
NORTH AMERICAN DERIVATIVES EXCHANGE, INC.
NOTICE OF DISCIPLINARY ACTION

FILE NO.: TPI_2019_022

MEMBER: Ilona Mieszkowska

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.

Member Representations, Section (d):

You and, if relevant, Your employees and agents will not trade or otherwise act on behalf of any other person or entity (whether or not a Member) in placing orders on the Nadex System, including by allowing any person not disclosed on the Membership Application to have an economic interest in the trades placed by the Member

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 5.19 PROHIBITED TRANSACTIONS AND ACTIVITIES

- (k) No Person shall intentionally provide misleading, erroneous, or fraudulent information to Nadex on a membership application or otherwise.

FINDINGS: In October 2018, the Compliance Department contacted Ilona Mieszkowska ("Mieszkowska"), requesting, among other things, general background

information, source of funds information, and details regarding her order and trading activity. Mieszkowska responded to certain inquiries and requests for information. However, Mieszkowska failed to produce full and complete trading and banking statements. Also, during the course of this investigation, Mieszkowska provided misleading information to the Compliance Department relative to her connections with other Nadex Members, failed to fully disclose her source of funding, and provided misleading information to Compliance regarding the information, persons, and/or data she consulted in placing orders on the Exchange.

Further, this investigation revealed that Mieszkowska executed trades in her Nadex account with funds that would not have been available to her in the bank account on record, but for the funding from a third-party, based on a preponderance of the evidence at hand.

Based on Nadex's investigation, the Compliance Department concluded that Ilona Mieszkowska violated Exchange Rule 5.19(k) when she provided false and/or incomplete information related to her relationship with other Nadex Members, and to third-party sources that informed her order and trade activity on the Exchange. The Compliance Department also concluded that Mieszkowska violated Member Acknowledgements and Authorizations, Section (h) of the Nadex Membership Agreement and Exchange Rule 3.3(a) by failing to fully cooperate with this investigation. Additionally, Mieszkowska violated the Nadex Membership Agreement, Member Representations Section (d), when she allowed a third-party to have a direct economic interest in her Nadex account.

PENALTY:

As a result of the aforementioned violations, Ilona Mieszkowska has been assessed a \$6,000.00 fine, and her Nadex Membership has been revoked, her account terminated, and she has been permanently banned from trading on Nadex markets, either directly for her own account, through an intermediary, or as an authorized trader on behalf of any other account.

EFFECTIVE DATE: May 21, 2020