

Disciplinary Notice

January 16, 2015

**For more information
please contact:**

Jason V. Fusco
Assistant General Counsel
Market Regulation
(212) 748-4021
jason.fusco@theice.com

To receive ICE Futures U.S.
Disciplinary Notices by
email, please go to the ICE
[Subscriptions page](#).

NOTICE OF DISCIPLINARY ACTION

SETTLEMENT OF CHARGES AGAINST HEAT ENERGY GROUP, LLC; MERCURIA ENERGY AMERICA, INC.; AND EAGLE SEVEN, LLC

Matter: Case Number 2012-00171

Exchange Rule:

Rule 4.02(g) – Trade Practice Violations

In connection with the placement of any order or execution of any Transaction, it shall be a violation of the Rules for any Person to...
Prearrange the execution of transactions in Exchange products for the purpose of passing or transferring equity between accounts.

Summary:

The Business Conduct Committee ("BCC") found that Heat Energy Group, LLC ("Heat"), Mercuria Energy America, Inc. ("Mercuria") and Eagle Seven, LLC (Eagle Seven") may have violated Exchange Rule 4.02(g) on December 6, 2012, when Heat, in the process of acting as a third party broker, coordinated a series of block trades between Mercuria and Eagle Seven in order to repay Mercuria for a loss it previous sustained while helping Heat resolve an unrelated customer error. Eagle Seven was subsequently repaid the equity that it transferred to the other firm via check.

Penalty

In accordance with the terms of settlement agreements with the respondents, in which neither Heat, Mercuria nor Eagle Seven admitted or denied the forgoing rule violation, each respondent agreed to the following sanctions:

Heat

Payment of a \$15,000 penalty and an agreement to cease and desist from future violations of Rule 4.02(g);

Mercuria

Payment of a \$7,500 penalty and an agreement to cease and desist from future violations of Rule 4.02(g);

Eagle Seven

Payment of a \$7,500 penalty and an agreement to cease and desist from future violations of Rule 4.02(g).

Effective Date: January 16, 2015