



Notice, Pursuant to Exchange By-law 18-2, of Disciplinary Action Against Peter P. Cullen, Former Associated Person of a Member Organization

To: Members, Member Organizations, Participants and Participant Organizations

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

DATE: August 2, 2010

NASDAQ OMX PHLX No. 10-11 Enforcement No. 2010-08

On April 8, 2010, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Peter P. Cullen ("Cullen"), a former associated person of Cutler Group, LP ("Cutler"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, Cullen 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, Cullen consented to findings that he had violated Exchange Rules 782 and 707 by engaging in the practice of marking or attempting to mark the closing price of various options series on numerous occasions while acting as a market maker with Cutler. Cullen's Offer was accepted by the Committee and was the basis of its Decision.

The Committee found that Cullen had violated Exchange Rules 782 and 707, concurred in the sanctions consented to by him, and ordered the imposition of the following sanctions: (i) a censure; (ii) a fine in the amount of \$75,000; and (iii) a suspension from association with any member organization of the Exchange in any capacity for a period of six weeks.

For more information, contact:

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