

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS  
Release No. 1029 / November 7, 2013

ADMINISTRATIVE PROCEEDING  
File No. 3-15495

In the Matter of  
  
G-2 TRADING LLC

ORDER FOLLOWING PREHEARING  
CONFERENCE

On September 16, 2013, the Securities and Exchange Commission issued a Corrected Order Instituting Administrative and Cease-and-Desist Proceedings (OIP). The OIP, issued pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (Exchange Act), alleges that G-2 Trading LLC (G-2 Trading), a Delaware limited liability company and a registered broker-dealer based in New York City, willfully violated Rule 105 of Regulation M under the Exchange Act. G-2 Trading filed its Answer on October 15, 2013, admitting the facts that are the basis for the OIP but denying the legal conclusions drawn from them.

At an in-person prehearing conference on October 23, 2013, G-2 Trading acknowledged technical violations, but denied its actions were willful, and requested a hearing because it believes there are facts in dispute. Tr. 4-6. The Division of Enforcement (Division) is seeking an order to cease and desist from further violations, disgorgement of \$13,248, and civil money penalties at either the Tier I or Tier II level. Tr. 10-14. The Division stated it believes the main point of contention is the amount of penalty. Tr. 5.

I granted the unopposed request for a hearing. See *Blinder, Robinson & Co., Inc., v. SEC*, 837 F.2d 1099 (D.C. Cir. 1988) (The “public interest” standard is obviously very broad, requiring that the Commission consider the full range of factors bearing on the judgment about sanctions that the expert agency ultimately must render).

I ORDER the following schedule that the parties proposed:

Dec. 18, 2013: The Division and G-2 Trading will exchange the names of witnesses and copies of exhibits;  
Feb. 03, 2014: Filing of prehearing briefs; and  
Feb. 10, 2014: 9:30 a.m. in New York, New York, hearing at a location to be determined.

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Brenda P. Murray  
Chief Administrative Law Judge