



DISCIPLINARY DECISION
Cboe BZX Exchange, Inc.
File No. USRI-9680-03
Susquehanna Securities, LLC

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 \$5,000.

Effective Date

May 4, 2021

/s/ Greg Hoogasian

Greg Hoogasian, CRO, SVP

Cboe BZX Exchange, Inc.
LETTER OF CONSENT
File No. USRI-9680-03

In the Matter of:

Susquehanna Securities, LLC
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, Susquehanna Securities, LLC (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 October 2014. Its registration remains in effect.
2. This matter 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. Between on or about August 3, 2015 and on or about April 3, 2019, the Firm executed approximately 6,856 orders, totaling approximately 6,856 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.
8. The acts, practices, and conduct described in Paragraph 7 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 where the orders originated from accounts that were not registered as approved Market-Maker accounts with BZX.

Supervision Violations

9. 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.
10. From on or about August 25, 2015 through on or about 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 accurate origin code usage. Specifically, the Firm’s written supervisory procedures failed to provide for a review for the accuracy of originating accounts associated with origin codes.

11. The acts, practices, and conduct described in Paragraph 10 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 accurate origin code usage.

SANCTIONS

12. 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.
13. 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 \$5,000 paid to BZX.

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 prejudice of the Chief Regulatory Officer ("CRO") in connection with the CRO's participation in discussions regarding the terms and 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: _____

Susquehanna Securities, LLC

By: _____

Name: _____

Title: _____