

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20070088884-01**

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

RE: SG Americas Securities, LLC, Respondent
Broker-Dealer
CRD No. 128351

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, SG Americas Securities, LLC (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 since April 23, 2004, and its registration remains in effect.

RELEVANT DISCIPLINARY HISTORY

On September 28, 2009, an AWC was accepted in which the firm was censured and fined \$32,500 for violations of the rules and regulations applicable to trade reporting and Order Audit Trail System ("OATS") reporting.

On May 25, 2007, an AWC was accepted in which the firm was censured and fined \$30,000 for violations of the rules and regulations applicable to, among other things, trade reporting.

SUMMARY

In Review No. 20070088884, the OATS Team of the Department of Market Regulation (the "OATS staff") reviewed the firm's compliance with NASD rules applicable to OATS reporting during the period from July 1, 2006 through September 30, 2006 (the "3Q 2006 OATS review period").

In Review No. 20080142609, the Trade Reporting Team of the Department of Market Regulation (the "trade reporting staff") reviewed the firm's compliance with NASD rules applicable to trade reporting during the period from January 1, 2008 through April 30, 2008 (the "1T 2008 trade reporting review period").

In Review No. 20070108793, the OATS staff reviewed the firm's compliance with NASD rules applicable to OATS reporting during the period from April 1, 2007 through June 30, 2007 (the "2Q 2007 trade reporting review period").

In Review No. 20090177431, the trade reporting staff reviewed the firm's compliance with NASD rules applicable to trade reporting during the period from April 1, 2006 through July 31, 2006 (the "April through July 2006 trade reporting review period").

In Review No. 20090184337, the trade reporting staff reviewed the firm's compliance with NASD rules applicable to trade reporting during the period from January 1, 2009 through April 30, 2009 (the "1T 2009 trade reporting review period").

In Review No. 20080138973, the OATS staff reviewed the firm's compliance with NASD rules applicable to OATS reporting during the period from January 1, 2008 through March 31, 2008 (the "1Q 2008 OATS review period").

In Review No. 20090204572, the trade reporting staff reviewed the firm's compliance with NASD rules applicable to trade reporting during the period from April 1, 2006 through October 31, 2007 (the "April 2006 through October 2007 trade reporting review period").

FACTS AND VIOLATIVE CONDUCT

In connection with Review No. 20070088884,

1. During the 3Q 2006 OATS review period, the firm: (a) improperly reported 304 Execution or Combined Order/Execution Reports to OATS with a Reporting Exception Code of "M"; and (b) improperly reported 26 Execution or Combined Order/Execution Reports to OATS instead of required Route Reports. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6955(a).

In connection with Review No. 20080142609,

2. During the 1T 2008 trade reporting review period, the firm failed, within 90 seconds after execution, to transmit to the FINRA/Nasdaq Trade Reporting Facility (the "FINRA/Nasdaq TRF") 359 last sale reports of transactions in designated securities. These transactions constitute five percent of the transactions reviewed that the firm reported to the FINRA/Nasdaq TRF during the 1T 2008 trade reporting review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(a) and a pattern or practice of late reporting without exceptional circumstances in violation of NASD Rule 2110.
3. During the 1T 2008 trade reporting review period, the firm failed, within 90 seconds after execution, to transmit to the FINRA/Nasdaq TRF 198 last sale reports of transactions in designated securities and failed to designate through the FINRA/Nasdaq TRF such last sale reports as late. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(a).
4. During the 1T 2008 trade reporting review period, the firm incorrectly designated as ".PRP" to the FINRA/Nasdaq TRF 472 last sale reports of transactions in designated securities. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(a)(5)(G).

In connection with Review No. 20070108793,

5. During the 2Q 2007 OATS review period, the firm: (a) improperly reported 251 Execution or Combined Order/Execution Reports with a Reporting Exception Code of "M"; (b) failed to report Route Reports for 16 orders and instead improperly reported 16 Execution or Combined Order/Execution Reports that it was not required to report; and (c) erroneously reported 21 Combined Order/Execution Reports that it was not required to report. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6955(a).

In connection with Review No. 20090177431,

6. During the April through July 2006 trade reporting review period, the firm failed to submit to the Nasdaq Market Center, for the offsetting, "riskless" portion of 66 "riskless" principal transaction(s) in designated securities, either a clearing-only report with a capacity indicator of "riskless principal," or a non-tape, non-clearing report with a capacity indicator of "riskless principal." The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 4632(d).

In connection with Review No. 20090184337,

7. During the 1T 2009 trade reporting review period, the firm failed, within 90 seconds after execution, to transmit to the FINRA/Nasdaq TRF 178 last sale reports of transactions in designated securities. These transactions constitute three percent of the transactions reviewed that the firm reported to the FINRA/Nasdaq TRF during the 1T 2009 trade reporting review period. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6380A(a) and a pattern or practice of late reporting without exceptional circumstances in violation of FINRA Rule 2010.
8. During the 1T 2009 trade reporting review period, the firm failed to report the correct time of execution to the FINRA/Nasdaq TRF in 96 last sale reports of transactions in designated securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 7230A(d)(4).

In connection with Review No. 20080138973,

9. During the 1Q 2008 OATS review period, the firm improperly reported 89 Execution or Combined Order/Execution Reports to OATS with a Reporting Exception Code of "M". The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6955(a).

In connection with Review No. 20090204572,

10. During the April 2006 through October 2007 trade reporting review period, the firm failed to report to the Nasdaq Market Center¹ 21,367 last sale reports of transactions in designated securities. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 5430(b) from April 1, 2006 through July 31, 2006, and NASD Rule 4632(b) from August 1, 2006 through October 31, 2007.

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

A censure and a fine of \$70,000 comprised of \$22,500 for the OATS reporting violations and \$47,500 for the trade reporting violations.

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

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

¹ On August 1, 2006, the Nasdaq Market Center became the NASD/Nasdaq Trade Reporting Facility (the "NASD/Nasdaq TRF") and on July 30, 2007, the NASD/Nasdaq TRF became the FINRA/Nasdaq TRF.

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

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 Complaint issued specifying the allegations against the firm;
- B. To be notified of the 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 FINRA Rule 9143 or the separation of functions prohibitions of FINRA 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 FINRA 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:

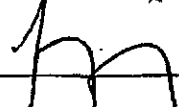
1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; 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.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the firm to submit it.

8/10/11
Date

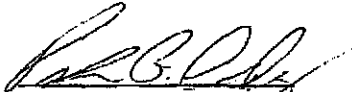
Respondent
SG Americas Securities, LLC

By: 

Name: Jean-Francois Gregoire

Title: Managing Director

Reviewed by:


Counsel for Respondent

Accepted by FINRA:

9/20/11
Date

Signed on behalf of the
Director of ODA, by delegated authority

Thomas R. Gira
Thomas R. Gira
Executive Vice President
Department of Market Regulation