



CHICAGO MERCANTILE EXCHANGE
NOTICE OF DISCIPLINARY ACTION

FILE NO.: **CME 23-1681-BC**

NON-MEMBER: **Randy Chua**

CME RULE VIOLATIONS: **Rule 534 Wash Trades Prohibited**

No person shall place or accept buy and sell orders in the same product and expiration month, and, for a put or call option, the same strike price, where the person knows or reasonably should know that the purpose of the orders is to avoid taking a bona fide market position exposed to market risk (transactions commonly known or referred to as wash sales). Buy and sell orders for different accounts with common beneficial ownership that are entered with the intent to negate market risk or price competition shall also be deemed to violate the prohibition on wash trades. Additionally, no person shall knowingly execute or accommodate the execution of such orders by direct or indirect means.

Rule 576. Identification of Globex Terminal Operators

Each Globex Terminal Operator shall be identified to the Exchange, in the manner prescribed by the Exchange, and shall be subject to Exchange rules. If operator IDs are required to be registered with the Exchange, it is the duty of the clearing member to ensure that registration is current and accurate at all times. Each individual must use a unique operator ID to access Globex. In no event may a person enter an order or permit the entry of an order by an individual using an operator ID other than the individual's own unique operator ID.

FINDINGS: Pursuant to an offer of settlement in which Randy Chua ("Chua"), a trader at Horth Financial Pty Ltd. ("Horth Financial"), neither admitted nor denied the rule violations or factual findings upon which the penalty is based, on December 3, 2024, a Panel of the Chicago Mercantile Exchange ("CME") Business Conduct Committee ("Panel") found that on multiple occasions between September 6, 2022, and April 4, 2023, Chua, or Chua along with another Horth Financial trader, entered buy and sell orders in E-mini S&P 500 futures that matched between two accounts with common beneficial ownership. Chua entered the orders to move positions between accounts. The Panel found that Chua knew or reasonably should have known that the purpose of the orders was to avoid taking a bona fide market position exposed to market risk. The Panel also found that

Chua entered the orders using an Operator ID belonging to another individual. The Panel concluded that Chua violated CME Rules 534 and 576.

PENALTY: In accordance with the settlement offer, the Panel ordered Chua to pay a \$10,000 fine (\$5,000 of which is allocated to CME) and suspended him from access to any trading floor owned or controlled by CME Group and from all direct and indirect access to any designated contract market, derivatives clearing organization, or swap execution facility owned or controlled by CME Group Inc. for five business-days. The suspension shall begin on trade date December 5, 2024, and continue through and include trade date December 11, 2024.

EFFECTIVE DATE: December 5, 2024