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

FILE NO.: INQ_2023_010

MEMBER: Hua Cui

NADEX RULES:

NADEX MEMBERSHIP AGREEMENT

Member Acknowledgements and Authorizations, Section (h):

You acknowledge and agree that You will, following a request by crypto.com | Derivatives North America, promptly provide to crypto.com | Derivatives North America financial or other information as crypto.com | Derivatives North America may reasonably request or as may be required for crypto.com | Derivatives North America 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: On September 7, 2023, the Nadex Compliance Department sent Hua Cui an Account Inquiry letter requesting, among other things, general background information, source of funds information, banking statements and details regarding order and trading activity. Hua Cui failed to comply with this investigation, when he failed to respond and produce information, and he was notified that an Investigation had been opened on October 27, 2023. Additionally, the Compliance Department also found that Hua

Cui provided misleading, erroneous or fraudulent information on his Nadex application.

Based on Nadex's investigation, the Compliance Department determined that Hua Cui 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 and Nadex Rule 5.19(k) by providing misleading, erroneous or fraudulent information on his Nadex application.

PENALTY: As a result of the aforementioned violations, the Nadex Compliance Department has deemed it appropriate to assess Hua Cui a fine of \$1,500.00. Additionally, Hua Cui'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 23, 2024