

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20060055593-01**

TO: Department of Market Regulation
Financial Industry Regulatory Authority ("FINRA")

RE: GLB Trading, Inc., Respondent
Broker-Dealer
CRD No. 125363

Pursuant to NASD Rule 9216 of the FINRA Code of Procedure, GLB Trading, Inc. (the "firm") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against the firm alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The firm hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

The firm has been a member of FINRA (f/k/a NASD) since June 11, 2003 and its registration remains in effect. The firm has no relevant prior disciplinary history.

OVERVIEW

In connection with matter 20060055593, the Market Regulation Department staff (the "staff") conducted a review of the firm's compliance with trade reporting requirements during the period January 1, 2006 through April 30, 2006 (the "review period").

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REGISTRATION & DISCLOSURE

FACTS/VIOLOGATIVE CONDUCT BY RESPONDENT

20060055593

1. The firm failed, within 90 seconds after execution, to transmit to the OTC Reporting Facility 406 last sale reports of transactions in OTC Equity securities. These transactions constitute 72 percent of the transactions reviewed that the firm was required to report to the OTC Reporting Facility during the review period. The conduct described in this paragraph constitutes a pattern or practice of late reporting without exceptional circumstances in violation of NASD Conduct Rule 2110.
2. The firm failed, within 90 seconds after execution, to transmit to the OTC Reporting Facility 55 last sale reports of transactions in OTC Equity securities and failed to designate to the OTC Reporting Facility such last sale reports as late. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6620(a).
3. The firm incorrectly designated as "SLD" to the OTC Reporting Facility 54 last sale reports of transactions in OTC Equity Securities reported to the OTC Reporting Facility within 90 seconds of execution. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6620.
4. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities law and regulations, and the Rules of NASD, concerning trade reporting requirements. Specifically, the firm's supervisory system did not include written supervisory procedures providing for: (1) a statement of the supervisory step(s) to be taken by the identified person(s); (2) a statement as to how often such person(s) should take such step(s); and (3) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented. The conduct described in this paragraph constitutes a violation of NASD Conduct Rules 2110 and 3010.

B. The firm also consents to the imposition of the following sanctions:

A censure and fine of \$10,000 comprised of a \$5,000 fine for the trade reporting violations and a \$5,000 fine for deficient supervisory procedures; and

an undertaking to revise the firm's written supervisory procedures with respect to the areas described in paragraph four. Within 30 business days of acceptance of this AWC by the NAC, a registered principal of the Respondent shall submit to the **COMPLIANCE ASSISTANT, LEGAL SECTION, MARKET REGULATION DEPARTMENT, 9509 KEY WEST AVENUE, ROCKVILLE, MD 20850**, a signed, dated letter, providing the following information: (1) a reference to this matter; (2) a representation that the firm has revised its written supervisory procedures to address the deficiencies described in this paragraph four; and, (3) the date the revised procedures were implemented.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

The firm agrees to pay the monetary sanction upon notice that this AWC has been accepted and that payment is due and payable. The firm has submitted an Election of Payment form showing the method by which the firm proposes to pay the fine imposed.

The firm specifically and voluntarily waives any right to claim that the firm is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

II.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against the firm;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, the firm specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

The firm further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

The firm understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
- C. If accepted:
 - 1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; and
 - 4. the firm may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. The firm may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects the firm's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. The firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

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GLB Trading, Inc.

September 30, 2007

Member NASD and SIPC
www.glbtrading.com

Lora W. Alexander
Attorney
FINRA
9509 Key West Avenue
Rockville, Maryland

Re: Review Number 20060055593 – Corrective Action Statement

Dear Ms. Alexander:

Listed below is the Corrective Action Statement for the firm. This Corrective Action Statement is submitted by the Respondent (GLB). It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA, or its Staff.

Corrective Action Statement

The Firm acknowledges that 406 last sale reports, 55 late transactions without appropriate modifier, and the 54 last sale reports that were incorrectly designated as ".SLD", were not timely and accurately submitted to the OTC Reporting Facility over the period January 1, 2006 through April 30, 2006. The firm has corrected the problem that resulted in this inquiry to ensure future transactions are properly and timely reported. The Firm continues to maintain supervisory procedures that address trade reporting, including the person responsible and the steps to carry out the review, including frequency and documentation.

We appreciate the opportunity to respond to your letter. If there are any questions, please contact me.

Sincerely,

Robert Lechman
President