

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CHICAGO BOARD OPTIONS EXCHANGE

)	
In the Matter of:)	
)	
Joel Bronstein)	
141 W. Jackson Blvd.)	File No. 97-0014
Suite 3412)	
Chicago, IL 60604)	
)	
and)	
)	
Dearborn Trading, L.P.)	
141 W. Jackson Blvd.)	
Suite 3412)	
Chicago, IL 60604)	
)	
Subjects)	

DECISION ACCEPTING LETTER OF CONSENT

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. In order to resolve this matter, the subjects, Joel Bronstein and Dearborn Trading, L.P., have submitted a Letter of Consent, dated April 15, 1997. Such Letter of Consent was submitted solely for the 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 for File No. 97-0014, which is attached to and made a part of this Decision.

SO ORDERED
FOR THE COMMITTEE

Dated: May 12, 1997

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

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LETTER OF CONSENT

In order to resolve this proceeding pursuant to the Chicago Board Options Exchange, Incorporated (the "Exchange") Rule 17.3, Expedited Proceeding, we hereby submit this Letter of Consent in the captioned matter. Only for purposes of this proceeding and without admitting or denying that a violation of Exchange Rules has been committed, we consent to the Stipulation of Facts and Findings and Sanction set forth below.

Stipulation of Facts and Findings

1. During all relevant periods herein, the Subjects, Joel Bronstein ("Bronstein") and Dearborn Trading, L.P. ("Dearborn"), were members of the Exchange.
2. During all relevant periods herein, Bronstein was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a market-maker whose membership was registered for Dearborn.
3. During all relevant periods herein, Dearborn 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.
4. During all relevant periods herein, Exchange Rules 4.2 - Adherence to Law and 8.1 - Marker-Maker Defined, and Regulation X of the Board of Governors of the Federal Reserve System ("FRB") - Borrowers of Securities Credit were in full force and effect.
5. On April 1, 1997, the Exchange sent a letter to Bronstein and Dearborn pursuant to the notice requirements of Exchange Rule 17.2(d). Attached to the letter was an Appendix that contained a listing of cleared opening option transactions executed by floor brokers for Bronstein's market-maker account for the period from on or about August 17, 1994, through on or about September 16, 1994 (hereinafter "Appendix").

6. During the period from on or about August 17, 1994, through on or about September 16, 1994, on approximately five trade dates, Bronstein on behalf of Dearborn, initiated numerous opening option transactions, as more fully described in the Appendix, that increased or established positions in his market-maker account while Bronstein was not present on the trading floor of the Exchange. As a result, Bronstein improperly received specialist exempt credit for margin purposes for these opening transactions.
7. The acts, practices and conduct described in Paragraph 6 above constitute violations of Exchange Rule 8.1 by Bronstein and Dearborn, in that Bronstein on behalf of Dearborn, initiated numerous opening option transactions, as more fully described in the Appendix, that increased or established positions in his market-maker account while Bronstein was not present on the trading floor of the Exchange.
8. The acts, practices and conduct described in Paragraph 6 above constitute violations of Exchange Rule 4.2 and FRB Regulation X by Bronstein and Dearborn, in that Bronstein on behalf of Dearborn improperly received specialist exempt credit for margin purposes for those opening transactions.

Sanction: A four thousand five hundred dollar (\$4,500) joint and several fine and a censure of each Subject.

We acknowledge that we have read the foregoing Letter of Consent, that no promise or inducement of any kind has been made to us by the Exchange or its staff, and that this Letter is voluntary on our part.

We understand and acknowledge that the Committee's decision in this matter will become part of our disciplinary record and may be considered in any future Exchange proceeding.

We also acknowledge that the Committee's decision to accept or reject this Letter of Consent is final, and that we may not seek review thereof in accordance with Exchange Rule 17.3.

April 15, 1997
Date

/s/ Joel Bronstein
Joel Bronstein

April 15, 1997
Date

By: /s/ Joel Bronstein
Dearborn Trading L.P.

President of Dearborn Trading, Inc., its general
partner
Title