



January 4, 2016

Via CFTC Submissions Portal

Mr. Christopher J. 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: Notice of Emergency Action: Nadex Halts Trading in its FTSE 100 Contracts Due to Unavailability of Underlying Market on December 31, 2015 - Submission Pursuant to Commission Regulation §40.6(a)

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and section §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (the “Commission”) under the Act (the “Regulations”), North American Derivatives Exchange, Inc. (“Nadex”, the “Exchange”) hereby submits to the Commission this notice of emergency action.

On December 31, 2015, Nadex determined emergency action was appropriate to halt trading in its FTSE 100 contracts, and refrain from listing certain Intraday FTSE contracts due to the unavailability of the underlying Liffe FTSE 100 Index Futures market upon which the Nadex FTSE 100 contracts are based.

On December 31, 2015, due to the New Year’s Eve holiday, the Liffe FTSE 100 Index Futures market closed early at 7:30am ET, however, the Nadex FTSE 100 Binary and Spread contracts, which are based upon the Liffe FTSE 100 Index Futures market, were scheduled to close at their regular 4pm ET expiration time. Due to the unavailability of the underlying market upon which the Nadex FTSE 100 contracts are based after 7:30am ET on December 31, 2015, Nadex implemented an Emergency Rule pursuant to Nadex Rule 2.4 to halt the listing of its FTSE 100 Intraday contracts beginning with the 12pm expiration time contract on trade date December 31, 2015, and halted trading in the Daily, Weekly, 10am expiration, and 11am expiration Intraday FTSE 100 contracts at 9:13am ET. No trading occurred in the 11am expiration Intraday contract while it was listed. Daily and Weekly contracts were settled using the regular calculation method with the last available underlying data prior to the market’s close at 7:30am ET. Six binary contracts having a \$100 value were traded in the 10am expiration Intraday contract, involving two local traders and a market maker. Pursuant to Nadex Rule 7.1, which

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permits Nadex to “adjust the terms of outstanding Series as it deems appropriate in its discretion to achieve fairness to holders of Contracts of the affected Series”, as there was no underlying market available, Nadex determined it was appropriate to make a cash adjustment to the three accounts to return them to the position they would have had if the trades had not occurred. All parties have been contacted and notified of the adjustment.

No substantive opposing views were expressed to Nadex with respect to this emergency action.

This emergency action is authorized by the Chief Executive Officer and the Chief Regulatory Officer of Nadex per Nadex Rule 2.4.

Nadex hereby certifies that the revisions or amendments contained herein comply with the Act, as amended, and the Commission Regulations adopted thereunder.

Nadex hereby certifies that a copy of this amendment was posted on its website at the time of this filing.

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 jaimewalsh@nadex.com.

Sincerely,



Jaime Walsh
Legal Counsel