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

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**FILE NO.:** TPI\_2018\_001  
**MEMBER:** Alexandre Denlinger

**NADEX RULES:**

**RULE 5.19 PROHIBITED TRANSACTIONS AND ACTIVITIES**

- (h) No Person shall engage in any activity that presents a risk of harm to Nadex, its Members, or the public.
- (i) No Person shall engage in any activity that adversely affects the integrity of the Market or its underlying systems.
- (n) No Person shall engage in any activity that is intended to, or has the effect of, manipulating the market in violation of Sections 6(c) and 9(a)(2) of the CEA and no Person shall engage in any other activity that would violate the CEA or the Commission's Regulations.
- (t) No Member shall engage in conduct or practices inconsistent with just and equitable principles of trade or conduct or practices detrimental to the best interests of the Exchange, its Members and/or FCM Customers.

**FINDINGS:** An investigation into Alexandre Denlinger's ("Denlinger") trading activity led to Nadex's discovery that between March 1, 2017 through March 28, 2018 ("Review Period"), Denlinger engaged in a scheme to successfully manipulate, or attempt to manipulate, the expiration value of several binary contracts ("Binary Contracts") by entering non-bona fide transactions in the corresponding underlying CME futures contracts near the time of the expiration of the Binary Contracts, with the intent to influence the expiration value of the respective Binary Contracts. As a result of his activity, Nadex found Denlinger had violated the Exchange rules prohibiting such manipulative conduct, specifically Rules 5.19(h), (i), (n), and (t).

**PENALTY:** By settlement agreement, in which Alexandre Denlinger neither admitted nor denied the findings or conclusions of the investigation, and taking his financial condition into consideration, Denlinger has been assessed a \$2,043.00 fine, forfeiting the balance of his account held at Nadex. Additionally, Alexandre

Denlinger's Nadex Membership has been revoked, his account terminated, and he has been permanently banned from trading on Nadex markets, either directly for his own account, through an intermediary, or as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:** December 9, 2020