

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20140400094-01**

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

RE: COR Clearing LLC, Respondent
Broker-Dealer
CRD No. 117176

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, COR Clearing LLC (the "Firm" or "Respondent") 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 June 4, 2002 and its registration remains in effect.

RELEVANT DISCIPLINARY HISTORY

The Firm has no relevant prior disciplinary history for purposes of determining sanctions.

SUMMARY

In connection with Star No. 20140400094, the Order Audit Trail System ("OATS") Operations Team of the FINRA Department of Market Regulation (the "Staff") conducted a Consolidated OATS Non-Reporting Sweep of the Firm for the second quarter of 2013. The Staff subsequently expanded its review period to encompass OATS violations that occurred from April 1, 2013 through August 7, 2013 (the "review period").

FACTS AND VIOLATIVE CONDUCT

In connection with Star No. 20140400094, the Staff found that:

1. During the review period, the Firm failed to transmit to OATS 93,829 Reportable Order Events ("ROEs") under the CORR MPID to OATS on 44 business days. The Firm also failed to transmit 93 ROEs under the LGNT MPID to OATS on 18 business days during the review period. Together this represents 92.8% of the Firm's total reporting obligation of 101,182 ROEs during the review period. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 7450(a).

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

A censure and a fine of \$10,000 for the OATS 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.

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 Chief Legal Officer, 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

accordance with FINRA Rule 8313;

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: (i) testimonial obligations; or (ii) 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.

May 11, 2015
Date

By: Maar 12 Ben

Title: CHIEF LEGAL AND COMPLIANCE OFFICER

Counsel for Respondent

5/28/15
Date


Lara M. Posner
Chief Counsel
Department of Market Regulation