

**BEFORE THE BUSINESS CONDUCT COMMITTEE**  
**OF THE**  
**CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED**

_____	)	
In the Matter of:	)	
	)	
DRO WST Trading, LLC	)	
440 S. LaSalle Street	)	File No. 09-0041
19th Floor	)	
Chicago, IL 60605	)	
	)	
Respondent	)	
_____	)	

**DECISION ACCEPTING OFFER OF SETTLEMENT**

This proceeding was instituted by the Business Conduct Committee (the “Committee”) of the Chicago Board Options Exchange, Incorporated (the “Exchange”) as a result of an investigation by the staff of the Exchange, which indicated that there was probable cause for finding a violation within the disciplinary jurisdiction of the Exchange. In accordance with that determination, the Committee directed the issuance of a Statement of Charges (“Statement of Charges”). Pursuant to Exchange Rule 17.8, the respondent (“Respondent”), DRO WST Trading, LLC (“DRO WST”), submitted an offer of settlement (“Offer of Settlement”).

In submitting the Offer of Settlement, the Respondent neither admitted nor denied the violations alleged in the Statement of Charges.

The Respondent has agreed that the determination of the Committee to accept the Offer of Settlement shall constitute a final Decision, and, as provided in Exchange Rule 17.8, the Respondent may not seek review thereof.

The Respondent understands and acknowledges that the Committee’s decision in this matter will become part of its disciplinary record and may be considered in any future Exchange proceeding.

With due regard to the particulars of this matter, the Committee believes it is appropriate to accept the Respondent’s Offer of Settlement based on the following stipulated facts and findings and thereby to impose the sanction specified below.

**FACTS**

1. During all relevant periods herein, DRO WST was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a market-maker organization.
2. During all relevant periods in which the activity noted below occurred, DRO WST was

acting as a registered broker/dealer.

3. During all relevant periods herein, Exchange Rule 4.2 - Adherence to Law; and Regulation SHO of the Securities and Exchange Act of 1934, as amended (the "Act") and Rule 200 – Definitions and Marking Requirements for Short Sales thereunder, were in full force and effect.
4. In or about October 2008, the Exchange conducted a Routine Financial and Operational Examination ("Examination") of DRO WST that included, but was not limited to, a review of the policies, procedures, and practices of DRO WST's Regulation SHO compliance program.
5. In or about October 2008, on the following trade dates: October 7, 2008, October 8, 2008, October 9, 2008, October 14, 2008, October 15, 2008, October 16, 2008 and October 17, 2008, respectively, DRO WST improperly marked a total of 492 of 4753 sales reviewed, or approximately 10.35%.

#### **FINDINGS**

The acts, practices and conduct described in Paragraph 5 above constitute a violation of Exchange Rule 4.2; and Regulation SHO of the Act and Rule 200 thereunder, by DRO WST, in that DRO WST improperly marked a total of 492 of 4753 sales reviewed, or approximately 10.35%.

#### **SANCTION**

The sanction to be imposed shall consist of a \$20,000 fine and a censure.

#### **ORDER**

**ACCORDINGLY IT IS ORDERED THAT**, the Respondent, DRO WST Trading, LLC shall be and hereby is censured and fined in the amount of twenty thousand dollars (\$20,000).

**SO ORDERED  
FOR THE COMMITTEE**

**Dated: March 2, 2010**

**By: /s/ Bruce Andrews  
Bruce Andrews  
Chairman  
Business Conduct Committee**