

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CHICAGO BOARD OPTIONS EXCHANGE INCORPORATED

In the Matter of:)

New Concepts, L.L.C.)
One Financial Place)
440 South LaSalle Street)
Suite 1700)
Chicago, IL 60605)

Respondent)
_____)

File No. 96-0066


DECISION MODIFYING SANCTION AND ORDER

On March 4, 1997, the Business Conduct Committee ("BCC") issued a Decision Accepting Offer of Settlement in In the Matter New Concepts L.L.C.; File No. 96-0066. Pursuant to the BCC's Decision, the Respondent, New Concepts L.L.C., was fined in the amount of ten thousand dollars (\$10,000) and censured. The Respondent was also ordered to have its Compliance Director successfully complete the Series 27-Financial Principal Examination, and to submit written procedures for the daily monitoring of net capital to the Exchange's Department of Financial Compliance within 90 days of the issuance of the Decision in this matter.

On December 9, 1997, the Respondent requested that the BCC modify its Decision to the extent that it required New Concepts' Compliance Director to successfully complete the Series 27-Financial Principal Examination, due to the fact that the Respondent ceased acting in the capacity of a capital computing firm in June 1997.

On December 10, 1997, the BCC considered the Respondent's request and agreed to modify its Decision and Order in In the Matter of New Concepts, L.L.C.; File 96-0066 to delete the requirements that New Concepts' Compliance Director successfully complete the Series 27-Financial Principal Examination. However, the BCC ordered that the Respondent retain a Series 27 qualified individual through at least January 1998 or until the its positions that require capital computing expire. Additionally, the BCC ordered that should the Respondent become a capital computing firm in the future, its Compliance Director shall be required to successfully complete the Series 27 - Financial Principal Examination.

SO ORDERED
FOR THE COMMITTEE


Bruce Andrews
Chairman
Business Conduct Committee

12-18-97
Date

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CHICAGO BOARD OPTIONS EXCHANGE INCORPORATED

In the Matter of:)
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New Concepts, L.L.C.)
One Financial Place)
440 South LaSalle Street)
Suite 1700)
Chicago, IL 60605)

Respondent)
_____)

File No. 96-0066

DECISION ACCEPTING OFFER OF SETTLEMENT

This proceeding was instituted by the Business Conduct Committee (the "Committee") of the Chicago Board Options Exchange, Incorporated (the "Exchange") as a result of an investigation by the staff of the Exchange, which indicated that there was probable cause for finding a violation within the disciplinary jurisdiction of the Exchange. In accordance with that determination, the Committee directed the issuance of a Statement of Charges ("Statement of Charges"). Pursuant to Exchange Rule 17.8, the respondent ("Respondent"), New Concepts, L.L.C. ("New Concepts") submitted an offer of settlement ("Offer of Settlement").

In submitting the Offer of Settlement, the Respondent neither admitted nor denied the violations alleged in the Statement of Charges.

The Respondent has agreed that the determination of the Committee to accept the Offer of Settlement shall constitute a final Decision, and, as provided in Exchange Rule 17.8, the Respondent may not seek review thereof.

With due regard to the particulars of this matter, the Committee believes it is appropriate to accept the Respondent's Offer of Settlement based on the following stipulated facts and findings and thereby to impose the sanction specified below.

FACTS

1. During all relevant periods herein, New Concepts, was a member of the Exchange.
2. During all relevant periods herein, New Concepts was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a member organization associated with a market maker and a floor broker.
3. During all relevant periods in which the activity noted below occurred, New Concepts was acting in its capacity as a registered Broker Dealer.

4. During all relevant periods herein, Exchange Rules 4.2 - Adherence to Law; 13.1 - Minimum Requirements; 15.1 - Maintenance, Retention and Furnishing of Books, Records and Other Information; Section 15(c) of the Securities Exchange Act of 1934, as amended (the "Act") and Rule 15c3-1 - Net Capital - thereunder; Section 17(a) of the Act and Rules 17a-3 - Records to Be Made by Certain Exchange Members, Brokers and Dealers and 17a-5 - Filing of Monthly and Quarterly Reports - thereunder, were in full force and effect.
5. During all relevant periods herein, broker dealers computing net capital pursuant to the alternative method as set forth under Section 15(c) of the Act and Rule 15c3-1 thereunder were required to maintain a minimum net capital of \$250,000.
6. During all relevant periods herein, New Concepts elected to compute its net capital using the alternative method set forth under Section 15(c) of the Act and Rule 15c3-1 thereunder.
7. On May 31, 1996, New Concepts overstated its excess net capital by \$1,542,118.
8. During the period from on or about June 3, 1996 through on or about July 15, 1996, New Concepts operated with net capital below the minimum required amount of \$250,000.

FINDINGS

9. The acts, practices and conduct described in Paragraph 7 above constitute a violation of Exchange Rules 4.2; 13.1; 15.1; Section 15(c) of the Act and Rule 15c3-1 thereunder and Section 17(a) of the Act and Rules 17a-3 and 17a-5 thereunder, by New Concepts.
10. The acts, practices and conduct described in Paragraph 8 above constitute a violation of Exchange Rules 4.2; 13.1; 15.1; Section 15(c) of the Act and Rule 15c3-1 thereunder and Section 17(a) of the Act and Rule 17a-3 thereunder, by New Concepts.

SANCTION

The sanction to be imposed shall consist of a ten thousand dollar (\$10,000) fine, a censure, and an undertaking for New Concepts' Compliance Director to successfully complete the Series 27-Financial Principal Examination, and for New Concepts to submit written procedures for the daily monitoring of net capital to the Exchange's Department of Financial Compliance within 90 days of the issuance of a Decision in this matter.

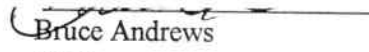
ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, shall be and hereby is fined in the amount of ten thousand dollars (\$10,000) and censured. The Respondent is also hereby ordered to have its Compliance Director successfully complete the Series 27-Financial Principal Examination,

and for New Concepts to submit written procedures for the daily monitoring of net capital to the Exchange's Department of Financial Compliance within 90 days of the issuance of a Decision in this matter.

SO ORDERED
FOR THE COMMITTEE

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Bruce Andrews
Chairman
Business Conduct Committee

3-4-97
Date