

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

_____ )	
In the Matter of: )	
Sumo Capital, LLC )	File No. 19-0005
190 South LaSalle Street )	STAR No. 20170523844
Suite 1620 )	
Chicago, IL 60603 )	
Subject )	
_____ )	

**DECISION ACCEPTING LETTER OF CONSENT**

This proceeding was instituted by the Business Conduct Committee (the "Committee") of the Cboe Exchange, Inc. (the "Exchange") as a result of an investigation by the staff of the Exchange. In order to resolve this matter, the subject, Sumo Capital, LLC has submitted a Letter of Consent. Such Letter of Consent was submitted solely for the purposes of this proceeding without admitting or denying that a violation of Exchange Rules has been committed. With due regard to the stipulated facts and findings and the proposed sanction contained therein, the Committee believes it is appropriate to accept the Letter of Consent for File No. 19-0005 (STAR No. 20170523844) which is attached to and made a part of this Decision.

**SO ORDERED  
FOR THE COMMITTEE**

**Dated:** January 31, 2019

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

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190 South LaSalle Street	)	STAR No. 20170523844
Suite 1620	)	
Chicago, IL 60603	)	
	)	
Subject	)	

**LETTER OF CONSENT**

In order to resolve these proceedings pursuant to Cboe Exchange, Inc. ("Cboe" or the "Exchange") Rule 17.3 – Expedited Proceedings, the Subject, Sumo Capital, LLC ("Sumo" or the "Firm"), hereby submits this Letter of Consent in the above captioned matter. Only for purposes of this proceeding, and without admitting or denying that a violation of Cboe Rules or the Securities Exchange Act of 1934, as amended ("Exchange Act") has been committed, Sumo consents to the Stipulation of Facts and Findings and Sanction set forth below.

**Stipulation of Facts and Findings**

1. During all relevant periods, Sumo was a Cboe Trading Permit Holder registered to conduct business on the Exchange as a Proprietary Trading Permit Holder and a Market-Maker.
2. During all relevant periods, Sumo was acting as a registered Broker-Dealer.
3. During all relevant periods, Cboe Rules 3.6A - Qualification and Registration of Trading Permit Holders and Associated Persons, 4.2 – Adherence to Law, and 9.3A – Continuing Education for Registered Persons were in full force and effect.
4. During all relevant periods, Cboe Rule 3.6A required that each individual subject to the registration requirements of Cboe Rule 3.6A "satisfy the continuing education requirements set forth in Rule 9.3A or any other applicable continuing education requirements as prescribed by the Exchange."
5. During all relevant periods, Cboe Rule 9.3A prohibited a Trading Permit Holder from permitting any registered person to "perform duties as a registered person, unless such person has complied with the continuing education requirements...of this Rule." Further, in accordance with Cboe Rule 9.3A, each registered person is required to "complete the Regulatory Element of the continuing education program beginning with the occurrence of their second registration anniversary date, and every three years thereafter, or as otherwise prescribed by the Exchange.

6. On various dates from on or about April 21, 2016 through on or about December 5, 2016, five (5) Sumo Associated Persons, registered with the Exchange in WebCRD, failed to satisfy the continuing education requirements, rendering their registration status inactive. In addition, on various dates from on or about June 21, 2016 through on or about November 30, 2016, four (4) of the five (5) Associated Persons acted in the capacity of a Securities Trader (TD) while maintaining an inactive registration status with the Exchange in WebCRD.<sup>1</sup>
7. From on or about April 21, 2016 through on or about December 5, 2016, Sumo failed to supervise its Associated Persons to assure compliance with Cboe Rule 3.6A in conjunction with the conduct described in Paragraph 6 above.
8. The acts, practices and conduct described in Paragraph 6 above constitute a violation of Cboe Rule 3.6A by Sumo, in that five (5) Sumo Associated Persons, registered with the Exchange in WebCRD, failed to satisfy the continuing education requirements, rendering their registration status inactive. In addition, four (4) of the five (5) Associated Persons acted in the capacity of a Securities Trader (TD) while maintaining an inactive registration status with the Exchange in WebCRD.
9. The acts, practices and conduct described in Paragraph 7 above constitute a violation of Cboe Rule 4.2 by Sumo, in that Sumo failed to supervise its Associated Persons to assure compliance with Cboe Rule 3.6A in conjunction with the conduct described in Paragraph 6 above.

Sanction: A \$20,000 fine and censure.

Subject acknowledges that it has read the foregoing Letter of Consent, that no promise or inducement of any kind has been made to it by the Exchange or its staff, and that this Letter of Consent is voluntary on its part.

Subject 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.

Subject also acknowledges that the Committee's decision to accept or reject this Letter of Consent is final, and that it may not seek review thereof in accordance with Exchange Rule 17.3.

12/12/2018  
Date

Sumo Capital, LLC

Print Name

Principal  
Title

<sup>1</sup> In November 2016, Sumo replaced its management, and the remaining continuing education deficiencies addressed in this Letter of Consent were resolved by December 5, 2016.