



REGULATORY INFORMATION BULLETIN

RB-06-30
August 4, 2006

**TO: ALL OTP HOLDERS, OTP FIRMS, ALLIED PERSONS
ALL ETP HOLDERS AND ETP SPONSORED PARTICIPANTS**

FROM: ENFORCEMENT DEPARTMENT

SUBJECT: DISCIPLINARY SANCTIONS IMPOSED

This Regulatory Information Bulletin advises OTP Holders, OTP Firms and Allied Persons, ETP Holders and ETP Sponsored Participants of certain final disciplinary actions that resulted in the imposition of sanctions for violations of the federal securities laws and the Bylaws and Rules of the Exchange.

A. Disciplinary Sanctions Imposed From April 1, 2006 through June 30, 2006

OPTIONS:

The Exchange Regulatory Staff resolved the following matters pursuant to the Minor Rule Plan:

OS0405261 Merrill Lynch, Pierce, Fenner & Smith was fined a total of \$8,750.00 for two cases of entering multiple
OS0502111 orders on the Auto-EX system within 15 seconds of each other, on the same side of the market, and for
the same beneficial owner. (NYSE Arca Rule 6.87(d))

OS0510252 An OTP Firm was fined \$1,000.00 for reporting options transactions late. (NYSE Arca Rule 6.69(a))

OS0510252 An OTP Firm was fined \$250.00 for reporting options transactions late. (NYSE Arca Rule 6.69(a))

OE5112905 An OTP Firm was fined \$2,000.00 for failing to maintain adequate AML Procedures. (NYSE Arca
Rule 11.19)

The Exchange resolved the following matters through the rendering of Decisions accepting Offers of Settlement and Consent:

OS0402033 Daniel Mckeown was fined \$3,750.00 for trading through better prices on the NBBO that were
available through linkage to other exchanges. (NYSE Arca Rule 6.94(a)(1))

EQUITIES:

The Exchange resolved the following matters through the rendering of Decisions accepting Offers of Settlement and Consent:

05-34 Shoreland Trading, LLC was censured and received a 90-day suspension of ETP Holder privileges,
including but not limited to the privileges to trade as an ETP Holder or associate with other ETP
Holders for engaging in excessive trading, failing to submit examination materials requested by the
exchange, failing to file its Annual Compliance Forms, failing to file quarterly FOCUS reports in 2005
and failing to file its Annual Audited Financial Statements. (NYSE Arca Equities Rules 6.8, 4.11(c)
and 6.3; SEA Rules 17A-5(a) and 17A-5(d))

Questions regarding disciplinary sanctions may be directed to Chris Hill at (312) 442-7944.