



## REGULATORY INFORMATION BULLETIN

RB-07-17  
April 2, 2007

**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.

### **Disciplinary Sanctions Imposed From January 1, 2007 through March 31, 2007**

#### **EQUITIES:**

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

- 07-05 An ETP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely manner. (NYSE Arca Equities Rule 6.3)
- 07-06 An ETP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely manner. (NYSE Arca Equities Rule 6.3)
- 07-08 An ETP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely manner. (NYSE Arca Equities Rule 6.3)
- 07-09 An ETP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely manner. (NYSE Arca Equities Rule 6.3)
- 07-10 An ETP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely manner. (NYSE Arca Equities Rule 6.3)
- 07-11 An ETP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely manner. (NYSE Arca Equities Rule 6.3)

#### **OPTIONS:**

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

- 07-07 An OTP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely Manner. (NYSE Arca Rule 11.3)
- 07-12 An OTP Holder was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely Manner. (NYSE Arca Rule 11.3)
- 07-13 An OTP Firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely Manner. (NYSE Arca Rule 11.3)

07-14 An OTP firm was fined \$500 for failing to file a Compliance Acknowledgement Form in a timely Manner. (NYSE Arca Rule 11.3)

An OTP Holder was fined \$500 for using abusive language on the trading floor. (NYSE Arca Rule 6.2)

An OTP Holder was fined \$2,500 for using abusive language on the trading floor. (NYSE Arca Rule 6.2)

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

0000599624 James Cottrell, an Exchange Options Trading Permit Holder, was censured, fined \$2,500.00, and barred for 60 days from owning or leasing of a NYSE Arca Options Trading Permit or Equity Trading Permit, and from employment or association in any capacity with any NYSE Arca OTP or ETP Holder. Cottrell received this penalty for trading through better prices on the NBBO that were available through linkage to other exchanges. (NYSE Arca Rule 6.94(a))

100159605 Martin Lizarraga, the sole owner and proprietor of an Exchange Option Trading Permit Holder firm, was censured and fined \$5,000.00 for failing to adequately supervise the firm's financial and operational systems and activities and failed to ensure compliance with rules pertaining to the preparation and/or computation of net capital and FOCUS reports. (NYSE Arca Rule 4.1 and 9.1(c))

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