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

FILE NO.: TPI_2021_033

MEMBER: Jayson Cunha

NADEX RULES:

NADEX MEMBERSHIP AGREEMENT

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;

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 3.1 TRADING MEMBERS - APPLICATIONS, CLASSIFICATIONS, AND PRIVILEGES

- (f) A Trading Member that is an individual, may not maintain and/or trade more than one Nadex account. No Authorized Trader(s), nor any officer, director, member, manager, owner, or indirect owner, of an Entity Trading Member may maintain a separate Nadex account and/or trade any Nadex account other than that Entity's account.

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: On August 17, 2021, the Nadex Compliance Department sent Jayson Cunha an Account Inquiry letter requesting, among other things, general background information, source of funds information, banking statements and details regarding his order and trading activity. Jayson Cunha failed to fully comply with this investigation, when he failed to produce additional information and he was notified that an Investigation had been opened on November 16, 2021. Further, the Compliance Department found Jayson Cunha allowed a third party to have a direct economic interest in the activity and trading in his Nadex account. Additionally, the Compliance Department found that Jayson Cunha maintained more than one Nadex account when he applied for and opened a second Nadex account. Lastly, the Compliance Department found that Jayson Cunha failed to disclose his relationship with other Nadex Members, despite sharing account commonalities.

Based on Nadex's investigation, the Compliance Department determined that Jayson Cunha violated Rule 3.3(a) and Member Acknowledgements and Authorizations, Section (h) of the Nadex Membership Agreement when he failed to fully cooperate with the Compliance Department's inquiry regarding these matters. Further, Jayson Cunha violated the Nadex Membership Agreement, Member Representations Section (d), when he allowed a third party to have a direct economic interest in the activity and trading in his Nadex account. Additionally, Jayson Cunha violated Nadex Rule 3.1(f) by maintaining more than one Nadex account. Finally, Compliance concluded that Jayson Cunha violated Nadex Rule 5.19(k), when he failed to disclose his relationship with other Nadex Members, despite sharing account commonalities.

PENALTY: By settlement agreement, in which Jayson Cunha neither admitted nor denied the findings or conclusions of the investigation, Jayson Cunha has been assessed a \$5,000.00 fine. Additionally, Jayson Cunha'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 or through an intermediary, or as an authorized trader on behalf of any other account.

EFFECTIVE DATE: October 10, 2022