

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

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In the Matter of:)	
)	
BT Securities Corporation)	
One Bankers Trust Plaza)	
New York, NY 10006)	
)	
)	
Respondent)	File No. 96-0070
)	
)	

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"), BT Securities Corporation ("BT Securities") 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.

Respondent understands and acknowledges that the Committee's decision in this matter will become part of its disciplinary record and may be considered in any future Exchange proceeding.

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, the Respondent, BT Securities, was a member of the Exchange.

2. During all relevant periods herein, BT Securities was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as an OCC clearing member and as a lessee member organization associated with a floor broker.
3. During all relevant periods herein, Exchange Rule 4.11 - Position Limits was in full force and effect.
4. During all relevant periods herein, the applicable position limit in the Syntex Corporation (SYN) class of option contracts was 10,500 contracts on the same side of the market.
5. On August 15, 1994, BT Securities controlled an aggregate long call, short put position of 12,140 SYN option contracts in its proprietary account.
6. On August 16, 1994, BT Securities controlled an aggregate long call, short put position of 12,140 SYN option contracts in its proprietary account.
7. On August 17, 1994, BT Securities controlled an aggregate long call, short put position of 12,140 SYN option contracts in its proprietary account.
8. On August 18, 1994, BT Securities controlled an aggregate long call, short put position of 11,320 SYN option contracts in its proprietary account.

FINDINGS

9. The acts, practices, and conduct described in each of Paragraphs 5 through 8 above constitute violations of Exchange Rule 4.11 by BT Securities.

SANCTION

The sanction to be imposed shall consist of:

- a). a five thousand dollar (\$5,000) fine.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, BT Securities Corporation, shall be and hereby is fined in the amount of five thousand dollars (\$5,000).

SO ORDERED
FOR THE COMMITTEE

/s/ Bruce I. Andrews
Bruce I. Andrews
Chairman
Business Conduct Committee

April 8, 1997
Date

