

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

_____	)	
In the Matter of:	)	
	)	
Cassandra Trading Group, LLC	)	
440 S. LaSalle Street	)	File No. 10-0017
Suite 2101	)	
Chicago, IL 60605	)	
	)	
Subject	)	
_____	)	

**DECISION ACCEPTING LETTER OF CONSENT**

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. In order to resolve this matter, the subject, Cassandra Trading Group, LLC has submitted a Letter of Consent. Such Letter of Consent was submitted solely for the purposes of this proceeding without admitting or denying that a violation of Exchange Rules has been committed. With due regard to the stipulated facts and findings and the proposed sanction contained therein, the Committee believes it is appropriate to accept the Letter of Consent for File No. 10-0017 which is attached to and made a part of this Decision.

**SO ORDERED**  
**FOR THE COMMITTEE**

Dated: May 25, 2010

/s/ Bruce Andrews \_\_\_\_\_  
**Bruce Andrews**  
**Chairman**  
**Business Conduct Committee**

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Chicago, IL 60605	)	
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Subject	)	
_____	)	

**LETTER OF CONSENT**

In order to resolve this proceeding pursuant to Chicago Board Options Exchange, Incorporated (the "Exchange" or "CBOE") Rule 17.3, Expedited Proceeding, the Subject, Cassandra Trading Group, LLC ("Cassandra"), hereby submits this Letter of Consent in the above captioned matter. Only for purposes of this proceeding and without admitting or denying that a violation of Exchange Rules has been committed, Cassandra consents to the Stipulation of Facts and Findings and Sanction set forth below.

Stipulation of Facts and Findings

1. During all relevant periods herein, the Subject, Cassandra was registered with the Exchange to transact business on the Exchange in accordance with Exchange Rules as a member organization that conducts a proprietary trading business in stock, options and futures. Cassandra clears its transactions through Goldman Sachs Execution & Clearing, L.P. ("GSEC") and is a participant in a Joint Back Office ("JBO") arrangement.<sup>1</sup>
2. During all relevant periods, Cassandra was acting as a registered broker-dealer.
3. During all relevant periods herein, Exchange Rules 3.7(c) – Certain Documents Required of Members, Applicants, and Associated Persons; 4.2 – Adherence to Law; 15.1 - Maintenance, Retention and Furnishing of Books, Records and Other Information; Section 17(a) of the Securities Exchange Act of 1924 as amended (the "Act") and Rules 17a-3 – Records to be Made by Certain Brokers and Dealers; 17a-4 – Records to be Preserved by Certain Brokers and Dealers; and Section 17(f) and Rule 17f-2 – Fingerprinting of Securities Industry Personnel, thereunder were in full force and effect.
4. During all relevant periods herein, Section 17f-2 of the Act required that every member of a national securities exchange, broker, dealer, registered transfer agent and registered clearing agency require its partners, directors, officers and employees to be fingerprinted if they are engaged in the sale of securities, or have regular access to the securities, monies and the original books and records relating to the securities, or have supervisory responsibility over persons engaging in the aforementioned activities.

<sup>1</sup> A joint back office participant maintains a nominal ownership interest in its clearing firm. As a result, the clearing firm may finance the transactions of its JBO owner on a more beneficial margin basis than required under Regulation T.

5. During the approximate period from at least in or about January 2009 through in or about December 2009, Cassandra failed to evidence the fingerprint records and background checks for its Associated Person of its class C member, Niche Capital, LLC.<sup>2</sup>
6. The acts, practices and conduct described in Paragraph 6 above, constitute violations of Rules 3.7(c), 4.2 and 15.1; and Section 17(a) of the Act and Rules 17a-3 and SEC 17a-4 thereunder; and Section 17(f) of the Act and Rules 17f-2 by Cassandra, in that Cassandra failed to evidence the fingerprint records and background checks for its Associated Person of its class C member, Niche Capital, LLC.

Sanction: A fifteen thousand dollar (\$15,000) fine and a censure.

Subject acknowledges that it has read the foregoing Letter of Consent, that no promise or inducement of any kind has been made to it by the Exchange or its staff, and that this Letter of Consent is voluntary on its part.

Subject 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.

Subject also acknowledges that the Committee's decision to accept or reject this Letter of Consent is final, and that it may not seek review thereof in accordance with Exchange Rule 17.3.

March 29, 2010  
Date

/s/ Cassandra Trading Group, LLC  
Cassandra Trading Group, LLC

Managing Member  
Title

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<sup>2</sup> An associated person is an individual who is associated with a broker or dealer as defined in the Securities Exchange Act of 1934, as amended, Section 3(a)(18).