



DISCIPLINARY DECISION
Cboe BZX Exchange, Inc.
Star No. 20180610167
File Nos. USRI-9064-03 and USRI-8152-03
Global Execution Brokers, LP

Pursuant to Exchange Rule 8.3, attached to and incorporated as part of this Decision is a Letter of Consent.

Applicable Rule(s)

- BZX Rules 3.2 – Violations Prohibited, 5.1 – Supervision, 18.1 -Adherence to Law , 18.2(a)(6)- Conduct and Compliance with the Rules, 20.7(b)(6) – Audit Trail, 24.1 – Maintenance, Retention and Furnishing of Books, Records and Other Material Information; Section 17(a) of the Exchange Act, and Rule 17a-3 – Records to be Made by Certain Exchange Members, Brokers and Dealers thereunder.

Sanction

A censure and a monetary fine of \$160,000, of which \$153,500 shall be paid to BZX.

Effective Date

May 4, 2021

/s/ Greg Hoogasian

Greg Hoogasian, CRO, SVP

Cboe BZX Exchange, Inc.
LETTER OF CONSENT
Star No. 20180610167
File Nos. USRI-9064-03 and USRI-8152-03

In the Matter of:

Global Execution Brokers, LP
401 City Avenue
Bala Cynwyd, PA 19004

Subject

Pursuant to the provisions of Cboe BZX Exchange, Inc. (“BZX” or the “Exchange”) Rule 8.3 – Expedited Proceeding, Global Execution Brokers, LP (the “Firm”) submits this Letter of Consent for the purposes of proposing a settlement of the alleged rule violations described below.

The Firm neither admits nor denies that violations of Exchange Rules or the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) rules have been committed, and the stipulation of facts and findings described herein do not constitute such an admission.

BACKGROUND

1. During all relevant periods herein, the Firm was acting as a registered Broker-Dealer and has been a member of BZX since February 2010. Its registration remains in effect.
2. Matter USRI-9064-03 originated from a review conducted by FINRA’s Department of Market Regulation and Matter USRI-8152-03 originated from a review conducted by Exchange Investigative Staff.

VIOLATIVE CONDUCT

Origin Code Violations

3. Section 17(a) of the Exchange Act and Rule 17a-3(a)(6)(i) thereunder require broker-dealers to create a memorandum of each order that contains the complete terms and conditions of the order. BZX Rules 3.2 - Violations Prohibited and 18.1 - Adherence to Law prohibit members from, among other

things, engaging in conduct that violates the Exchange Act or the Rules thereunder.

4. BZX Rule 18.2 – Conduct and Compliance with the Rules requires members to input accurate information into the Exchange’s systems.
5. BZX Rule 20.7 – Audit Trail requires each member, when entering orders on the Exchange, to submit order information in the format prescribed by the Exchange to allow it to properly prioritize and match orders and report resulting transactions to the Clearing Corporation.
6. BZX Rule 24.1 – Maintenance, Retention and Furnishing of Books, Records and Other Information requires members to make, keep current, and preserve such books and records as the Exchange may prescribe pursuant to Exchange Rules and as may be prescribed by the Exchange Act and the rules and regulations thereunder.
7. From August 25, 2015 through March 14, 2018, the Firm received approximately 59,740 orders, totaling approximately 639,072 contracts, with Broker-Dealer Customer origin codes and subsequently executed the same with a Customer origin code on BZX.
8. In addition, between on or about August 3, 2015 and on or about April 3, 2019, the Firm executed approximately 1,675,437 orders, totaling approximately 23,237,643 contracts in classes where the originating firm was a registered market maker on the BZX that were marked with an “M” (Market-Maker) origin code, however, the originating Market-Maker accounts noted on the orders were not registered as approved Market-Makers with BZX.
9. The acts, practices, and conduct described in Paragraphs 7 and 8 constitute violations of Section 17(a) of the Exchange Act and Rule 17a-3(a)(6)(i) thereunder, and BZX Rules 3.2, 18.1, 18.2, 20.7, and 24.1 by the Firm, in that the Firm executed orders with mismarked origin codes on BZX.

Supervision Violations

10. BZX Rule 5.1 requires each member to establish, maintain, and enforce written procedures that will enable it to properly supervise the activities of associated persons and assure their compliance with applicable securities laws and Exchange rules.
11. From August 25, 2015 through July 30, 2019, the Firm failed to establish and maintain written supervisory procedures and supervisory system protocols that enabled it to properly supervise the activities of its associated persons

and assure their compliance with Section 17(a) of the Exchange Act and Rule 17a-3(a)(6)(i) thereunder, and BZX Rules 18.2, 20.7, and 24.1, as such rules relate to origin code usage. Specifically, the Firm's WSPs failed to provide for a review for the accuracy of originating accounts associated with origin codes. In addition, the Firm failed to ensure that its system protocols had been updated to include the addition of the Broker-Dealer origin code on BZX.

12. The acts, practices, and conduct described in Paragraph 11 constitute a violation of BZX Rule 5.1 by the Firm, in that the Firm failed to establish and maintain written supervisory procedures and supervisory system protocols that enabled it to properly supervise the activities of its associated persons and assure their compliance with Section 17(a) of the Exchange Act and Rule 17a-3(a)(6)(i) thereunder, and BZX Rules 18.2, 20.7, and 24.1, as such rules relate to origin code usage.

SANCTIONS

13. The Firm does not have any relevant disciplinary history with the Securities and Exchange Commission, any state securities regulators, BZX, or any other self-regulatory organization.
14. In light of the alleged rule violations described above, the Firm consents to the imposition of the following sanctions:
 - a. A censure; and
 - b. A monetary fine in the amount of \$160,000, of which \$153,500 shall be paid to BZX.¹

Acceptance of this LOC is conditioned upon acceptance of a similar settlement agreement in this matter between the Firm and Cboe EDGX Exchange, Inc.

If this Letter of Consent is accepted, the Firm acknowledges that it shall be bound by all terms, conditions, representations, and acknowledgements of this Letter of Consent, and, in accordance with the provisions of Exchange Rule 8.3, waives the right to review or to defend against any of these allegations in a disciplinary hearing before a Hearing Panel. The Firm further waives the right to appeal any such decision to the Board of Directors, the U.S. Securities and Exchange Commission, a U.S. Federal District Court, or a U.S. Court of Appeals.

The Firm waives any right to claim bias or prejudgment of the Chief Regulatory Officer ("CRO") in connection with the CRO's participation in discussions regarding the terms and

¹ The remainder of the fine shall be allocated to EDGX.

conditions of this Letter of Consent, or other consideration of this Letter of Consent, including acceptance or rejection of this Letter of Consent. The Firm further waives any claim that a person violated the ex parte prohibitions of Exchange Rule 8.16, in connection with such person's participation in discussions regarding the terms and conditions of this Letter of Consent, or other consideration of this Letter of Consent, including its acceptance or rejection.

The Firm agrees to pay the monetary sanction upon notice that this Letter of Consent has been accepted and that such payments are due and payable. The Firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

The Firm understands that submission of this Letter of Consent is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the CRO, pursuant to Exchange Rule 8.3. If the Letter of Consent is not accepted, it will not be used as evidence to prove any of the allegations against the Firm.

The Firm understands and acknowledges that acceptance of this Letter of Consent will become part of its disciplinary record and may be considered in any future actions brought by BZX or any other regulator against the Firm. The Letter of Consent will be published on a website maintained by the Exchange in accordance with Exchange Rule 8.18.

The Firm understands that it may not deny the charges or make any statement that is inconsistent with the Letter of Consent. The Firm may attach a Corrective Action Statement to this Letter of Consent that is a statement of demonstrable corrective steps taken to prevent future misconduct. Any such statement does not constitute factual or legal findings by the Exchange, nor does it reflect the views of the Exchange or its staff.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this Letter of Consent and has been given a full opportunity to ask questions about it; that it has agreed to the Letter of Consent's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce the Firm to submit it.

Date:_____

Global Execution Brokers, LP

By:_____

Name:_____

Title:_____