

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013037641201**

TO: Department of Enforcement
Financial Industry Regulatory Authority (FINRA)

RE: BNP Paribas Securities Corp., Respondent
Member Firm
CRD No. 15794

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent BNP Paribas Securities Corp. ("BNP Paribas" or 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

BNP Paribas has been a FINRA member since December 27, 1984. BNP Paribas is an executing and clearing broker-dealer for institutional and certain high net worth retail customers. BNP Paribas currently has 12 branch offices, including its headquarters in New York City, and employs approximately 3,400 associated persons.

RELEVANT DISCIPLINARY HISTORY

BNP Paribas does not have any relevant disciplinary history with the Securities and Exchange Commission (the "Commission"), any state securities regulators, FINRA, or any other self-regulatory organization.

OVERVIEW

BNP Paribas provided direct market access to customers through its Global Execution Services desk (the "GES Desk"). Except as noted herein, during the period of July 14, 2011 through the present (the "review period"), BNP Paribas failed to establish,

document, and maintain a system of risk management controls and supervisory procedures reasonably designed to manage the financial risks of its market access business activity. Specifically, the Firm's controls and supervisory system were not reasonably designed to prevent the entry of: (1) orders that exceeded appropriate pre-set credit thresholds in the aggregate for each customer; and (2) erroneous orders.

As early as October 2013, the Firm was aware internally of potential gaps in its financial risk management controls for the GES Desk. Nevertheless, in several instances, it took BNP Paribas years to fix the identified gaps in its controls.

Because of its unreasonable financial risk management controls and supervisory system, BNP Paribas failed to prevent the transmission of erroneous orders to the markets on at least two trade dates. By virtue of the conduct described herein, BNP Paribas violated Section 15(c)(3) of the Securities and Exchange Act of 1934 ("Section 15(c)(3)"); SEC Rule 15c3-5(b), (c)(1)(i), (c)(1)(ii), and (e); FINRA Rules 3110 (for conduct on and after December 1, 2014) and 2010; and NASD Rule 3010 (for conduct prior to December 1, 2014).

FACTS AND VIOLATIVE CONDUCT

Regulatory Framework

1. Section 15(c)(3) prohibits broker-dealers from contravening the rules and regulations prescribed by the Commission to "provide safeguards with respect to the financial responsibility and related practices of brokers and dealers...." The Commission adopted SEC Rule 15c3-5 pursuant to Section 15(c)(3) on November 3, 2010. The compliance date for SEC Rule 15c3-5 was July 14, 2011, except the Commission extended the compliance date for SEC Rule 15c3-5(c)(1)(i) to November 30, 2011.
2. SEC Rule 15c3-5(b) provides, "A broker or dealer with market access, or that provides a customer or any other person with access to an exchange or alternative trading system through use of its market participant identifier or otherwise, shall establish, document, and maintain a system of risk management controls and supervisory procedures reasonably designed to manage the financial, regulatory, and other risks of this business activity."
3. SEC Rule 15c3-5(c)(1) requires a market access broker-dealer to establish financial risk management controls and supervisory procedures "reasonably designed to systematically limit the financial exposure of the broker or dealer that could arise as a result of market access...."
4. SEC Rule 15c3-5(e) requires a market access broker-dealer to "establish, document, and maintain a system for regularly reviewing the effectiveness of the risk management controls and supervisory procedures required by [SEC Rule 15c3-5(b) and (c)] and for promptly addressing any issues."
5. NASD Rule 3010(a) and FINRA Rule 3110(a) provide, "Each member shall establish and maintain a system to supervise the activities of each associated person that is

reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules.”¹ NASD Rule 3010(b) and FINRA Rule 3110(b) provide, “Each member shall establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules.”

6. FINRA Rule 2010 provides, “A member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.”

The GES Desk Provided Market Access

7. SEC Rule 15c3-5(a)(1)(i) defines “market access” as “[a]ccess to trading in securities on an exchange or alternative trading system as a result of being a member or subscriber of the exchange or alternative trading system, respectively.”
8. The GES Desk received cash equities orders from institutional customers, including certain affiliates of BNP Paribas, through an electronic interface (“EI Orders”) or through other means of communication, such as telephone, electronic mail or instant messaging (“Non-EI Orders”).² Customers could designate their orders for automated handling (“Low Touch”) or manual handling (“High Touch”). Regardless of their handling, the Firm ultimately routed GES Desk customer orders directly to exchanges or alternative trading systems (“ATs”), and/or to third-party broker-dealers.
9. During the period of January 1, 2015 through September 18, 2019, the Firm routed approximately 165,726 GES Desk customer equities orders to exchanges and/or ATs. Those orders represented approximately 7% of the GES Desk’s total customer equities order flow (2,276,885 orders) during this period.

Unreasonably Designed Credit Controls and Supervisory Procedures

10. SEC Rule 15c3-5(c)(1)(i) requires a market access broker-dealer to establish financial risk management controls and supervisory procedures reasonably designed to “[p]revent the entry of orders that exceed appropriate pre-set credit or capital thresholds in the aggregate for each customer and the broker or dealer and, where appropriate, more finely-tuned by sector, security, or otherwise by rejecting orders if such orders would exceed the applicable credit or capital thresholds.” The SEC Rule 15c3-5 Adopting Release provides the following guidance:

The Commission expects broker-dealers will make [credit threshold] determinations based on appropriate due diligence as to the customer’s

¹ FINRA Rule 3110 superseded NASD Rule 3010 effective December 1, 2014.

² BNP Paribas used a proprietary electronic interface system (“FIBEX”) and a vendor electronic interface system (“Vendor EI System”) during the review period. BNP Paribas gradually migrated GES Desk customers from FIBEX to the Vendor EI System during the period of September 2015 through May 2017. During this migration period, customers used either FIBEX or the Vendor EI System, not both systems.

business, financial condition, trading patterns, and other matters, and document that decision. In addition, the Commission expects the broker-dealer will monitor on an ongoing basis whether the credit thresholds remain appropriate, and promptly make adjustments to them, and its controls and procedures, as warranted. ... Because financial exposure through rapid order entry can be incurred very quickly in today's fast electronic markets, controls should measure compliance with appropriate credit or capital thresholds on the basis of orders entered rather than executions obtained.³

11. During the period of November 30, 2011 through at least April 2016, BNP Paribas did not establish aggregate credit thresholds for any GES Desk customers. BNP Paribas established only a single-order quantity ("SOQ") limit and single-order notional value ("SONV") limit for each GES Desk customer.⁴
12. As early as April 2014, BNP Paribas was aware that it did not have an aggregate credit control for the GES Desk. Nonetheless, BNP Paribas did not establish such a control until in or around mid-2016. BNP Paribas initially applied the control to EI Orders only. BNP Paribas began applying the credit control to Non-EI Orders entered by *certain* GES Desk customers in March 2017. By July 2018, BNP Paribas was applying the credit control to Non-EI Orders entered by *all* GES Desk customers. Non-EI Orders represented approximately one percent of the GES Desk's total customer order flow. Accordingly, it was not until July 2018 that BNP Paribas applied pre-set credit controls to each GES Desk customer's orders in the aggregate, including EI Orders and Non-EI Orders, as required by SEC Rule 15c3-5(c)(1)(i).
13. During the period of November 30, 2011 through the present, BNP Paribas has failed to establish, maintain, and enforce written supervisory procedures reasonably designed to achieve compliance with SEC Rule 15c3-5(c)(1)(i). The Firm's written procedures have not reasonably guided supervisors in determining appropriate credit thresholds for customers. For example, they listed factors, such as a customer's business, financial condition, and historical trading activity, to be considered, without any further guidance on the due diligence to be performed or how the determinations should be made.
14. By virtue of the foregoing, BNP Paribas violated Section 15(c)(3); SEC Rule 15c3-5(b) and (c)(1)(i); NASD Rule 3010 (for conduct prior to December 1, 2014); and FINRA Rules 3110 (for conduct on and after December 1, 2014) and 2010.

³ Exchange Act Release No. 63241 (Nov. 3, 2010), 75 Fed. Reg. 69792, at 69802 (Nov. 15, 2010) (hereinafter the "SEC Rule 15c3-5 Adopting Release").

⁴ Notional value is generally calculated by multiplying the share price by the number of shares. In addition to the SOQ and SONV limits established for each customer, BNP Paribas also established a desk-level position limit on the net value of all orders entered by GES Desk customers collectively in each security.

Unreasonably Designed Erroneous Order Controls and Supervisory Procedures

15. SEC Rule 15c3-5(c)(1)(ii) requires a market access broker-dealer to establish, document, and maintain financial risk management controls and supervisory procedures reasonably designed to “[p]revent the entry of erroneous orders, by rejecting orders that exceed appropriate price or size parameters, on an order-by-order basis or over a short period of time, or that indicate duplicative orders.” The SEC Rule 15c3-5 Adopting Release states that erroneous order controls should be reasonably designed to prevent orders from erroneously being entered as a result of both technological malfunctions and manual errors. As one example, the Commission cited “a systematic, pre-trade control reasonably designed to reject orders that are not reasonably related to the quoted price of the security....”⁵
16. During the period of July 14, 2011 through the present, the Firm’s financial risk management controls and supervisory procedures for the GES Desk have not been reasonably designed to prevent the entry of erroneous orders, as required by SEC Rule 15c3-5(c)(1)(ii).

GES Desk Erroneous Order Controls and Procedures Pre-October 2014

17. During the period of July 14, 2011 through approximately September 2014, the Firm’s erroneous controls for the GES Desk rejected orders that:
- a. Exceeded the SOQ limit and the SONV limit established for each customer;
 - b. Exceeded the desk-level, daily position limit on the net value of all orders entered by GES Desk customers collectively in each security;
 - c. Exceeded the limit on the number of order events (*i.e.*, creations, cancellations and modifications) per minute from the same customer (the “throttle control”);
 - d. Were priced more than a specified percentage away from the prior day’s closing price (the “price away control”); and
 - e. Contained the same order identification number (“Order ID”) as a prior order.

With the exception of the SOQ and SONV limits (which resided in FIBEX), these erroneous order controls resided in the Firm’s market gateway system (“FORCE”).

18. The Firm generally set the SOQ limit and SONV limit for each customer at such high levels that the controls were not reasonably designed to prevent erroneous orders, absent additional reasonably designed controls, such as an average daily trading volume (“ADTV”) control. While the Firm was aware of its need for an ADTV control as early as October 2013, it did not implement any ADTV control – or any other reasonably designed control – until June 2017.

⁵ SEC Rule 15c3-5 Adopting Release, at 69802.

19. Additionally, the Firm's thresholds for the price away control were set substantially higher than the numerical guidelines for clearly erroneous transactions under FINRA rules, exchange rules, and the Firm's own procedures.⁶ For example, for stocks priced under \$2.00, the Firm's control rejected orders priced more than 40% away from the stock's prior closing price.
20. Likewise, the Firm's duplicative order control was too narrow to be considered reasonably designed to prevent the entry of potentially duplicative orders because it rejected only orders containing the same Order ID as a prior order. The Firm did not have a control to prevent other potentially duplicative orders, such as repetitive orders received from the same customer with the same terms (*e.g.*, security, side, quantity, price) at or around the same time.
21. The Firm failed to establish, maintain, and enforce written supervisory procedures that were reasonably designed to achieve compliance with SEC Rule 15c3-5(c)(1)(ii). Trading personnel could request temporary changes to financial risk management control limits, including the SOQ limits, SONV limits, price away control and throttle control. Prior to February 2015, these temporary changes did not go through a supervisory review process before being effected by Information Technology ("IT") staff. While the Firm employed a next day, T+1 report for supervisors to review such temporary changes, that report was not reasonably designed to include all necessary information for supervisory review nor was it consistently reviewed by Firm personnel.
22. BNP Paribas failed to prevent the transmission of erroneous orders to the markets during this period. For example, on August 1, 2013, due to a technological issue, the Firm erroneously handled a customer order to buy 180,000 shares of a security ("ABCD") as an immediate market order, rather than as a time-weighted average price ("TWAP") order over a period of time, as the customer instructed. To execute the order, the Firm entered 419 child orders to buy ABCD at sizes ranging from 55 shares to 178,332 shares on multiple markets, including Cboe BYX Exchange, Inc. ("BYX") and NYSE Arca, Inc. ("NYSE Arca"). Those erroneous orders resulted in 636 executions and caused the price of ABCD to increase by approximately 5% over a 1-second period.

GES Desk Erroneous Order Controls and Procedures Post-September 2014

23. In approximately October 2014, the GES Desk deployed a new vendor order management system (the "Vendor OMS"). As a result, GES Desk customer orders were no longer sent through FORCE and were therefore not subject to the controls residing therein. While the Vendor OMS included desk-level, daily position limits

⁶ For exchange listed-securities, the numerical guidelines for clearly erroneous executions ("CEE") during normal market hours generally range from 3% to 10% away from the consolidated last sale price, depending on the price of the security. *See, e.g.*, FINRA Rule 11892, NYSE Rule 128. The GES Desk's written procedures for CEE petitions incorporated these numerical guidelines.

- per security, the Vendor OMS did not include a throttle control or a control that rejected orders that were not reasonably related to the price of the security.
24. During the period of approximately October 2014 through July 22, 2018, BNP Paribas did not have a control to reject GES Desk customer orders that were not reasonably related to the price of the security.⁷
25. BNP Paribas implemented a price control in the Vendor EI System on July 23, 2018, after it received a FINRA inquiry. However, BNP Paribas set the threshold of the control too high to be reasonably designed to prevent erroneous orders, absent additional reasonable controls. The control rejected customer buy orders priced more than 20% above the stock's last sale price, and customer sell orders priced more than 20% below the stock's last sale price. Again, the percentage threshold was higher than the numerical guidelines for clearly erroneous transactions under FINRA rules, exchange rules, and the Firm's own procedures.⁸
26. During the period of approximately October 2014 through July 15, 2018, BNP Paribas did not have any control for GES Desk customer orders to prevent an unintended volume of orders arising from malfunctioning algorithms, software programs or trading systems, such as a throttle control. The Firm knew of this gap in its controls as early as May 2016, but did not establish a throttle control until July 16, 2018, after it received a FINRA inquiry.
27. During the period of approximately October 2014 through at least June 30, 2018, Non-EI Orders were not subject to any price control, SOQ limits, SONV limits, throttle control, duplicative order control, or aggregate credit thresholds, before being routed to the markets. In July 2018, the Firm began applying SOQ limits, SONV limits, a throttle control and an aggregate credit control to Non-EI Orders. However, the Firm still does not apply any controls to reject Non-EI Orders that exceed appropriate price parameters or indicate duplicative orders.
28. During the period of approximately October 2014 through July 15, 2017, the Firm applied SOQ and SONV limits to EI Orders, but generally set those single-order limits at such high levels that they were not reasonably designed to prevent erroneous orders absent additional reasonably designed controls, such as an ADTV control. For example, the Firm set SOQ limits as high as 250 million shares per order, and SONV limits as high as \$1 billion per order for certain customers.
29. The Firm established ADTV controls for High Touch orders on July 16, 2017 and Low Touch orders on July 16, 2018, respectively. However, the Firm set the thresholds of these ADTV controls too high to be reasonably designed to prevent the entry of erroneous orders, absent additional reasonable controls. For example, for

⁷ The Vendor OMS had a price warning alert that generated when an order was priced more than a specified percentage away from the last sale price. The alert did not prevent the entry of erroneous orders, by rejecting orders that exceeded appropriate price or size parameters, as required by SEC Rule 15c3-5(c)(1)(ii).

⁸ See *supra* note 6.

High Touch orders, the Firm set its control to reject orders at sizes that exceeded 50% of the stock's ADTV, which was not reasonable given the securities in which it traded. The Firm's controls remained unreasonably designed in this respect until it implemented an enhanced ADTV control for the GES Desk on April 10, 2019.

30. During the period of approximately October 2014 through the present, the Firm's duplicative order control for EI Orders was too narrow to be reasonably designed to prevent the entry of potentially duplicative orders because it rejected only orders containing the same Order ID as a prior order. The Firm did not have a control to prevent other potentially duplicative orders, such as repetitive orders received from the same customer with the same terms (*e.g.*, security, side, quantity, price) at or around the same time.
31. The Vendor EI System that BNP Paribas began to implement in September 2015 had a price control, throttle control, and ADTV control available, but the Firm did not activate them for the GES Desk, with the exception of the price control activated by the Firm on July 23, 2018, as described above.
32. BNP Paribas transmitted at least one erroneous order to the markets during this period. On May 27, 2015, BNP Paribas erroneously routed the full quantity (40,000 shares) of a customer order to buy security EFGH to The New York Stock Exchange LLC ("NYSE"), rather than routing it in smaller portions, as the customer intended. The order was approximately 26% of the ADTV in EFGH over the preceding 30 days. The order was executed at prices from \$14.97 to \$16.46. As a result, the price of security EFGH rose by approximately 10% in less than a second, and BNP Paribas filed a CEE petition with NYSE.
33. BNP Paribas also transmitted another order to the markets that resulted in an execution that exceeded the numerical guidelines for CEE treatment, although the Firm did not file a CEE petition. On June 15, 2017, BNP Paribas routed a market order to buy 50,000 shares of security IJKL to NYSE Arca. The order was approximately 18% of the ADTV in IJKL over the preceding 30 days. The resulting executions caused the price of IJKL to increase by approximately 18% in less than a second.
34. By virtue of the foregoing, BNP Paribas violated Section 15(c)(3); SEC Rule 15c3-5(b) and (c)(1)(ii); NASD Rule 3010 (for conduct prior to December 1, 2014); and FINRA Rules 3110 (for conduct on and after December 1, 2014) and 2010.

Supervisory Failures

BNP Paribas was Aware of Gaps in its Financial Risk Management Controls

35. BNP Paribas operated without reasonably designed credit and erroneous order controls for the GES Desk for years after it became aware of gaps in those controls.
36. For example, BNP Paribas was aware as early as April 2014 that it did not have aggregate pre-set credit controls for the GES Desk. Nonetheless, the Firm did not

establish an aggregate pre-set credit control for the GES Desk until mid-2016. In addition, for some GES Desk customers, BNP Paribas did not apply the credit control to all orders in the aggregate, including EI Orders and Non-EI Orders, until July 2018.

37. In another example, BNP Paribas was aware that it needed to establish an ADTV control to supplement its SOQ and SONV limits as early as October 2013. Nonetheless, BNP Paribas did not supplement its erroneous order controls for the GES Desk until June 16, 2017, when it added an ADTV control for High Touch orders only and set it at an unreasonably high threshold of 50%, as described above. BNP Paribas did not make further enhancements to its erroneous order controls for the GES Desk until July 2018, after it received a FINRA inquiry.

BNP Paribas Failed to Establish a Reasonably Designed Supervisory System and Procedures

38. SEC Rule 15c3-5(e) requires a market access broker-dealer to “establish, document, and maintain a system for regularly reviewing the effectiveness of the risk management controls and supervisory procedures required by [SEC Rule 15c3-5(b) and (c)] and for promptly addressing any issues.” SEC Rule 15c3-5(e)(1) requires a market access broker-dealer to “review, no less frequently than annually, the business activity of the broker or dealer in connection with market access to assure the overall effectiveness of such risk management controls and supervisory procedures.”
39. The SEC Rule 15c3-5 Adopting Release states that a market access broker-dealer should “establish written procedures that are reasonably designed to assure that the broker-dealer’s controls and procedures are adjusted, as necessary, to help assure their continued effectiveness in light of any changes in the broker-dealer’s business or weaknesses that have been revealed.”⁹
40. The Firm’s written procedures established two processes for reviewing its compliance with SEC Rule 15c3-5: (a) quarterly reviews of its risk management controls and systems; and (b) annual compliance testing. However, BNP Paribas did not establish and maintain a supervisory system, including written supervisory procedures, that was reasonably designed to promptly address issues identified as a result of its quarterly and annual reviews.
41. By virtue of the foregoing, BNP Paribas violated Section 15(c)(3); SEC Rule 15c3-5(e); NASD Rule 3010 (for conduct prior to December 1, 2014); and FINRA Rules 3110 (for conduct on and after December 1, 2014) and 2010.

⁹ SEC Rule 15c3-5 Adopting Release, at 69811.

B. Respondent also consents to the imposition of the following sanctions:

1. A censure;
2. A total fine of \$650,000, of which \$260,000 shall be paid to FINRA;¹⁰ and
3. An undertaking to submit a written certification by a duly authorized Senior Officer of BNP Paribas to FINRA Enforcement within 90 days of the issuance of this AWC, certifying that (a) the Firm has completed a review of its financial risk management controls and supervisory procedures, and (b) as of the date of the certification, the Firm's financial risk management controls and supervisory procedures are reasonably designed to achieve compliance with SEC Rule 15c3-5(c)(1)(i) and (ii). The certification shall be submitted by letter addressed to Shanyn Gillespie, Principal Counsel, at the address below. FINRA Enforcement may, upon a showing of good cause and at its sole discretion, extend the time for compliance with this provision.
4. Acceptance of this AWC is conditioned upon acceptance of similar settlement agreements in related matters between BNP Paribas and each of the following self-regulatory organizations: (a) BYX; (b) NYSE; and (c) NYSE Arca.

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

Respondent specifically and voluntarily waives any right to claim an inability 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

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

- A. To have a Complaint issued specifying the allegations against it;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;

¹⁰ FINRA investigated this matter on its own behalf, as well as on behalf of BYX, NYSE and NYSE Arca. The balance of the fine will be paid to these other self-regulatory organizations.

- 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, Respondent 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.

Respondent 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

Respondent 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 Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
 - 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. Respondent 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. Respondent 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 Respondent'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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent 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 Respondent 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 it to submit it.

7/15/2020
Date

BNP Paribas Securities Corp.
Respondent

By:

Print Name:

Title:

[Signature]
GEORGE NUNN
COO

Reviewed by:

[Attorney Name]
Counsel for Respondent
[Firm Name]
[Address]
[City/State/Zip]

Accepted by FINRA:

July 30, 2020

Date

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

Sharyn Gillespie

Sharyn Gillespie
Principal Counsel
FINRA
Department of Enforcement
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Rockville, MD 20850