



DISCIPLINARY NOTICE

October 12, 2017

SETTLEMENT OF CHARGES AGAINST IMC Chicago, LLC

CASE No. 2016-041

Exchange Rules:

Rule 4.01 – Duty to Supervise

Every Person shall diligently supervise the Exchange-related activities of such Person's employees and shall also be responsible for the acts and omissions of such employees.

Summary:

A Subcommittee of the Exchange's Business Conduct Committee ("BCC Subcommittee") determined that IMC Chicago, LLC ("IMC") may have violated former IFUS Rule 4.01 when an automated trading system ("ATS") which the firm operated and had a duty to monitor, successively entered orders in Cotton No. 2, Russell Complex and MSCI Complex futures and then rapidly reacted to the orders it had just placed by deleting such orders and immediately entering new orders. As a result of this feedback loop, the ATS entered and deleted a number of orders within one-thousandth of a second on numerous occasions between January 2016 and March 2017.

Penalty:

In accordance with the terms of settlement, in which IMC neither admitted nor denied the rule violations, IMC agreed to pay a monetary penalty of \$30,000.,

Effective Date: October 12, 2017

FOR MORE INFORMATION

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