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

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**FILE NO.:** TPI\_2020\_016

**MEMBER:** Hsinchi 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. . . .

**FINDINGS:** On September 27, 2019, the Compliance Department sent Hsinchi Wu ("Wu") an Account Inquiry letter requesting, among other things, general background information, prior trading experience, and details regarding his order and trading activity. Wu responded to certain inquiries and requests for information. However, Wu failed to provide information regarding his relationship with other Nadex Members as well as information regarding how he accessed and placed orders on the Exchange.

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 failing to fully respond to Nadex Compliance's requests for information despite multiple opportunities to comply.

**PENALTY:** As a result of the aforementioned violations, the Nadex Compliance Department has deemed it appropriate to fine Hsinchi Wu \$2,500.00. Additionally, Hsinchi Wu's Nadex Membership,

has been revoked, his Nadex account terminated, and he is permanently banned from trading on Nadex, either directly for his own account, through an intermediary, or as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

**EFFECTIVE DATE:** September 13, 2021