



**CHICAGO MERCANTILE EXCHANGE
NOTICE OF DISCIPLINARY ACTION**

FILE NO.: CME 24-1802-BC

MEMBER: Hertshten Group Limited

**CME RULE
VIOLATIONS:** Rule 432.W. General Offenses

It shall be an offense for any party to fail to diligently supervise its employees and agents in the conduct of their business relating to the Exchange.

Rule 432.Q. General Offenses

It shall be an offense to commit an act which is detrimental to the interest or welfare of the Exchange or to engage in any conduct which tends to impair the dignity or good name of the Exchange.

Rule 575.D. Disruptive Practices Prohibited

No Person shall enter or cause to be entered an actionable or non-actionable message with intent to disrupt, or with reckless disregard for the adverse impact on, the orderly conduct of trading or the fair execution of transactions.

FINDINGS: Pursuant to an offer of settlement in which Hertshten Group Limited neither admitted nor denied the rule violations or factual findings upon which the penalty is based, on February 25, 2026, a Panel of the Chicago Mercantile Exchange ("CME") Business Conduct Committee ("Panel") found that Hertshten Group Limited, a proprietary trading firm, together with the analysts of its subsidiary in India, engaged in messaging activity beginning in pre-open periods that caused price and volume aberrations in multiple markets.

Specifically, on July 25, 2024, Hertshten Group messaged in a looping pattern with each other during the pre-open period. This behavior contributed to an Indicative Opening Price and caused the market to open with a Velocity Logic Dynamic Circuit Breaker event in the December 2024 One-Month SOFR futures market. As a direct result, CME Group's Global Command Center found it necessary to adjust November 2024 One-Month SOFR futures prices. Due to CME Globex implied-order functionality, these price adjustments also impacted three other markets. Additionally, the Panel found that Hertshten Group failed to diligently supervise its agents and take appropriate action to prevent disruptive activity.

The Panel concluded that as a result of the foregoing, Hertshten Group Limited violated CME Rules 432.W., 432.Q., and 575.D.

PENALTY: In accordance with the settlement offer, the Panel ordered Hertshten Group Limited to pay a \$95,000 fine (\$40,000 of which is allocated to CME).

**EFFECTIVE
DATE:** February 27, 2026