



2020 Disciplinary Actions as of June 22, 2020

The following is a list of disciplinary actions that have resulted in the imposition of penalties for violations of specified provisions of the federal securities laws and/or the Constitution and Rules of the Exchange. New actions are added to the list as and when they are finalized.

A. Disciplinary Sanctions Imposed Pursuant to BOX Rule 12140, Imposition of Fines for Minor Rule Violations:

- None.

B. Disciplinary Sanctions Imposed Pursuant to BOX Rule 10230, Letters of Consent:

- Morgan Stanley & Co. LLC (“MSCO”) was censured and fined a total of \$325,000 of which, \$309 was payable to BOX, and required to pay disgorgement in the amount of \$40,469, of which \$400 was payable to BOX, for violation of Exchange rules prohibiting anticipatory hedging. On March 9, 2017, a MSCO trader with knowledge of material non-public information concerning an imminent undisclosed customer order, MSCO executed trades in a related instrument option series prior to disclosure of the full terms and conditions of the order to the trading crowd. Further, from October 2014 to December 2019, MSCO failed to supervise its associated persons to assure compliance with applicable securities laws, rules and regulations and the Exchanges’ rules prohibiting front running. As a result of the review, FINRA determined that MSCO violated BOX Rule 3000.