



Notice of Disciplinary Action against Cutler Group, LP Member Organization

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Assistant General Counsel, NASDAQ PHLXSM
DATE: July 19, 2016

Enforcement No. 2016-08
FINRA No. 20140432136
FINRA No. 20150467227
FINRA No. 20160497816

On July 16, 2016, the Business Conduct Committee (the "Committee") of the NASDAQ PHLX LLC ("PHLX" or the "Exchange") issued a disciplinary decision against Cutler Group, LP ("CTLR" or the "Firm"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, CTLR submitted an Offer of Settlement. Solely to settle this proceeding, and without admitting or denying the charges, CTLR consented to findings that during the period between August 2014 and November 2015, the Firm violated Exchange Rule 1014(b)(ii)(D)(1).

Specifically, in 19 instances on 13 trade dates between August 2014 and November 2015, while acting as a Remote Streaming Quote Trader, CTLR failed to disseminate continuous, two-sided-quotations in at least 60 percent of the options series in which it was assigned for at least 90 percent of the trading day.

The Committee found that CTLR had violated Exchange Rule 1014(b)(ii)(D)(1) and ordered the imposition of the following sanctions against CTLR: (i) a censure; and (ii) a fine in the amount of \$42,500.

For more information, contact:

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