

BEFORE THE BUSINESS CONDUCT COMMITTEE PANEL
OF THE
CBOE FUTURES EXCHANGE, LLC

In the Matter of:)	
)	
Locust Walk Trading LLC,)	File No. CFE 16-0003
)	ICT No. 109029
Subject.)	
)	

DECISION ACCEPTING LETTER OF CONSENT

This proceeding was instituted by a Panel of the Business Conduct Committee (“Committee”) of CBOE Futures Exchange (“CFE”) as a result of an investigation by CFE Regulatory staff. In order to resolve this matter, Locust Walk Trading LLC has submitted a Letter of Consent for purposes of this proceeding without admitting or denying that a violation of Exchange Rules has been committed. With due regard to the stipulated facts and findings and the proposed sanction, contained therein, the Committee believes it is appropriate to accept the Letter of Consent, attached hereto and made a part of this decision.

So Ordered for the Committee

November 30, 2016

**_____
Bruce Andrews
Chairman
Business Conduct Committee Panel**

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CBOE FUTURES EXCHANGE, LLC

In the Matter of:)
)
)

Locust Walk Trading LLC,)
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Subject.)
_____)

File No. CFE 16-0003

LETTER OF CONSENT

In order to resolve these proceedings pursuant to the CBOE Futures Exchange, LLC (“CFE” or “Exchange”) Rule 703, Expedited Proceeding, Locust Walk Trading LLC (“Locust Walk”), hereby submits this Letter of Consent in the above captioned matter. For purposes of this proceeding and without admitting or denying that a violation of Exchange Rules has been committed, Locust Walk consents to the Stipulation of Facts and Findings and the Sanction set forth below.

Stipulation of Facts and Findings:

1. During all relevant periods herein, Locust Walk was a CFE Trading Privilege Holder.
2. During all relevant periods herein, CFE Rule 608- Acts Detrimental to the Exchange; Acts Inconsistent with Just and Equitable Principles of Trade; Abusive Practices was in full force and effect, as follows:

It shall be an offense to engage in any act detrimental to the Exchange, in conduct inconsistent with just and equitable principles of trade or in abusive practices, including without limitation, fraudulent, noncompetitive or unfair actions.

3. On several occasions between May and August 2015, Locust Walk entered orders in the CBOE Volatility Index Trade at Settlement futures that were rejected by the Exchange for being entered prior to the pre-open. Locust Walk knew or should have known that the orders would be rejected.
4. The conduct described above constitutes a violation of Exchange Rule 608 by Locust Walk in that it was inconsistent with just and equitable principles of trade.

5. See CFE Regulatory Circular 15-015, 15-026 and CFE Rule 404A for further guidance.

Sanction: \$15,000 fine

Locust Walk acknowledges that it has read the foregoing Letter of Consent, that no promise or inducement of any kind has been made to it by the Exchange or its staff, and that this Letter of Consent is voluntary on its part.

Locust Walk understands and acknowledges that the Business Conduct Committee's ("Committee") decision in this matter will become part of its disciplinary record and may be considered in any future Exchange proceeding.

Locust Walk also acknowledges that the Committee's decision to accept or reject this Letter of Consent is final, and that it may not seek review thereof in accordance with Exchange Rule 703.

10/18/2016
Date

Locust Walk Trading LLC

