



DISCIPLINARY NOTICE

December 14, 2016

CASE NUMBER 2016-084

SETTLEMENT OF CHARGES AGAINST NIRAJ TANEJA

Exchange Rule 4.02 - Trade Practice Violations:

Rule 4.02(I)(1)(A)

In connection with the placement of any order or execution of any Transaction, it shall be a violation of the Rules for any Person to [...] enter[r] an order or market message, or cause an order or market message to be entered, with the intent to cancel the order before execution, or modify the order to avoid execution.

Rule 4.02(I)(1)(C)

In connection with the placement of any order or execution of any Transaction, it shall be a violation of the Rules for any Person to [...] enter[r] an order or market message, or cause an order or market message to be entered, with the intent to disrupt the orderly conduct of trading, the fair execution of transactions or mislead other market participants.

Rule 4.02(I)(2)

In connection with the placement of any order or execution of any Transaction, it shall be a violation of the Rules for any Person to [...] knowingly enter[r] any bid or offer for the purpose of making a market price which does not reflect the true state of the market, or knowingly entering, or causing to be entered, bids or offers other than in good faith for the purpose of executing bona fide Transactions.

Summary:

A subcommittee of the Exchange's Business Conduct Committee determined that Niraj Taneja ("Taneja") may have violated Exchange Rules 4.02(I)(1)(A), 4.02(I)(1)(C), and 4.02(I)(2). The BCC found that on August 9, 2016, Taneja engaged in a pattern of activity in which he entered large displayed orders on one side of the market and then canceled those orders promptly after receiving fills on either a pre-positioned iceberg order or a smaller displayed order that he placed on the opposite side of the market. Taneja's purpose for entering the large displayed orders was to create artificial pressure and to mislead market participants into trading opposite his pre-positioned iceberg order.

Penalty:

In accordance with the terms of settlement, in which Taneja neither admitted nor denied the BCC's findings, Taneja paid a monetary penalty of \$25,000.00 and agreed to cease and desist from future



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violations of the aforementioned Exchange Rules. Additionally, Taneja agreed to serve a fifteen (15) day suspension from direct and indirect access to all electronic trading and clearing platforms owned or controlled by ICE Futures U.S. The suspension shall run from December 14, 2016, through and including January 5, 2017.

Effective Date: December 14, 2016

FOR MORE INFORMATION

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