
NORTH AMERICAN DERIVATIVES EXCHANGE, INC.
NOTICE OF DISCIPLINARY ACTION

FILE NO.: TPI_2019_004

MEMBER: Khin Fatt Wong

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 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 Khin Fatt Wong ("Wong") requesting, among other things, general background information, source of funds information and details regarding his order and trading activity. Wong responded to certain inquiries and requests for information. However, despite several extensions provided for deadlines to respond to subsequent inquiries, Wong failed to fully cooperate with Nadex Compliance's inquiry. Specifically, Wong failed to provide complete and accurate banking and trading account statements. Further, during the course of this investigation, Wong provided misleading information to the Compliance Department relative to his

connections with other Nadex Members, and provided misleading information to Compliance regarding the information, persons, and/or data he consulted in placing orders on the Exchange.

The Compliance Department concluded that Wong violated Exchange Rule 5.19(k) when he provided false and/or incomplete information related to his connections with other Nadex Members, and to third-party sources that informed his order and trade activity on the Exchange. Additionally, the Compliance Department concluded that Wong 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.

PENALTY:

As a result of the aforementioned violations, Khin Fatt Wong has been assessed a \$6,000.00 fine, and his 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, through an intermediary, or as an authorized trader on behalf of any other account.

EFFECTIVE DATE: April 22, 2020