

BEFORE THE BUSINESS CONDUCT COMMITTEE
OF THE
CBOE EXCHANGE, INC.

_____)	
In the Matter of:)	
)	
Sumo Capital, LLC)	File No. 18-0017
190 South LaSalle Street, Suite 1620)	STAR No. 20170546001
Chicago, IL 60603)	
)	
Respondent)	
)	
_____)	

DECISION ACCEPTING OFFER OF SETTLEMENT

This proceeding was instituted by the Business Conduct Committee (the “Committee”) of the Cboe Exchange, Inc. (the “Exchange” or “Cboe”) as a result of an investigation by the staff of the Exchange, which indicated that there was probable cause for finding a violation within the disciplinary jurisdiction of the Exchange. In accordance with that determination, the Committee directed the issuance of a Statement of Charges (“Statement of Charges”). Pursuant to Exchange Rule 17.8, the respondent (“Respondent”), Sumo Capital, LLC (“Sumo”), submitted an offer of settlement (“Offer of Settlement”).

In submitting the Offer of Settlement, the Respondent neither admitted nor denied the violations alleged in the Statement of Charges.

The Respondent has agreed that the determination of the Committee to accept the Offer of Settlement shall constitute a final Decision, and, as provided in Exchange Rule 17.8, the Respondent may not seek review thereof.

The Respondent understands and acknowledges that the Committee’s decision in this matter will become part of its disciplinary record and may be considered in any future Exchange proceeding.

With due regard to the particulars of this matter, the Committee believes it is appropriate to accept the Respondent’s Offer of Settlement based on the following stipulated facts and findings and thereby to impose the sanction specified below.

FACTS

1. During all relevant periods, Sumo was an Exchange Trading Permit Holder that was registered to conduct business as a Market-Maker on the Exchange.
2. During all relevant periods, Sumo was acting as a registered broker-dealer.
3. During all relevant periods herein, Exchange Rules 4.2 — Adherence to Law and 4.24 — Supervision; and Rule 14e-4 — Prohibited Transactions In Connection With Partial Tender Offers, promulgated

under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), were in full force and effect.

4. The Exchange conducted an investigation into the tender offer in Weyerhaeuser Co., which included, but was not limited to a review of Sumo's compliance with Rule 14e-4, promulgated under the Exchange Act.
5. On or about July 2, 2014, Sumo tendered 1,600 shares for the partial tender offer in Weyerhaeuser Co. (“WY”) in excess of its net long position.
6. From on or about May 22, 2014 through in or about June 2018, Sumo failed to establish, maintain and enforce adequate written supervisory procedures to assure compliance with Rule 14e-4, promulgated under the Exchange Act, relating to partial short tender activity.

FINDINGS

The acts, practices, and conduct described in Paragraph 5 constitute violations of Exchange Rule 4.2 and Rule 14e-4, promulgated under the Exchange Act, by Sumo, in that Sumo tendered 1,600 shares for the partial tender offer in WY in excess of its net long position.

The acts, practices, and conduct described in Paragraph 6 constitute a violation of Exchange Rule 4.24 by Sumo, in that Sumo failed to establish, maintain and enforce adequate written supervisory procedures to assure compliance with Rule 14e-4, promulgated under the Exchange Act, relating to partial short tender activity.

SANCTION

The sanction to be imposed shall consist of a \$20,000 fine, a censure and a disgorgement in the amount of \$543.

ORDER

ACCORDINGLY IT IS ORDERED THAT, the Respondent, Sumo Capital, LLC shall be and hereby is censured, fined in the amount of twenty thousand dollars (\$20,000) and a disgorgement in the amount of \$543.

**SO ORDERED
FOR THE COMMITTEE**

Dated: May 29, 2019

**By: /s/ Richard Bruder
Richard Bruder
Chairman
Business Conduct Committee**