



DISCIPLINARY DECISION
Cboe Futures Exchange, LLC
File No. URE-149-09
PNT Financial, LLC

Pursuant to Exchange Rule 703, attached to and incorporated as part of this Decision is a Letter of Consent, accepted by the CFE Business Conduct Committee.

Applicable Rule

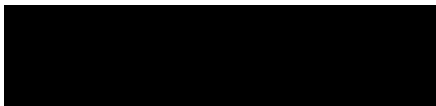
CFE Rule 513(d) – System Security and Integrity

Sanction

A monetary fine in the amount of \$35,000.

Effective Date

May 1, 2023



Richard Bruder
Chair, CFE Business Conduct Committee

Cboe Futures Exchange, LLC
LETTER OF CONSENT
File No. URE-149-09

In the Matter of:

PNT Financial, LLC
131 W. Jackson
Chicago, IL 60661

Subject

Pursuant to the provisions of Cboe Futures Exchange, LLC ("CFE" or the "Exchange") Rule 703 – Expedited Proceeding, PNT Financial, LLC ("PNT" 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 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, PNT was a CFE Trading Privilege Holder ("TPH"). The Firm's registration remains in effect.

VIOLATIVE CONDUCT

Applicable Rules

2. During all relevant periods herein (as applicable), CFE Rule 513-System Security and Integrity was in full effect.
3. During all relevant periods herein, CFE Rule 513(d) provided, in relevant part, that "Trading Privilege Holders may utilize test symbols in the CFE System production environment solely for legitimate testing purposes."

Test Symbol Activity

4. On or about December 6, 2021, the Trade at Settlement (“TAS”) transaction for the Cboe Volatility Index (“VX”) Futures contract (“VXT”) Pre-Open queuing period occurred prior to the VX Pre-Open.
5. On a daily basis from on or about December 3, 2021 to on or about June 12, 2022 (“Review Period”) PNT submitted thousands of Good-Til-Cancel (“GTC”) orders in ZVX, the non-trading symbol designated for testing related to the VX. PNT canceled some of these orders during the close or Pre-Open while it allowed certain GTC orders to rest in the order book for weeks. On any given day during the Review Period, PNT had as many as 29,998 GTC ZVX orders resting in the order book at the end of the trading day.
6. PNT’s cancellation of GTC orders in the ZVX test symbol permitted PNT to remain active on the Exchange when the market was closed and not accepting new orders.
7. Prior to June 12, 2022, there was no limit imposed on the number of GTC or Good-Til-Date (“GTD”) orders that could be carried over from the prior business day in test classes, including for ZVX. This notwithstanding, the timing that PNT’s GTC order activity began and magnitude of GTC orders submitted during the Review Period demonstrate that PNT’s ZVX activity during the Review Period went beyond the scope of legitimate testing activity.
8. The acts, practices, and conduct described in Paragraphs 5-6 constitute violations of Exchange Rule 513(d) by the Firm, in that it entered orders in the ZVX test symbol not solely for legitimate testing purposes.

SANCTIONS

9. The Firm does not have any prior relevant disciplinary history specifically related to CFE Rule 513(d).
10. In light of the alleged rule violations described above, the Firm consents to the imposition of the following sanction:
 - a. A monetary fine in the amount of \$35,000.

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 703, waives the right to review or to defend against any of these allegations in a disciplinary hearing before a CFE Business Conduct Committee ("BCC"). The Firm further waives the right to appeal any such decision to the Commodity Futures Trading 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 BCC in connection with the BCC'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 sanctions upon notice that this Letter of Consent has been accepted by the BCC 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 sanctions 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 BCC, pursuant to Exchange Rule 703. 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 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: 4/12/2023

PNT Financial, LLC

By: 

Name: Edwin Linter

Title: Managing Member