

**CBOE BZX EXCHANGE, INC.**  
**LETTER OF ACCEPTANCE, WAIVER AND CONSENT**  
**NO. 20160486154-03**

TO: Cboe BZX Exchange, Inc.  
c/o Department of Market Regulation  
Financial Industry Regulatory Authority ("FINRA")

RE: Dash Financial LLC, n/k/a Dash Financial Technologies LLC<sup>1</sup> Respondent  
Broker-Dealer  
CRD No. 104031

Pursuant to Rule 8.3 of the Rules of Cboe BZX Exchange, Inc. ("BZX"), Dash Financial Technologies LLC (the "Firm") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, BZX will not bring any future actions against the Firm alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. The Firm hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of BZX, or to which BZX is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by BZX:

**BACKGROUND**

The Firm is a U.S. broker-dealer and a member of multiple exchanges, including BZX. The Firm became a member of BZX on October 23, 2008, and its registration remains in effect. The Firm has no relevant disciplinary history.

**SUMMARY**

In Matter No. 20160486154, the staff of FINRA's Department of Market Regulation ("Staff") conducted a Trading and Financial Compliance Examination ("TFCE Examination"), which included the Firm's trading activity on trade dates from February 12, 2016 through February 26,

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<sup>1</sup> Dash Financial LLC was formerly known as Electronic Brokerage Systems, LLC between July 24, 2012 and March 11, 2014. On March 1, 2017, Dash Financial LLC completed a merger with LiquidPoint to create Dash Financial Technologies LLC.

2016, and was thereafter expanded to include trade dates in January and February 2016 (the "review period").

### **FACTS AND VIOLATIVE CONDUCT**

1. During the review period, the Firm marked two parent orders as long when they should have been marked as short, which resulted in 276 child orders that were submitted to BZX without a short sale indicator.
2. The conduct described in paragraph one constitutes separate and distinct violations of the Securities Exchange Act of 1934 Rule 200(g) of Regulation SHO, and BZX Rule 11.19.

B. The Firm also consents to the imposition of the following sanctions:

- A censure and a fine in the amount of \$5,000.

The Firm agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. It has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

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(s) imposed in this matter.

The sanctions imposed herein shall be effective on a date set by BZX.

## **II.**

### **WAIVER OF PROCEDURAL RIGHTS**

The Firm specifically and voluntarily waives the following rights granted under BZX Rules:

- A. To have a Statement of Charges issued specifying the allegations against the Firm;
- B. To be notified of the Statement of Charges and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a Hearing Panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the Appeals Committee of the BZX's Board of

Directors and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, the Firm specifically and voluntarily 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 conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

The Firm further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of BZX Rule 8.16, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

### III.

#### OTHER MATTERS

The Firm understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the CRO, pursuant to BZX Rule 8.3;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the Firm; and
- C. If accepted:
  - 1. This AWC will become part of the Firm's permanent disciplinary record and may be considered in any future actions brought by BZX or any other regulator against the Firm;
  - 2. This AWC will be published on a website maintained by BZX in accordance with BZX Rule 8.18. In addition, this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the Firm's disciplinary record; and
  - 3. The Firm may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. The Firm may not take any position in any proceeding brought by or on behalf of BZX, or to which BZX is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects the Firm's: (i) testimonial obligations; or (ii) right to


take legal or factual positions in litigation or other legal proceedings in which BZX is not a party.

- D. The Firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The Firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by BZX, nor does it reflect the views of BZX 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 AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the Firm to submit it.

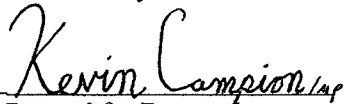
12/8/2017  
Date

Dash Financial Technologies LLC  
Respondent


By:   
Name: Peter Maragos

Title: CEO

Reviewed by:

  
Counsel for Respondent  
Kevin J. Campion  
Sidley Austin LLP  
1501 K Street, N.W.  
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12/19/2017  
Date

  
Greg Hodgasian  
Senior Vice President & Chief Regulatory Officer  
Cboe BZX Exchange, Inc.

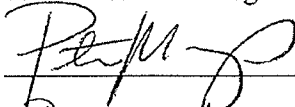
ELECTION OF PAYMENT FORM

The Firm intends to pay the fine proposed in the attached Letter of Acceptance, Waiver and Consent by the following method (check one):

- A Firm check or bank check for the full amount; or
- Wire transfer.

Respectfully submitted,

12/8/2017  
Date

Respondent  
Dash Financial Technologies LLC  
By:   
Name: Peter Maragos  
Title: CEO