

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

ADMINISTRATIVE PROCEEDINGS RULINGS
Release No. 961/October 16, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15495

In the Matter of

G-2 TRADING LLC

ORDER SCHEDULING IN-
PERSON PREHEARING
CONFERENCE

The Securities and Exchange Commission (Commission) issued a Corrected Order Instituting Administrative and Cease-and-Desist Proceedings (OIP) on September 16, 2013. The OIP alleges that G-2 Trading LLC (G-2 Trading), a Delaware limited liability company and a registered broker-dealer based in New York City, has willfully violated Rule 105 of Regulation M under the Securities Exchange Act of 1934. G-2 Trading filed its Answer on October 15, 2013.

I previously ordered a telephonic prehearing conference for October 23, 2013. G-2 Trading LLC, Admin. Proc. Rulings Release No. 945 (Oct. 8, 2013). On October 10, 2013, G-2 Trading filed a Motion for Reconsideration reiterating a previous request that the October 23 prehearing conference be in person rather than telephonic. G-2 Trading notes in its Motion for Reconsideration that I ordered the telephonic prehearing conference based on a motion from the Division of Enforcement (Division) without waiting for opposition from G-2 Trading. I did so because the October 15 hearing date was almost upon us. In fairness, the Division's motion for adjournment of the hearing stated that G-2 Trading indicated it wanted an in-person prehearing conference and that the Division was amenable. Even so, I ordered a telephonic prehearing conference because it seemed like the most efficient and economical way to proceed.

In its Motion for Reconsideration, G-2 Trading stresses that an in-person prehearing conference will enhance the possibility of settlement because of the face-to-face interaction. I encourage settlement discussions, but I will not be part of them unless the parties request me to do so under Rule 240(c)(2). See 17 C.F.R. § 201.240. My primary role at the prehearing conference is to set a procedural schedule that will lead to a hearing.

Having said that, if G-2 Trading wants an in-person prehearing conference, it shall have one. I will rule without waiting for opposition in the interest of equal treatment and because the Division is already on record as having no objections. See 17 C.F.R. § 210.154(b).

Order

I GRANT the Motion for Reconsideration and ORDER an in-person prehearing conference at 11:00 a.m. EDT on October 23, 2013, in Hearing Room 2, 100 F Street, Washington, D.C. 20549. If G-2 Trading changes its preference, it shall promptly inform my Office.

Brenda P. Murray
Chief Administrative Law Judge