



DISCIPLINARY DECISION

Cboe Exchange, Inc.

File No. URE-141-01

All Rise Trading LLC

Pursuant to Exchange Rule 13.3, attached to and incorporated as part of this Decision is a Letter of Consent.

Applicable Rules

- Cboe Rule 5.66 – Order Protection
- Cboe Rule 5.85 – Order and Quote Allocation, Priority and Execution
- Cboe Rule 5.91 – Floor Broker Responsibilities

Sanction

A censure and a monetary fine in the amount of \$10,000.

Effective Date

February 28, 2023

/s/ Greg Hoogasian

Greg Hoogasian, CRO, EVP

Cboe Exchange, Inc.
LETTER OF CONSENT
File No. URE-141-01

In the Matter of:

All Rise Trading LLC
141 W Jackson Blvd, Suite 300A
Chicago, IL 60604

Subject

Pursuant to the provisions of Cboe Exchange, Inc. ("Cboe" or the "Exchange") Rule 13.3 – Expedited Proceeding, All Rise Trading LLC ("All Rise" or the "Firm") submits this Letter of Consent for the purpose of proposing a settlement of the alleged rule violations described below.

The Firm neither admits nor denies that violations of Exchange Rules and/or of the Securities Exchange Act of 1934, as amended ("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 and during in or about October 1, 2021 through October 31, 2021 (the "Review Period"), the Firm was acting as a registered Broker-Dealer and was an Exchange Trading Permit Holder registered to conduct a floor brokerage business on the Exchange. The Firm terminated its registration with the Exchange on February 28, 2022 and filed a complete Form BDW effective April 29, 2022.

VIOLATIVE CONDUCT

Applicable Rules

2. During the Review Period, the following rules were in full force and effect: Exchange Rules 5.66 – Order Protection, 5.85 – Order and Quote Allocation, Priority and Execution, and 5.91 – Floor Broker Responsibilities.
3. During the Review Period, Exchange Rule 5.66, in relevant part, provided that: (except as provided in further subsections) "Trading Permit Holders shall not effect Trade-Throughs¹."

¹ Exchange Rule 5.65 – Definitions, defines "Trade-Through" in paragraph (q) as follows: "'Trade-Through' means a transaction in an option series at a price that is lower than a Protected Bid or higher than a Protected Offer."

4. During the Review Period, Exchange Rule 5.85, in relevant part, provided that: "When a Trading Permit Holder holding an SPX Combo Order and bidding or offering in a multiple of the minimum increment on the basis of a total debit or credit for the order determines that the order may not be executed by a combination of transactions with the bids and offers displayed in the Book or made in the crowd, then the order may be executed at the best net debit or credit if:
 - a. No leg of the order would trade at a price outside the currently displayed bids or offers in the trading crowd or bids or offers in the Book; and
 - b. At least one leg of the order would trade at a price that is better than the corresponding bid or offer in the Book."

Notwithstanding any other Rules, if an SPX Combo Order is not executed immediately, the SPX Combo Order may execute and print at the prices originally quoted for each of the component option series within two hours after the time of the original quotes."

5. During the Review Period, Exchange Rule 5.91, in relevant part, provided that: "A Floor Broker handling an order must use due diligence to execute the order at the best price or prices available to him, in accordance with the Rules."

Priority

6. During the Review Period, All Rise failed to grant priority to 25 orders and effected Trade-Throughs by executing the orders at prices outside the best displayed bids or offers in the trading crowd or in the Book and/or at prices through the National Best Bids or Offers and failed to use due diligence to execute the orders at the best prices available.
7. The acts, practices and conduct described in Paragraph 6 constitutes violations of Exchange Rules 5.85, 5.66, and 5.91 by the Firm.

SANCTION

8. In light of the alleged rule violations, the Firm consents to the imposition of the following sanctions:
 - a. A censure; and
 - b. A monetary fine in the amount of \$10,000.²

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 13.3, waives the right to review or to defend against any of these

² Cboe Staff identified two of these 25 orders that involved certain and measurable harm to All Rise customers who were not provided the best price available in the market for the duration of the life of the order. On January 11, 2023, Staff alerted All Rise to the customer harm resulting from these two Trade-Throughs. As part of the settlement of this matter, All Rise offered restitution to the two customers on these trades totaling \$600.

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 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 agrees to pay the monetary sanction(s) upon notice that this Letter of Consent has been accepted and that such payment(s) 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(s) 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 13.3. 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 the Exchange or any other regulator against the Firm. The Letter of Consent will be published on a website maintained by the Exchange.

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: 2/27/2023

All Rise Trading LLC

By: 

Name: William P. McIligan Jr.

Title: Member