



ICE FUTURES U.S.

## DISCIPLINARY NOTICE

OCTOBER 9, 2015

Matter: CASE number 2014-082

### SETTLEMENT OF CHARGES AGAINST SG AMERICAS SECURITIES, LLC (FORMERLY NEWEDGE USA LLC)

#### **Exchange Rules:**

##### **Rule 18.05(a) - Open Interest in Energy Contracts**

Each Clearing Member shall report its open interest in Energy Contracts (separately by proprietary and Customer account) to the Clearing Organization by the close of business (or such other time as the Clearing Organization may specify) on each Exchange Business Day. On each Exchange Business Day, each Clearing Member shall report to the Clearing Organization by the time specified by the Exchange or the Clearing Organization, any adjustments to be made in the open interest reported on the previous Business Day. The open interest so reported and adjusted shall be used by the Exchange for the purpose of publishing the open interest in all outstanding Energy Contracts.

##### **Rule 4.01. Duty to Supervise**

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

##### **Rule 4.04. Conduct Detrimental to the Exchange**

It shall be a violation of the Rules for any Person to fail to conform to, the Rules or the procedures of the Exchange or the Clearing Organization, or to engage in conduct or practices inconsistent with just and equitable principles of trade or conduct detrimental to the best interests of the Exchange.

#### **Summary:**

A subcommittee of the Exchange's Business Conduct Committee determined that from May 29, 2014 through June 27, 2014 SG Americas Securities, LLC ("SG Americas"), formerly Newedge USA LLC, may have violated IFUS Rule 18.05(a) in numerous instances by failing to report open interest for the: (i) June 2014 ("M14") ERCOT West 345 KV Hub Day-Ahead Off-Peak Daily Fixed Price Future; (ii) the M14 ERCOT West Load Zone Day-Ahead Off-Peak Fixed Price Future; and (iii) the M14 ERCOT West Load Zone Day-Ahead Peak Fixed Price Future.

#### **Penalty:**

In accordance with the terms of settlement, in which SG Americas neither admitted nor denied the rule violations, SG Americas paid a monetary penalty of \$100,000.

**Effective Date:** September 30, 2015

#### **FOR MORE INFORMATION**

Jason Fusco

[jason.fusco@theice.com](mailto:jason.fusco@theice.com)  
(212) 748-4021

Conor Weber

-or- [conor.weber@theice.com](mailto:conor.weber@theice.com)  
(312) 836-6746

[Contact Us / Media Inquiries](#)