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DISCIPLINARY DECISION
Cboe Futures Exchange, LLC
File No. URE-475-09
J.P. Morgan Securities 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 410A – Reporting Open Interest Information to a Clearing House.

Sanction

A monetary fine in the amount of $45,000.

Effective Date

July 8, 2026

[redacted]

Richard A. Bruder
Chair, CFE Business Conduct Committee

Cboe Futures Exchange, LLC
LETTER OF CONSENT
File No. URE-475-09

In the Matter of:

J.P. Morgan Securities LLC
270 Park Avenue
New York, NY 10017,

Subject

Pursuant to the provisions of Cboe Futures Exchange, LLC ("CFE" or the "Exchange") Rule 703 – Expedited Proceeding, J.P. Morgan Securities LLC (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 stipulations described herein do not constitute such an admission.

BACKGROUND

1. During all relevant periods herein, the Firm was a CFE Trading Privilege Holder and Clearing Member. The Firm's registrations remain in effect.

VIOLATIVE CONDUCT

Applicable Rules

2. During all relevant periods herein, CFE Rule 410A – Reporting Open Interest Information to a Clearing House was in full force and effect.[1]

3. During all relevant periods herein, CFE Rule 410A provided, in relevant part: "Each Clearing Member shall report to [the] a Clearing [Corporation] House, on each Business Day, gross position adjustment information as necessary to identify the actual open interest in each Clearing Member account at [the] that Clearing [Corporation] House based on the trading activity for that Business Day, to the extent required by and in accordance with the rules of [the] that Clearing [Corporation] House."[2]

[1] CFE Rule 410A was renamed as of June 9, 2025. Prior to June 9, 2025, the rule was titled "Reporting Open Interest Information to the Clearing Corporation".

[2] The bracketed material are differences between prior CFE Rule 410A and current CFE Rule 410A.

Inaccurate Open Interest Reporting

4. From October 1, 2024 through October 20, 2025 (the "Review Period"), the Firm did not include in its reported open interest any executed customer positions when those positions were allocated to a third-party clearing firm and were not yet claimed by the recipient clearing firm.

5. As a result, on 139 trade dates during the Review Period, the Firm reported inaccurate open interest to The Options Clearing Corporation ("OCC") in various Cboe Volatility Index (VX), Cboe iBoxx iShares $ Investment Grade Corporate Bond Index (IBIG), and Cboe iBoxx iShares $ High Yield Corporate Bond Index (IBHY) futures contracts.[3] These inaccurate reports caused Exchange open interest to be misstated.

6. The acts, practices, and conduct described in Paragraphs 4 and 5 constitute violations of CFE Rule 410A by the Firm, in that the Firm failed to report accurate open interest.

SANCTIONS

7. The Firm does not have any prior relevant disciplinary history specifically related to inaccurate open interest reporting.

8. In light of the alleged rule violations described above, the Firm consents to the imposition of the following sanctions:

    a. A monetary fine in the amount of $45,000.

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 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 BCC, pursuant to Exchange

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[3] VX/Oct24, VX/Nov24, VX/Dec24, VX/Jan25, VX/Feb25, VX/Mar25, VX/Apr25, VX/May25, VX/Jun25, VX/Jul25, VX/Aug25, VX/Sep25, VX/Oct25, VX/Nov25, VX/Dec25, VX/Jan26, VX/Feb26, VX/Mar26, VX/Apr26, IBIG/Dec24, IBIG/Mar25, IBIG/Sep25, IBIG/Dec25, IBHY/Dec24, IBHY/Jun25 and IBHY/Dec25.

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 Firm understands that it may not deny the charges or make any public statement that is inconsistent with the Letter of Consent. The Firm may not take any position in any proceeding brought by or on behalf of the Exchange, or to which the Exchange is a party, that is inconsistent with any part of this Letter of Consent. 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 the Exchange is not a party. 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 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: 29-Jun-2026

J.P. Morgan Securities LLC

[redacted]

Name: JENNIFER LEADBETTER

Title: EXECUTIVE DIRECTOR