



Jaime M. Walsh
+1 (312) 884-0927
Jaime.walsh@nadex.com

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Via CFTC Portal Submissions

Mr. Christopher Kirkpatrick
Secretary of the Commission
Office of the Secretariat
Commodity Futures Trading Commission
3 Lafayette Centre
1155 21st Street, N.W.
Washington D.C. 20581

RE: Rule Certification: Nadex Amends Rules Relating to Authorized Traders and Fast Markets - Submission Pursuant to Commission Regulation §40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (the “Commission”) under the Act, North American Derivatives Exchange, Inc. (“Nadex”) hereby submits to the Commission its intent to make amendments to its Rules 3.5 (Authorized Traders), and 5.2 (Trading Member Access to Nadex) in order to clarify that any Authorized Trader of an entity Trading Member must access the Nadex market with that Authorized Trader’s own unique username and password, and may not allow any other person or entity to access the Nadex markets using those credentials. While Nadex has always required that an Authorized Trader access the markets using his own unique login credentials, and this requirement is set forth in the application materials for entity Members, Nadex is now explicitly including the requirement in its Rules.

Additionally, Nadex is amending its Rule 5.14 (Trade Cancellations), to remove reference to “fast markets” with respect to defining the No Bust Range for trade cancellations.

No. 20180629(2)

North American Derivatives Exchange, Inc., 200 West Jackson Blvd., Suite 1400, Chicago, IL 60606

U.S Toll-Free +1 (877) 77 NADEX info@nadex.com www.nadex.com

Reference to fast markets is being replaced with the terms “Modification Event” and “Suspension Event”, as these terms will be used in the Market Maker Agreement to describe what was previously known as a fast market condition. The change to the Rulebook is being made for consistency. These terms are also being added to Rule 1.1, Definitions.

DCM Core Principles

Nadex has identified the following Designated Contract Market (“DCM”) Core Principles as potentially being impacted by the Rule amendments discussed herein: Core Principle 2 (Access Requirements); Core Principle 7 (Availability of General Information).

Core Principle 2 (Access Requirements), implemented by Regulation 38.151, requires the DCM establish access criteria that are impartial, transparent, and applied in a non-discriminatory manner. In order to properly surveil its markets and maintain an accurate audit trail, Nadex has always required its market participants obtain unique user login credentials, and only use those specific credentials to access the marketplace. Nadex is making the changes discussed herein to its Rules pertaining to Authorized Traders to further clarify that each Authorized Trader of an entity Trading Member may only use the specific login credentials belonging to that Authorized Trader to access the markets. Therefore, the amendments discussed herein will not negatively affect Nadex’s ability to comply with this Core Principle.

Core Principle 7 (Availability of General Information), implemented by Regulation 38.401, requires the DCM to ensure its Rulebook is accurate and available on its website. Nadex currently makes its Rulebook available on its website and will continue to do so after the amendments discussed herein are implemented. Therefore, Nadex’s ability to comply with this Core Principle will not be negatively impacted by the amendments discussed herein.

DCO Core Principles

Nadex has identified the following Derivatives Clearing Organization (“DCO”) Core Principle as potentially being impacted by the Rule amendments discussed herein: Core Principle L (Public Information).

Core Principle L (Public Information), implemented by Regulation 39.21, requires the DCO to make its Rulebook readily available to the general public. Nadex currently makes its Rulebook available on its website and will continue to do so after the amendments discussed herein are implemented. Therefore, Nadex’s ability to comply with this Core Principle will not be negatively impacted.

These Rule changes have been outlined in Exhibit A. The amendments to the Rulebook are set forth in Exhibit B. Any deletions are stricken out while the amendments and/or additions are underlined.

Nadex hereby certifies that the additions contained herein comply with the Act, as amended, and the Commission Regulations adopted thereunder. No substantive opposing views were expressed to Nadex with respect to any of these actions.

Nadex hereby certifies that notice of these events was posted on its website at the time of this filing.

In accordance with the 10-day review period set forth in Commission Regulation 40.6(b), Nadex plans to implement these Rule changes for the start of business on trade date July 17, 2018.

Should you have any questions regarding the above, please do not hesitate to contact me by telephone at (312) 884-0927 or by email at jaime.walsh@nadex.com.

Sincerely,



Jaime M. Walsh
Legal Counsel

EXHIBIT A

Rule	Asset	Duration/Close Time	Action	Effective Date
1.1	Definitions	N/A	Add definitions of “Suspension Event” and “Modification Event”	7/17/2018
3.5	Authorized Traders	N/A	Clarify that an Authorized Trader may only access the markets with its unique login credentials.	7/17/2018
5.2	Trading Member Access to Nadex	N/A	Clarify that an Authorized Trader may only access the markets with its unique login credentials.	7/17/2018
5.14	Trade Cancellations	N/A	Replace “fast market” with “Suspension Event” and “Modification Event”	7/17/2018

EXHIBIT B

Amendment of Rules 1.1, 3.5, 5.2, 5.14

(The following Rule amendments are underlined and deletions are stricken out)

RULE 1.1 DEFINITIONS

When used in these Rules:

“Affiliate” means any corporate affiliate of Nadex.

“Authorized Trader” means an individual employed by a Member who is authorized by that Member to have direct access to Nadex, provided the Member maintains supervisory authority over such individual’s trading activities.

“Binary Contract” means the right to receive a fixed Settlement Value per contract, from Nadex on the Settlement Date dependent upon whether you are holding a long position or short position in a Binary Contract. If you are holding a long position in a Binary Contract, you have the right to receive a fixed Settlement Value from Nadex on the Settlement Date, if, and only if, the Binary Contract’s Payout Criteria encompasses the Expiration Value at Expiration. Conversely, if you are holding a short position in a Binary Contract, you have the right to receive a fixed Settlement Value if, and only if, the Binary Contract’s Payout Criteria does NOT encompass the Expiration Value at Expiration.

“Cap” means the maximum rate, level, amount, measure or other value of the Underlying of a Variable Payout Contract that may be the Expiration Value or the Closing Trade Value. If the actual rate, level, amount, measure, or other value of the Underlying meets or exceeds the Cap at Expiration, the Cap will be the Expiration Value.

“Class” means all Contracts of the same Type with the same Underlying.

“Closing Trade Value” means the rate, level, amount, measure, or other value of the Underlying of a Variable Payout Contract at which the Contract is closed in a Member’s or Customer’s account.

“Commodity Futures Trading Commission” or “Commission” means the Federal regulatory agency established by the Commodity Futures Trading act of 1974 to administer the Commodity Exchange Act.

“Contract” means a Variable Payout Contract or a Binary Contract.

“Correspondent Account” means an account as that term is defined in 31 CFR 1010.605(c).

“Customer” means a Commodity Customer, a Cleared Swap Customer, a FCM Member or a Trading member of Nadex, as the context requires. In this regard,

(i) “Commodity Customer” has the meaning set forth in Commission Regulation 1.3(k);

(ii) “Cleared Swap Customer” has the meaning set forth in Commission regulation 22.1;

(iii) “DCO Customer” has the same meaning as the definition “customer” set forth in Commission Regulation 190.01(l) and section 761(9) of the Bankruptcy Code and includes FCM Members and Trading Members of Nadex.

“Dollar Multiplier” means the monetary amount by which the rate, level, amount, measure, or other value of an Underlying of a Variable Payout Contract is multiplied to determine the Settlement Value.

“End Date” means the last day on which a delivery month will be used as the Underlying for Nadex contracts.

“Expiration” means the time on the Expiration Date established by these Rules at which a Contract expires and the Expiration Value of that Contract is determined.

“Expiration Date” means the date established by these Rules on which the Expiration Value of each Contract is determined.

“Expiration Value” means the rate, level, amount, measure, or other value of the Underlying at Expiration as calculated and/or published by the Source Agency.

“FCM Member” means any Member that is registered with the Commission as a Futures Commission Merchant and as a swap firm and is authorized by Nadex to intermediate orders of Commodity Customers or Cleared Swap Customers on the Market.

“Floor” means the minimum rate, level, amount, measure, or other value of the Underlying of a Variable Payout Contract that may be the Expiration Value or the Closing Trade Value. If the actual rate, level, amount, measure or other value of the Underlying meets or falls below the Floor on the Expiration Date, the Floor will be the Expiration Value.

“Foreign Bank” means a bank as that term is defined in 31 CFR 1010.100(u).

“Last Trading Day” means, for a particular Contract, the last date on which that Contract may be traded on the Market.

“Limit Order” means a request submitted to the Exchange to buy or sell a set number of contracts, in a particular product offered by Nadex, at a specified price or better price if a better price is available. The following are permissible Nadex Limit Order types, although certain order types may only be available on particular platforms or to particular Member types:

“Fill or Kill Order” or “FOK” is a Limit Order that will be cancelled if the Order cannot be immediately filled in its entirety.

“Immediate or Cancel Order” or “IOC” is a Limit Order that can be filled in whole or in part, with any remaining quantity cancelled.

“Good ‘Til Cancel Order” or “GTC” is a Limit Order which will remain on the market until it is filled, cancelled, or the contract expires. Any remainder of a partially filled GTC Order will stay on the market until it is filled, cancelled, or the contract expires.

“Long Variable Payout Contract” means (i) the right to receive at the time the Contract is closed or on the Settlement Date any positive number resulting from subtracting the Opening Trade Value from (A) the Closing Trade Value, if the Variable Payout Contract was closed by an offsetting transaction before Expiration, or (B) the Expiration Value, if the Variable Payout Contract was held to Expiration, and then multiplying the resulting figure by the Dollar Multiplier and (ii) the obligation to pay at the time the contract is closed or on the Settlement Date any positive number resulting from subtracting from the Opening Trade Value (A) the Closing Trade Value, if the Variable Payout Contract was closed by an offsetting transaction before Expiration, or (B) the Expiration Value, if the Variable Payout Contract was held to Expiration, and then multiplying the resulting figure by the Dollar Multiplier.

“Market Order” means a request submitted to the Exchange to buy or sell a set number of contracts, in a particular product offered by Nadex, at the market price. The following are permissible Nadex Market Order types, although certain order types may only be available on particular platforms or to particular Member types:

“Market Order With Protection” or “MOP” is a Market Order that will attempt to fill, in whole or part, at the current displayed price or better, or within a pre-determined number of points (Tolerance Protection) worse than the specified display price. The remainder of any Market Order With Protection that cannot be immediately filled either at the current displayed price or better, or within the Tolerance Protection, will be cancelled.

“Market Maker” means a Member that is granted certain privileges in exchange for assuming certain responsibilities as set forth in Chapter 4 of these Rules for the purpose of creating liquidity for certain Classes of Contracts.

“Member” means a Person who is approved by Nadex to be a Trading Member or a FCM_Member and who is bound by these Rules as they may be amended from time to time.

“Membership Agreement” is the Nadex Membership Agreement as set forth on the Nadex website, to which all Nadex Members agree to comply.

“Midpoint” is the price included in the data set used in the calculation of the Expiration Value of a foreign currency contract. A Midpoint is calculated by adding the bid price and the ask price of the relevant underlying spot currency market together and then dividing that number by two (2). For example, if the bid price is 1.3400 and the ask price is 1.3402, the two numbers are added together (totaling 2.6802) and then divided by two (2), equaling a Midpoint of 1.3401. If the spread between a particular bid price and ask price is deemed too wide (greater than ten (10) pips), those prices will not be used to calculate a Midpoint and will thus not be included within the data set used in the Expiration Value calculation.

“Modification Event” means an event as described in the Market Maker Agreement.

“Non Post-Only Order” is an Order that did not originate as a Post-Only Quote.

“Opening Trade Value” means the rate, level, amount, measure, or other value of the Underlying of a Variable Payout Contract at which the Contract is opened in a Member’s account.

“Order” means a request submitted to the Exchange to buy or sell a set number of contracts, in a particular product offered by Nadex in accordance with the requirements established by the Exchange.

“Payout Criterion” of a Contract means the Expiration Value or range of Expiration Values that will cause that Contract to pay a Settlement Value to the holder of a long position or the holder of a short position in such Contract. The holder of a long or short position in a Contract that receives a Settlement Value is considered to be “in-the-money” while the holder of either a long or short position in a Contract that does NOT receive a Settlement Value is considered to be “out-of-the-money”.

“Person” means an individual, sole proprietorship, corporation, limited liability company, partnership, trust, or any other entity.

“Post-Only Quote” is a quote submitted by a Market Maker, which has the potential to become a Limit Order if matched for trade execution, and which cannot be executed opposite another Post-Only Quote. Post-Only Quotes are either Post-Only (Price Adjustment) or Post-Only (Reject) Quotes.

“Post-Only (Price Adjustment) Quote” is a Post-Only Quote that will be cancelled by the Exchange in whole or in part to the extent that at the time it is

submitted to the Exchange it would be immediately executable opposite another Post-Only Quote. If, some portion of such submitted Post-Only (Price Adjustment) Quote would be immediately executable opposite any resting Non-Post Only Order(s), that part of such submitted Post-Only (Price Adjustment) Quote will be matched opposite such resting Non-Post Only Order(s) by the Exchange. The remaining portion of the submitted Post-Only (Price Adjustment) Quote will be cancelled by the Exchange, leaving the opposite Post-Only Quote in the order book. Unlike a Post-Only (Reject) Quote, however, upon cancellation of the submitted Post-Only (Price Adjustment) Quote, the Exchange will automatically submit an amended quotation for the unfilled balance of the cancelled Post-Only (Price Adjustment) Quote at a price level that is adjusted (a) for Binary Contracts to four minimum tick increments, and (b) for Variable Payout Contracts to one minimum tick increment lower (for bids) or higher (for offers) than the price level of the existing opposite Post-Only Quote.

“Post-Only (Reject) Quote” is a Post-Only Quote that will be cancelled by the Exchange in whole or in part to the extent that, at the time it is submitted to the Exchange it would be immediately executable opposite another Post-Only Quote. If, however, some portion of such submitted Post-Only (Reject) Quote would be immediately executable opposite any resting Non-Post Only Order(s), that part of such submitted Post-Only (Reject) Quote will be matched opposite such resting Non-Post Only Order(s) by the Exchange. The remaining portion of the submitted Post-Only (Reject) Quote will be cancelled by the Exchange, leaving the opposite Post-Only Quote in the order book.

“Privacy Policy” is the Nadex Privacy Policy as set forth on the Nadex website, to which all Members, FCM customers, and users of the Nadex website agree to comply.

“Regulatory Agency” means any government body, including the Commission and Securities and Exchange Commission, and any organization, whether domestic or foreign, granted authority under statutory or regulatory provisions to regulate its own activities and the activities of its members, and includes Nadex, any other clearing organization or contract market, any national securities exchange or clearing agency, the National Futures Association (“NFA”) and the Financial Industry Regulatory Authority (“FINRA”).

“Reportable Level(s)” means the aggregate contract level within a product Class at which the Exchange must report certain Member and trade information to the Commission pursuant to Commission Regulations.

“Risk Disclosure Statement” is the Nadex Risk Disclosure Statement as set forth on the Nadex website, to which all Nadex Members agree.

“Series” means all Contracts of the same Class having identical terms, including Payout Criterion and Expiration Date.

“Settlement Date” means the date on which money is paid to the account of a Member who has the right to receive money pursuant to a Variable Payout Contract or Binary Contract held until Expiration, and on which money is paid from the account of a Member who is obligated to pay money pursuant to a Variable Payout Contract held until Expiration. Unless otherwise specified in these Rules, the Settlement Date is the same day as the Expiration Date.

“Settlement Value” means the amount paid to the holders of in-the-money Contracts. The minimum Settlement Value of a Binary Contract is \$100. The Settlement Value of a Variable Payout Contract is determined as described in the definition for Long and Short Variable Payout Contracts.

“Short Variable Payout Contract” means (i) the right to receive at the time the Contract is closed or on the Settlement Date any positive number resulting from subtracting from the Opening Trade Value (A) the Closing Trade Value, if the Variable Payout Contract was closed by an offsetting transaction before Expiration, or (B) the Expiration Value, if the Variable Payout Contract was held to Expiration, and then multiplying the resulting figure by the Dollar Multiplier and (ii) the obligation to pay at the time the Contract is closed or on the Settlement Date any positive number resulting from subtracting the Opening Trade Value from (A) the Closing Trade Value, if the Variable Payout Contract was closed by an offsetting transaction before Expiration, or (B) the Expiration Value, if the Variable Payout Contract was held to Expiration, then multiplying the resulting figure by the Dollar Multiplier.

“Source Agency” means the agency that publishes the Underlying economic indicator and/or Expiration Value for any Contract.

“Speculative Position Limits,” or “Position Limit” means the maximum position, net long and net short combined, in one Series or a combination of various Series of a particular Class that may be held or controlled by one Member as prescribed by Nadex and/or the Commission.

“Start Date” means the date on which a new delivery month will be used as the Underlying for Nadex contracts.

“Suspension Event” means an event as described in the Market Maker Agreement.

“Terms of Use” are the Nadex Terms of Use as set forth on the Nadex website, to which all Nadex Members, FCM customers, and users of the Nadex website agree to comply.

“Tolerance Protection” means the defined number of points, expressed in terms of a dollar amount, away from the displayed market price that will be acceptable to fill a Market

Order With Protection in whole or part, if the displayed market price or a better price is no longer available when the Exchange receives the Order.

“Trade Day” means the regular trading session on any given calendar date and the evening session, if any, on the immediately preceding calendar date, as specified in Rule 5.11.

“Trading Member” means a Person who has been approved by Nadex to trade directly and not through a FCM Member on the Market, and does not include any FCM Member.

“Type” means the classification of a Contract as a Variable Payout Contract or a Binary Contract.

“Underlying” means the index, rate, risk, measure, instrument, differential, indicator, value, contingency, occurrence, or extent of an occurrence the Expiration Value of which determines whether (and, in the case of a Variable Payout Contract, to what extent) a Contract is in-the-money.

“US Financial Institution” means a financial institution as that term is defined in 31 CFR 1010.100(t), subsections (1), (2), and (8), that is required to comply with the regulations issued by the United States Department of Treasury under the Bank Secrecy Act including, but not limited to, the anti-money laundering program and customer identification program rules.

“Variable Payout Contract” means a Long Variable Payout Contract and/or a Short Variable Payout Contract (such Variable Payout Contracts are also referred to as “Spread(s)” or “Narrow Spread(s)”).

“Volume Threshold Level” means the volume based Reportable Level as established by Commission Regulation 15.04.

“Wide Spread Surcharge” means an additional exchange fee imposed on a duly appointed Market Maker’s average per lot profit above a specified level, in a given month. Specific details pertaining to the Wide Spread Surcharge are set forth in the fee schedule on the Nadex website.

“12PM” or **“12:00 PM”** means 12:00 Noon

RULES 2.1– 3.4 [UNCHANGED]

RULE 3.5 AUTHORIZED TRADERS

(b) A Trading Member other than a natural person must register one or more individuals who will be Authorized Trader(s) for the Trading Member’s account, who are subject to approval by Nadex. The Trading Member and the Authorized Trader must provide Nadex with any information it requests in connection with this registration process. Before an Authorized Trader may enter orders or execute trades on the Market, he/she must acknowledge having read

and understood these Rules and agree to comply with these Rules. Only those individuals authorized by the Trading Member and approved by Nadex may enter and execute transactions on the Market for the Trading Member's account. Any Authorized Trader engaging in activity on the market may do so using only that Authorized Trader's unique username and login credentials.

(c) Nadex may withdraw or suspend the registration of any Authorized Trader if Nadex determines that;

(i) an Authorized Trader has caused the Trading Member to fail to comply with the Rules of Nadex;

(ii) an Authorized Trader is not properly performing the responsibilities of an authorized representative of a Trading Member;

(iii) an Authorized Trader has failed to comply with the conditions set forth in paragraph (a) of this Rule; or

(iv) it is in the best interests of maintaining a fair and orderly market to do so.

(d) If the Trading Member withdraws or Nadex suspends the registration of any Authorized Trader, the Trading Member must ensure that such Authorized Trader does not submit any quotes or orders into the Nadex system.

(e) The registration of an Authorized Trader will be withdrawn upon the written request of either the Authorized Trader or the Trading Member for which an Authorized Trader is registered. Such written request shall be submitted in a manner prescribed by Nadex. Until such written request is received and processed by Nadex, or an Authorized Trader's registration is suspended or withdrawn pursuant to paragraph (c) of this Rule, a Trading Member will be responsible for all activity of such Authorized Trader(s) related to Nadex.

RULES 3.6 – 5.1 [UNCHANGED]

RULE 5.2 TRADING MEMBER AND AUTHORIZED TRADER ACCESS TO NADEX

(a) During the Nadex membership application process, an applicant to become a Trading Member will be required to choose a user identification ("ID") and password. The applicant will be required to enter the ID and password to log onto and access secure portions of the Nadex website. Each time the applicant submits its unique user ID and password to Nadex in order to log onto Nadex, the applicant affirms that it understands and agrees to be bound by these Rules and other policies of Nadex, as amended.

(b) After an applicant's membership application has been approved by Nadex and the applicant has deposited the requisite amount of funds into its account as specified under Rule

3.1(b), the applicant becomes a Trading Member. As a Trading Member, such Person will be able to access the Market, execute trades, and otherwise access information regarding, or perform functions in, such Person's account using its ID and unique password.

(c) Each Authorized Trader shall maintain a unique ID and password, separate from the ID and password belonging to the entity Trading Member and from any other Authorized Trader of the Trading Member, in order to access the markets and engage in activity on behalf of its Trading Member.

(d) For account security and audit trail purposes, each Trading Member agrees that Nadex may maintain logs of its IP address, and the IP address of any Authorized Trader, used to access the Nadex website. ~~when it is logged into the Nadex website.~~

(e) Each Trading Member will be responsible for protecting its ID and password, and with respect to an entity Trading Member, the ID(s) and password(s) of its Authorized Trader(s), from improper disclosure. In addition, a Trading Member may not knowingly or negligently permit any Person not authorized by Nadex and by the Trading Member to use the ID and password to access the secure portion of the Nadex website. A Trading Member that is an entity, and its Authorized Trader(s) are prohibited from allowing any other person or entity from using these credentials to access the Nadex markets. Each Trading Member is required to immediately notify Nadex if it knows, or has reason to believe, that its ID or the ID and/or password of any Authorized Trader have been disclosed to any Person not authorized by Nadex and the Trading Member to use such ID and/or password. Under any circumstances, the Trading Member will be deemed to know that such ID and/or password have been disclosed to an unauthorized person 12 hours after any order is entered by that unauthorized person in your account.

(f) Each Trading Member will be liable for all costs and any losses that it may incur from transactions executed on Nadex by any person, authorized or not, using its ID and password or the ID and/or password of any Authorized Trader. Nadex will not be responsible in any way for unauthorized transactions in a Trading Member's account.

(g) Each Trading Member is responsible for contracting with an Internet service provider through which it will access the Nadex website and for having a backup service provider if the Trading Member thinks it is necessary. Each Trading Member is also responsible for maintaining an Internet connection speed adequate for its needs. Nadex will not be responsible in any way for any orders delayed or trades missed or not executed in a timely fashion because of failure of the Trading Member's Internet service provider or slowness of its Internet connection speed. No communication from a Trading Member will be deemed to have been received by Nadex until that communication is logged by the Nadex server.

(h) Nadex in its discretion may place a Trading Member's account on hold (prohibiting any order activity) or on hold-liquidation only (allowing only orders to liquidate existing

positions). In such circumstances, Nadex will promptly notify the affected Trading Member of the nature of and reason for the action.

RULE 5.3 – 5.13 [UNCHANGED]

RULE 5.14 TRADE CANCELLATIONS

(a) As a designated contract market, Nadex has the authority to adjust trade prices or cancel trades when necessary to mitigate market disrupting events caused by malfunctions in its electronic trading platform(s) or errors in orders submitted by Members and market participants. However, due to the fully collateralized and short-term nature of trading on Nadex, the circumstances in which this authority will be exercised are limited. Nadex, in its discretion and in accordance with these Rules, may cancel a trade in a Spread Contract that has been executed on the market at a price that is inconsistent with prevailing market conditions due to improper or erroneous orders or quotes being matched on the Market (“Erroneous Trade”). With respect to Binary Contracts, Nadex will generally not cancel or adjust an Erroneous Trade except in extraordinary circumstances as determined by the Exchange.

(b) Nadex may review a Spread Contract trade based on its own analysis of the Market or pursuant to a request for review by a Member or other third party. A request for a review by a Member or other third party must be received by Nadex no later than fifteen (15) minutes after the trade has been executed on the Market and before the expiration of the contract. Nadex will promptly determine whether the trade will be subject to review and then promptly post notice indicating that the trade is under review.

(c) During the review, Nadex will calculate a Fair Value for the underlying at the time of the questioned trade by utilizing the last value or price of the Underlying at the time of the trade and/or any other relevant market information obtained or presented to Nadex.

(d) Once a Fair Value has been calculated, 5 percent of the maximum contract value will be added above such Fair Value and below such Fair Value to determine the “No Bust Range”. In the event that the Fair Value is less than 5 percent above the Floor or below the Cap, the No Bust Range shall be a 10 percent range above the Floor or below the Cap. During ~~fast market~~ conditions which would qualify as either a Suspension Event or Modification Event, ~~upon the release of significant news~~, or in other circumstances in which Nadex determines it is appropriate, Nadex may, without prior notice, temporarily double the No Bust Range.

(e) If Nadex determines that a trade has been executed within the No Bust Range, the executed trade will stand. If Nadex determines that a trade has NOT been executed within the No Bust Range, Nadex will promptly cancel the trade by busting the Erroneous Trade off the market. Once the Erroneous Trade has been cancelled, Nadex shall:

(i) notify the Members that were parties to the Erroneous Trade(s) that Nadex has cancelled the Erroneous Trade(s). Nadex will notify such Members within thirty (30) minutes from receiving notice of the Erroneous Trade unless impractical to do so within the notice period.

(ii) publish all necessary price corrections in a notification on the Nadex website.

(f) The decisions of Nadex regarding Fair Value of the underlying, the No Bust Range, the doubling of the No Bust Range, the cancellation of an Erroneous Trade, or any other determination hereunder shall be final and not subject to appeal.

RULES 5.15 – 12.78 [UNCHANGED]

[End Rulebook]