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

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**FILE NO.:** TPI\_2021\_002

**MEMBER:** Guoxing He

**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.

Electronic Communications with Members:

In order to maintain membership on the Nadex System, You are required to maintain an active email account and You may not share said email account with anyone. (For clarification, You must be the only person able to access the email address given to Nadex.) You agree to protect the password and user identification of such email account in order to protect the confidentiality of any correspondence between You and Nadex.

**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. . . .

**FINDINGS:** On January 20, 2021, the Nadex Compliance Department sent Guoxing He 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. Despite follow-up communications providing Guoxing He with an extension to respond to the request for information, he failed to comply and/or respond to the inquiry letter. Based on Guoxing He's failure to produce the requested documentation and information, he was notified that an Investigation had been opened on February 12, 2021.

During the course of its investigation, the Compliance Department found that Guoxing He allowed another Nadex Member to communicate with Nadex on behalf of his account via an email that was connected to the other Nadex Member's account.

Based on Nadex's investigation, the Compliance Department determined that Guoxing He violated Rule 3.3(a) and Member Acknowledgements and Authorizations, Section (h) of the Nadex Membership Agreement when he failed to cooperate with the Compliance Department's inquiry regarding these matters. Additionally, Guoxing He violated the Electronic Communications with Members section of the Nadex Membership Agreement when he allowed another person to communicate with Nadex on behalf of his account via an email address that was not connected to his Nadex account.

**PENALTY:** As a result of the aforementioned violations, the Nadex Compliance Department has deemed it appropriate to assess Guoxing He a fine of \$2,500.00. Additionally, Guoxing He'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:** November 12, 2021