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**NORTH AMERICAN DERIVATIVES EXCHANGE, INC.**  
**NOTICE OF DISCIPLINARY ACTION**

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**FILE NO.:** TPI\_2019\_037(g)

**MEMBER:** Jinyu Wu

**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. . . .

**RULE 3.1 TRADING MEMBERS – APPLICATIONS, CLASSIFICATIONS, AND PRIVILEGES**

- (f) A Trading Member that is an individual, may not maintain and/or trade more than one Nadex account. No Authorized Trader(s), nor any officer, director, member, manager, owner, or indirect owner, of a Trading Member that is an entity may maintain a separate Nadex account and/or trade any Nadex account other than that entity’s account.

**FINDINGS:** On November 5, 2019, Nadex Compliance sent Jinyu Wu (“Wu”) an Account Inquiry letter requesting, among other things, general background information, banking activity and details regarding his Nadex account. Despite follow-up communications providing Wu with multiple extensions to respond to the request for information, he wholly failed to comply and/or respond to the inquiry letter. Additionally, during the course of this investigation it became evident that Wu funded another Nadex Member’s trading account via bank transfers, thus

resulting in him having a direct economic interest in the activity and trading in the other Member's account.

Accordingly, the Compliance Department concluded that Wu violated Member Acknowledgements and Authorizations, Section (h) of the Nadex Membership Agreement and Exchange Rule 3.3(a) by wholly failing to cooperate with this investigation. Furthermore, Nadex Compliance concluded that Wu violated Nadex Rule 3.1(f) when he utilized another Nadex Member's account as a second account on Nadex traded for his benefit.

**PENALTY:** As a result of the aforementioned violations, the Nadex Compliance Department has deemed it appropriate to assess Jinyu Wu a fine of \$7,000.00. Additionally, Jinyu Wu's Nadex Membership has been revoked, his account terminated, and he has been permanently banned from trading on Nadex Markets, either directly for his own account or through an intermediary, or as an authorized trader on behalf of any other account.

**EFFECTIVE DATE:** October 26, 2021