found that Group One had violated Exchange Rules 1014(b)(ii)(D)(1) and (2), and ordered the imposition of the following sanctions against Group One: (i) a censure; and (ii) a fine in the amount of \$35,000.

For more information, contact:

- John C. Pickford, Assistant General Counsel, NASDAQ OMX PHLX, at +1 215 496 5273