
NORTH AMERICAN DERIVATIVES EXCHANGE, INC.
NOTICE OF DISCIPLINARY ACTION

FILE NO.: INQ_2020_031

MEMBER: Karl Battle

NADEX RULES:

NADEX MEMBERSHIP AGREEMENT

Member Acknowledgements and Authorizations, Section (h):

You acknowledge and agree that You will, following a request by Nadex, promptly provide to Nadex financial or other information as Nadex may reasonably request or as may be required for Nadex to respond to a request for information from the Commodity Futures Trading Commission (“CFTC”) or other regulatory or judicial bodies.

RULE 3.3 MEMBER OBLIGATIONS

- (a) Each Member and any Authorized Trader(s) thereof, must comply with these Rules, applicable provisions of the Commodity Exchange Act, and relevant Commission regulations. Each Member and any Authorized Trader(s) thereof must also cooperate promptly and fully with Nadex, its agents, and/or the Commission in any investigation, call for information, inquiry, audit, examination, or proceeding. Such cooperation shall include providing Nadex with access to information on the activities of such Member and/or Authorized Trader in any referenced market that provides the underlying prices for any Nadex market. . . .

FINDINGS: On October 16, 2020, Nadex Compliance sent Karl Battle (“Battle”) an email requesting information regarding his deposit and withdrawal patterns. Specifically, the email requested that Battle provide complete banking statements for all accounts used to fund his Nadex account. Nadex Compliance acknowledges that Battle responded to Nadex with certain information. However, despite multiple emails providing Battle with unilateral extensions, he failed to provide the banking statements as requested by Nadex Compliance.

Accordingly, the Compliance Department has concluded that Battle violated Nadex Rule 3.3(a) and Member Acknowledgements and Authorizations, Section (h) of the Nadex Membership Agreement when he failed to fully cooperate with the Compliance Department’s requests for information.

PENALTY: Based on the foregoing, the Compliance Department, with approval from the Chief Regulatory Officer, has deemed it appropriate that Karl Battle’s Nadex Membership shall be

revoked, his account terminated, and he shall be permanently banned from trading on Nadex markets, either directly for his own account, through an intermediary, or as an authorized trader on behalf of any other account.

EFFECTIVE DATE: November 29, 2021