
NORTH AMERICAN DERIVATIVES EXCHANGE, INC.
NOTICE OF DISCIPLINARY ACTION

FILE NO.: INQ_2019_007

MEMBER: Barry Haigh

NADEX RULES:

RULE 3.3 MEMBER OBLIGATIONS

- (d) Each Member must immediately notify Nadex in writing upon becoming aware:
- (i) that the Member, any of the Member's officers or any of the Member's Authorized Traders has had access or trading privileges suspended, or membership denied, in any commodity, securities, or swaps exchange, brokerage, association, or Regulatory Agency;
 - (v) that the Member, any of the Member's officers or any of the Member's Authorized Traders has been subject to, or associated with a firm that was subject to regulatory proceedings before any governmental or Regulatory Agency.

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: The Nadex Compliance Department commenced an investigation into Member Barry Haigh ("Haigh") upon receiving information regarding his expulsion from the Chicago Mercantile Exchange ("CME"). Specifically, the Compliance Department was notified that Haigh was expelled from the CME and fined \$625,000.00 for allegedly making prearranged trades. Upon investigation, the Compliance Department discovered that Haigh was party to an action brought by the CME alleging prearranged trading, which was settled without admitting or denying wrongdoing. As part of the settlement, based on the evidence reviewed, Haigh agreed to be expelled from the CME, to refrain from associating with any CME member in any capacity, and to pay a penalty of \$625,000.00. Haigh failed to disclose to Nadex on his application for Membership that he was a party to the aforementioned action.

The Compliance Department has concluded that Haigh violated Rule 3.3(d)(i) and (iv) when he failed to timely apprise Nadex of the CME action concerning

allegations of prearranged trading and his permanent expulsion from the CME. Further, the Compliance Department concluded that Haigh violated Rule 5.19(k) when he failed to disclose on his Nadex Membership application the action brought by CME against him alleging prearranged trading.

PENALTY: As a result of the aforementioned violations, Haigh's Nadex Membership has been revoked, his account terminated, and he has been permanently banned from trading on Nadex markets, either directly for his own account, through an intermediary, or as an authorized trader on behalf of any other account.

EFFECTIVE DATE: February 7, 2020