

NORTH AMERICAN DERIVATIVES EXCHANGE, INC.
NOTICE OF DISCIPLINARY ACTION

FILE NO.: INQ_2018_016

MEMBER: Olzhan Yesset

NADEX RULES:

RULE 5.19 PROHIBITED TRANSACTIONS AND ACTIVITIES

(g)(2) No individual or entity Trading Member may deposit funds, or allow funds to be deposited into their Nadex account from any bank account or debit card not held in the same name as their Nadex account.

(k) No Person shall intentionally provide misleading, erroneous, or fraudulent information to Nadex on a membership application or otherwise.

FINDINGS: Between October 4, 2016 and February 23, 2017, Nadex member Olzhan Yesset (“Yesset”) made \$132,000.00 in total deposits from two separate debit cards to his Nadex account. Despite the significant deposit amounts, Yesset had minimal trading activity in the account, occurring on only two days in early March 2017. In July 2017, Yesset attempted to register two bank accounts with his Nadex account for the purpose of making withdrawals. Documentation Yesset provided in an attempt to verify that the bank accounts appeared suspicious, however, and when considered with the significant deposit amounts and minimal trading activity in his account, prompted Nadex to further investigate his activity. In working with the banks with whom Yesset provided account statements, it was discovered that Yesset had made fraudulent deposits to his Nadex account in violation of Nadex Rule 5.19(g)(2), and furthermore, that Yesset had altered the bank statements he provided to Nadex to falsely reflect his name as sole owner of the accounts, in violation of Rule 5.19(k).

PENALTY: As a result of his Rule violations, Olzhan was fined \$19,800.00. Additionally, his membership was revoked and he has been permanently banned from trading on the Nadex markets, either directly or through an intermediary, or as an authorized trader on behalf of any other account.

EFFECTIVE DATE: August 22, 2018