



February 11, 2022

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 Delists Silver Daily and Weekly, and Select Daily Currency Exchange Binary Contracts - 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” or the “Exchange”) hereby submits to the Commission its intent to delist its Daily and Weekly Silver Binary Contracts (Rule 12.7), and select expiration times in its Daily USD/CAD (Rule 12.33), USD/CHF (Rule 12.35), GBP/JPY (Rule 12.41), EUR/GBP (Rule 12.43), and AUD/JPY (Rule 12.45) Currency Exchange Binary Contracts. As §40.6(a) exempts the delisting of a product from the 10-day review period, Nadex will delist the aforementioned contracts effective at the close of business on trade date Friday, February 11, 2022.

All of the Daily and Weekly Binary Contracts to be delisted will expire at their regular times on Friday, February 11, 2022. After the final settlement of these contracts, no open positions or working orders will exist in the Nadex market for the contracts to be delisted, and as of Monday, February 14, 2022 these contracts will not be listed.

Amendments to the Rulebook to remove the relevant contract specifications have been outlined in Exhibit A. Specific amendments 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.

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@ig.com.

Sincerely,



Jaime M. Walsh
Legal Counsel

EXHIBIT A

Rule	Asset	Duration/Close Time	Action	Effective Date
12.7	Silver Binary Contracts	1:25PM ET	Delist Daily and Weekly Binary contracts.	2/14/2022
12.33	Currency Exchange USD/CAD Binary Contracts	3:00AM, 11:00AM, 7:00PM ET	Delist select Daily contracts.	2/14/2022
12.35	Currency Exchange USD/CHF Binary Contracts	3:00AM, 11:00AM, 7:00PM ET	Delist select Daily contracts.	2/14/2022
12.41	Currency Exchange GBP/JPY Binary Contracts	3:00AM, 11:00AM, 7:00PM ET	Delist select Daily contracts.	2/14/2022
12.43	Currency Exchange EUR/GBP Binary Contracts	3:00AM, 7:00AM, 11:00AM, 7:00PM, 11:00PM ET	Delist select Daily contracts.	2/14/2022
12.45	Currency Exchange AUD/JPY Binary Contracts	3:00AM, 11:00AM, 7:00PM ET	Delist select Daily contracts.	2/14/2022

EXHIBIT B

Amendment of Rules 12.7, 12.33, 12.35, 12.41, 12.43, 12.45

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

RULES 1.1 – 12.6 [UNCHANGED]

RULE 12.7 SILVER BINARY CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Silver Binary Contract issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the price, cents per troy ounce (in US Currency), of Silver obtained from the Silver Futures Contracts (“SFC”) traded on the COMEX Division of the New York Mercantile Exchange (“NYMEX”¹). The SFC trade prices that will be used to for the Underlying will be taken from the March, May, July, September, or December SFC delivery months (each a “SFC Delivery Month”). The Start and End Date for which Nadex will use a specific delivery month as the Underlying will be set based on the Settlement date of the Underlying futures contract. The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the third to last business day of the month preceding the month of the Underlying futures contracts Expiration Date. For example, the Comex Silver March 2014_futures have an Expiration Date of March 27, 2014. The last day on which the Silver March 2014 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Silver contracts will be the third to last business day of the preceding month, February. Therefore, the End Date for using Comex Silver March 2014 futures will be February 26, 2014 and the Start Date for the next delivery month, Comex Silver May 2014 futures, will be February 27, 2014.²

(c) SOURCE AGENCY – The Source Agency is Nadex.

¹ NYMEX® is a registered service mark of the New York Mercantile Exchange, Inc. COMEX® is a registered service mark of the Commodity Exchange, Inc. Nadex is not affiliated with the New York Mercantile Exchange, Inc. or the Commodity Exchange, Inc. and neither the New York Mercantile Exchange, the Commodity Exchange, Inc., nor their affiliates, sponsor or endorse Nadex or any of its products in any way.

² Weekly contracts listed on a Monday during a week containing an Underlying futures rollover date will be listed using the Underlying futures month scheduled to be used to determine the settlement value on the day the contract expires. For example, the End Date for which Nadex will use the Comex Silver March 2014 Underlying futures to determine the settlement value is February 26, 2014. February 26, 2014 is a Wednesday, however, and any Nadex weekly contracts listed for this roll week and expiring on Friday, February 28, 2014, will be listed using the Comex Silver May 2014 futures as its Underlying, as May is the futures month scheduled to be used to determine the Settlement Value of the Nadex weekly contract on its expiration date. Therefore, the Start Date for the Comex Silver May 2014 futures will be Monday, February 24, 2014 for any Nadex weekly contracts listed on this date.

(d) TYPE – The Type of Contract is a Binary Contract.

(e) PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the Silver Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY SILVER BINARY CONTRACTS

(1) EXPIRATION TIME – 1:25PM ET CLOSE

(2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.25.

(3) NUMBER OF STRIKE LEVELS LISTED – Thirteen (13) strike levels will be listed for each Weekly Silver Binary Contract Series.

(4) STRIKE LEVELS GENERATED – Strike levels will be generated such that Binary Contract “W” is valued ‘at the money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in either 0.25 or 0.75 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract W at an interval of 0.25, and six (6) strike levels will be generated below Binary Contract W at an interval of 0.25 (e.g. $W - 0.25$; W ; $W + 0.25$). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY SILVER BINARY CONTRACTS

(1) EXPIRATION TIME – 1:25PM ET CLOSE

(2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.1.

(3) NUMBER OF STRIKE LEVELS LISTED – Fifteen (15) strike levels will be listed for each Daily Silver Binary Contract Series.

(4) STRIKE LEVELS GENERATED – Strike levels will be generated such that Binary Contract “Y” is valued ‘at the money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.1 as reported by the Source Agency. Seven (7) strike levels will be generated above Binary Contract Y at an interval of 0.1, and seven (7) strike levels will be generated below Binary Contract Y at an interval of 0.1 (e.g. $Y - 0.1$; Y ; $Y + 0.1$). The Contract will have a Payout Criterion of greater than the strike level value.

(iii)(i) INTRADAY SILVER BINARY CONTRACTS

- (1) EXPIRATION TIME – 10:00AM, 11:00AM, 12:00PM, 1:00PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.06.
- (3) NUMBER OF STRIKE LEVELS LISTED - Nine (9) strike levels will be listed for each Intraday Silver Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.01 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Z at an interval of 0.06, and four (4) strike levels will be generated below Binary Contract Z at an interval of 0.06 (e.g. $Z - 0.06$; Z ; $Z + 0.06$). The Contract will have a Payout Criterion of greater than the strike level value.

~~(iv)~~(ii) Nadex may list additional Silver Binary Contract with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(f) MINIMUM TICK – The Minimum Tick size for Silver Binary Contracts shall be \$0.25.

(g) POSITION LIMIT – The Position Limits for Silver Binary Contracts shall be 2,000 Contracts.

(h) LAST TRADING DATE – The Last Trading Date in a Series is the same date as the Expiration Date.

(i) SETTLEMENT DATE – The Settlement Date will be the same date as the Expiration Date.

(j) EXPIRATION DATE – The Expiration Date of the Contract will be the date on which the Silver price is released by the Source Agency.

(k) SETTLEMENT VALUE – The Settlement Value is the amount paid to the holder of the in the money Contract on Settlement Date. The Settlement Value of an in the money Silver Binary Contract is \$100.

(l) EXPIRATION VALUE – The Expiration Value is the price or value of Silver released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all SFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Silver Binary Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent

of SFC trade prices and the lowest twenty (20) percent of SFC trade prices from the data set³, and using the remaining SFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining SFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) SFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Silver Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) SFC trade prices just prior to the close of trading of the Silver Binary Contract removing the highest five (5) SFC trade prices and the lowest five (5) SFC trade prices, and using the remaining fifteen (15) SFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) SFC trade prices, rounded to one decimal point past the precision of the underlying market.

(m) CONTINGENCIES – If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series. If there are less than 250 SFC trade prices available during a single trading day prior to the issuance of a new Silver Contract Nadex may switch to the next available SFC Delivery Month that provides at least 250 SFC trade prices.

RULES 12.8 – 12.32 [UNCHANGED]

RULE 12.33 CURRENCY EXCHANGE USD/CAD BINARY CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/CAD (“USD/CAD”) Binary Contract issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the US Dollar/Canadian Dollar herein referred to as “USD/CAD” as quoted in Canadian Dollars per US dollars obtained from the spot USD/CAD foreign currency market.

(c) SOURCE AGENCY – The Source Agency is Nadex.

(d) TYPE – The type of Contract is a Binary Contract.

(e) PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the USD/CAD Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY USD/CAD BINARY CONTRACTS

(1) EXPIRATION TIME – 3 PM ET CLOSE

³ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0050.
- (3) NUMBER OF STRIKE LEVELS LISTED - Fourteen (14) strike levels will be listed for each Weekly USD/CAD Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “W” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0025 or 0.0075 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract W at an interval of 0.0050, and seven (7) strike levels will be generated below Binary Contract W at an interval of 0.0050 (e.g. $W - 0.0050$; W ; $W + 0.0050$). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY USD/CAD BINARY CONTRACTS

- (1) EXPIRATION TIME – 3 AM, 7 AM, 11 AM, 3 PM, 7 PM, 11 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0010.
- (3) NUMBER OF STRIKE LEVELS LISTED – Twenty-one (21) strike levels will be listed for each Daily USD/CAD Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “X” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.000, 0.0020, 0.0040, 0.0060, or 0.0080 as reported by the Source Agency. Ten (10) strike levels will be generated above Binary Contract X at an interval of 0.0010, and ten (10) strike levels will be generated below Binary Contract X at an interval of 0.0010 (e.g. $X - 0.0010$; X ; $X + 0.0010$). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) INTRADAY USD/CAD BINARY CONTRACTS

- (1) EXPIRATION TIME – 10 AM, 11 AM, 12 PM, 1 PM, 2 PM, 3 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0010.

- (3) NUMBER OF STRIKE LEVELS LISTED – Nine (9) strike levels will be listed for each Intraday USD/CAD Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Y” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in either 0.0002, 0.0004, 0.0007, or 0.0009 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Y at an interval of 0.0010, and four (4) strike levels will be generated below Binary Contract Y at an interval of 0.0010 (e.g. $Y - 0.0010$; Y ; $Y + 0.0010$). The Contract will have a Payout Criterion of greater than the strike level value.

(iv) INTRADAY 5-MINUTE USD/CAD BINARY CONTRACTS

- (1) EXPIRATION TIME – 5-Minute Binary Contracts will expire every 5 minutes beginning Sunday at 6:05pm ET and ending Friday at 4:00pm ET.
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0005.
- (3) NUMBER OF STRIKE LEVELS LISTED – Five (5) strike levels will be listed for each Intraday 5-Minute USD/CAD Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in either 0.0001, 0.0006, 0.0003, or 0.0008 as reported by the Source Agency. Two (2) strike levels will be generated above Binary Contract Z at an interval of 0.0005, and two (2) strike levels will be generated below Binary Contract Z at an interval of 0.0005 (e.g. $Z - 0.0005$; Z ; $Z + 0.0005$). The Contract will have a Payout Criterion of greater than the strike level value.
- (5) Nadex may, in its discretion, temporarily refrain from the listing of any 5-Minute Binary Contract due to the unavailability of the underlying market upon which the Contract is based, or any other condition Nadex determines may be detrimental to the listing of the Contract.

(v) Nadex may list additional USD/CAD Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations

(f) **MINIMUM TICK** – The Minimum Tick size for the USD/CAD Binary Contracts shall be \$0.25.

(g) **POSITION LIMIT** – There are currently no Position Limits for USD/CAD Binary Contract.

(h) **LAST TRADING DATE** – The Last Trading Date in a Series is the same date as the Expiration Date.

(i) **SETTLEMENT DATE** – The Settlement Date will be the date on which the USD/CAD Settlement Price is released by the Source Agency.

(j) **EXPIRATION DATE** – The Expiration Date of the Contract will be the date on which the USD/CAD Settlement Price is released by the Source Agency.

(k) **SETTLEMENT VALUE** – The Settlement Value is the amount paid to the holder of the in the money Contract on the Settlement Date. The Settlement Value for an in the money USD/CAD Binary Contract is \$100.

(l) **EXPIRATION VALUE** – The Expiration Value is the price or value of USD/CAD released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all Midpoints between the bid/ask spread (ten pips wide or less) occurring in the ten (10) seconds leading up to the close of trading of the USD/CAD Binary Contract, provided at least ten (10) Midpoints are captured during the ten (10) second period, removing the highest thirty (30) percent of Midpoints and the lowest thirty (30) percent of Midpoints from the data set⁴, using the remaining USD/CAD Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining USD/CAD Midpoints, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least ten (10) Midpoints (ten pips wide or less) exceeds the ten (10) second time period, the Expiration Value is calculated by the Source Agency by taking the last ten (10) Midpoints between the bid/ask spread (ten pips wide or less) just prior to the close of trading of the USD/CAD Binary Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) USD/CAD Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) USD/CAD Midpoints, rounded to one decimal point past the precision of the underlying market.

(m) **CONTINGENCIES** – If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series.

⁴ If 30% of the data set would result in a non-integer number of Midpoints, the number of Midpoints to be removed from the set will be rounded down. For example, if the number of Midpoints collected during the last 10 seconds prior to the close of trading was 14, 30% of the data set would be 4.2 Midpoints. As 4.2 is a non-integer number, the value will be rounded down, and the 4 highest and 4 lowest Midpoints will be removed from the data set.

RULES 12.34 [UNCHANGED]

RULE 12.35 CURRENCY EXCHANGE USD/CHF BINARY CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/CHF (“USD/CHF”) Binary Contract issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the US dollar/ Swiss Franc herein referred to as “USD/CHF” as quoted in the Swiss Franc per US dollar obtained from the spot USD/CHF foreign currency market.

(c) SOURCE AGENCY – The Source Agency is Nadex.

(d) TYPE – The type of Contract is a Binary Contract.

(e) PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the USD/CHF Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY USD/CHF BINARY CONTRACTS

- (1) EXPIRATION TIME – 3 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0050.
- (3) NUMBER OF STRIKE LEVELS LISTED - Fourteen (14) strike levels will be listed for each Weekly USD/CHF Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “X” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0025 or 0.0075 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract X at an interval of 0.0050, and seven (7) strike levels will be generated below Binary Contract X at an interval of 0.0050 (e.g. X – 0.0050; X; X + 0.0050). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY USD/CHF BINARY CONTRACTS

- (1) EXPIRATION TIME – 3 AM, 7 AM, 11 AM, 3 PM, 7 PM, 11 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0010.
- (3) NUMBER OF STRIKE LEVELS LISTED – Twenty-one (21) strike levels

will be listed for each Daily USD/CHF Binary Contract Series.

- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "Y" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0020 as reported by the Source Agency. Ten (10) strike levels will be generated above Binary Contract Y at an interval of 0.0010, and ten (10) strike levels will be generated below Binary Contract Y at an interval of 0.0010 (e.g. $Y - 0.0010$; Y ; $Y + 0.0010$). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) INTRADAY USD/CHF BINARY CONTRACTS

- (1) EXPIRATION TIME – 10 AM, 11 AM, 12 PM, 1 PM, 2 PM, 3 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0004.
- (3) NUMBER OF STRIKE LEVELS LISTED – Fifteen (15) strike levels will be listed for each Intraday USD/CHF Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "Z" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0001 as reported by the Source Agency. Seven (7) strike levels will be generated above Binary Contract Z at an interval of 0.0004, and seven (7) strike levels will be generated below Binary Contract Z at an interval of 0.0004 (e.g. $Z - 0.0004$; Z ; $Z + 0.0004$). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) Nadex may list additional USD/CHF Binary Contract with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(f) MINIMUM TICK - The Minimum Tick size for USD/CHF Binary Contracts shall be \$0.25.

(g) POSITION LIMIT – There are currently no Position Limits for USD/CHF Binary Contract.

(h) LAST TRADING DATE – The Last Trading Date in a Series is the same date as the Expiration Date. No trading in the USD/CHF Binary Contracts shall occur after its Last Trading Date.

(i) **SETTLEMENT DATE** – The Settlement Date will be the date the USD/CHF number is released by the Source Agency.

(j) **EXPIRATION DATE** – The Expiration Date of the Contract will be the date on which the USD/CHF number is scheduled to be released.

(k) **SETTLEMENT VALUE** – The Settlement Value is the amount paid to the holder of the in the money Contract on Settlement Date. The Settlement Value of an in the money USD/CHF Binary Contract is \$100.

(l) **EXPIRATION VALUE** – The Expiration Value is the price or value of USD/CHF released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all Midpoints between the bid/ask spread (ten pips wide or less) occurring in the ten (10) seconds leading up to the close of trading of the USD/CHF Binary Contract, provided at least ten (10) Midpoints are captured during the ten (10) second period, removing the highest thirty (30) percent of Midpoints and the lowest thirty (30) percent of Midpoints from the data set⁵, using the remaining USD/CHF Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining USD/CHF Midpoints, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least ten (10) Midpoints (ten pips wide or less) exceeds the ten (10) second time period, the Expiration Value is calculated by the Source Agency by taking the last ten (10) Midpoints between the bid/ask spread (ten pips wide or less) just prior to the close of trading of the USD/CHF Binary Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) USD/CHF Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) USD/CHF Midpoints, rounded to one decimal point past the precision of the underlying market.

(m) **CONTINGENCIES** – If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series.

RULES 12.36 – 12.40 [UNCHANGED]

RULE 12.41 CURRENCY EXCHANGE GBP/JPY BINARY CONTRACTS

(a) **SCOPE** – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange GBP/JPY (“GBP/JPY”) Binary Contract issued by Nadex.

(b) **UNDERLYING** – The Underlying for this Class of Contracts is the British Pound/ Japanese Yen, herein referred to as “GBP/JPY” as quoted in the Japanese Yen per British Pounds obtained from the spot GBP/JPY foreign currency market.

⁵ If 30% of the data set would result in a non-integer number of Midpoints, the number of Midpoints to be removed from the set will be rounded down. For example, if the number of Midpoints collected during the last 10 seconds prior to the close of trading was 14, 30% of the data set would be 4.2 Midpoints. As 4.2 is a non-integer number, the value will be rounded down, and the 4 highest and 4 lowest Midpoints will be removed from the data set.

(c) SOURCE AGENCY – The Source Agency is Nadex.

(d) TYPE – The type of Contract is a Binary Contract.

(e) PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the GBP/JPY Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY GBP/JPY BINARY CONTRACTS

- (1) EXPIRATION TIME – 3 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.50.
- (3) NUMBER OF STRIKE LEVELS LISTED - Fourteen (14) strike levels will be listed for each Weekly GBP/JPY Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “W” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.25 or 0.75 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract W at an interval of 0.50, and seven (7) strike levels will be generated below Binary Contract W at an interval of 0.50 (e.g. $W - 0.50$; W ; $W + 0.50$). The Contract will have a payout Criterion of greater than the strike level value.

(ii) DAILY GBP/JPY BINARY CONTRACTS

- (1) EXPIRATION TIME – 3 AM, 7 AM, 11 AM, 3 PM, 7 PM, 11 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.20.
- (3) NUMBER OF STRIKE LEVELS LISTED – Twenty-one (21) strike levels will be listed for each Daily GBP/JPY Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “X” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in either 0.0, 0.20, 0.40, 0.60, or 0.80 as reported by the Source Agency. Ten (10) strike levels will be generated above Binary Contract X at an interval of 0.20, and ten (10) strike levels will be generated below Binary

Contract X at an interval of 0.20 (e.g. $X - 0.20$; X ; $X + 0.20$). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) INTRADAY GBP/JPY BINARY CONTRACTS

- (1) EXPIRATION TIME – 10 AM, 11 AM, 12 PM, 1 PM, 2 PM, 3 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.10.
- (3) NUMBER OF STRIKE LEVELS LISTED – Nine (9) strike levels will be listed for each Intraday GBP/JPY Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Y” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in either 0.02, 0.04, 0.07, or 0.09 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Y at an interval of 0.10, and four (4) strike levels will be generated below Binary Contract Y at an interval of 0.10 (e.g. $Y - 0.10$; Y ; $Y + 0.10$). The Contract will have a Payout Criterion of greater than the strike level value.

(iv) INTRADAY 5-MINUTE GBP/JPY BINARY CONTRACTS

- (1) EXPIRATION TIME – 5-Minute Binary Contracts will expire every 5 minutes beginning Sunday at 6:05pm ET and ending Friday at 4:00pm ET.
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.05.
- (3) NUMBER OF STRIKE LEVELS LISTED – Five (5) strike levels will be listed for each Intraday 5-Minute GBP/JPY Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in either 0.01, 0.06, 0.03, or 0.08 as reported by the Source Agency. Two (2) strike levels will be generated above Binary Contract Z at an interval of 0.05, and two (2) strike levels will be generated below Binary Contract Z at an interval of 0.05 (e.g. $Z - 0.05$; Z ; $Z + 0.05$). The Contract will have a Payout Criterion of greater than the strike level value.
- (5) Nadex may, in its discretion, temporarily refrain from the listing of any 5-Minute

Binary Contract due to the unavailability of the underlying market upon which the Contract is based, or any other condition Nadex determines may be detrimental to the listing of the Contract.

(v) Nadex may list additional GBP/JPY Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(f) **MINIMUM TICK** – The Minimum Tick size for GBP/JPY Binary Contracts shall be \$0.25.

(g) **POSITION LIMIT** – There are currently no Position Limits for GBP/JPY Binary Contract.

(h) **LAST TRADING DATE** – The Last Trading Date in a Series is the same date as the Expiration Date. No trading in the GBP/JPY Binary Contracts shall occur after its Last Trading Date.

(i) **SETTLEMENT DATE** – The Settlement Date will be the date the GBP/JPY number is released by the Source Agency.

(j) **EXPIRATION DATE** – The Expiration Date of the Contract will be the date on which the GBP/JPY number is scheduled to be released.

(k) **SETTLEMENT VALUE** – The Settlement Value is the amount paid to the holder of the in the money Contract on Settlement Date. The Settlement Value of an in the money GBP/JPY Binary Contract is \$100.

(l) **EXPIRATION VALUE** – The Expiration Value is the price or value of GBP/JPY released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all Midpoints between the bid/ask spread (ten pips wide or less) occurring in the ten (10) seconds leading up to the close of trading of the GBP/JPY Binary Contract, provided at least ten (10) Midpoints are captured during the ten (10) second period, removing the highest thirty (30) percent of Midpoints and the lowest thirty (30) percent of Midpoints from the data set⁶, using the remaining GBP/JPY Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining GBP/JPY Midpoints, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least ten (10) Midpoints (ten pips wide or less) exceeds the ten (10) second time period, the Expiration Value is calculated by the Source Agency by taking the last ten (10) Midpoints between the bid/ask spread (ten pips wide or less) just prior to the close of trading of the GBP/JPY Binary Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) GBP/JPY Midpoints to calculate the

⁶ If 30% of the data set would result in a non-integer number of Midpoints, the number of Midpoints to be removed from the set will be rounded down. For example, if the number of Midpoints collected during the last 10 seconds prior to the close of trading was 14, 30% of the data set would be 4.2 Midpoints. As 4.2 is a non-integer number, the value will be rounded down, and the 4 highest and 4 lowest Midpoints will be removed from the data set.

Expiration Value. The calculation used is a simple average of all four (4) GBP/JPY Midpoints, rounded to one decimal point past the precision of the underlying market.

(m) CONTINGENCIES – If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series.

RULE 12.42 [UNCHANGED]

RULE 12.43 CURRENCY EXCHANGE EUR/GBP BINARY CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange EUR/GBP (“EUR/GBP”) Binary Contract issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the Euro/British Pound herein referred to as “EUR/GBP” as quoted in British Pounds per Euro obtained from the spot EUR/GBP foreign currency market.

(c) SOURCE AGENCY – The Source Agency is Nadex.

(d) TYPE – The type of Contract is a Binary Contract.

(e) PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the EUR/GBP Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY EUR/GBP BINARY CONTRACTS

(1) EXPIRATION TIME – 3 PM ET CLOSE

(2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0050.

(3) NUMBER OF STRIKE LEVELS LISTED - Fourteen (14) strike levels will be listed for each Weekly EUR/GBP Binary Contract Series.

(4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “X” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0025 or 0.0075 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract X at an interval of 0.0050, and seven (7) strike levels will be generated below Binary Contract X at an interval of 0.0050 (e.g. $X - 0.0050$; X ; $X + 0.0050$). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY EUR/GBP BINARY CONTRACTS

(1) EXPIRATION TIME – 3 AM, 7 AM, 11 AM, 3 PM, 7 PM, 11 PM ET
CLOSE

- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0010.
- (3) NUMBER OF STRIKE LEVELS LISTED – Twenty-one (21) strike levels will be listed for each Daily EUR/GBP Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Y” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0020 as reported by the Source Agency. Ten (10) strike levels will be generated above Binary Contract Y at an interval of 0.0010, and ten (10) strike levels will be generated below Binary Contract Y at an interval of 0.0010 (e.g. $Y - 0.0010$; Y ; $Y + 0.0010$). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) INTRADAY EUR/GBP BINARY CONTRACTS

(1) EXPIRATION TIME – 10 AM, 11 AM, 12 PM, 1 PM, 2 PM, 3 PM ET
CLOSE

- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.0010.
- (3) NUMBER OF STRIKE LEVELS LISTED – Nine (9) strike levels will be listed for each Intraday EUR/GBP Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.0001 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Z at an interval of 0.0010, and four (4) strike levels will be generated below Binary Contract Z at an interval of 0.0010 (e.g. $Z - 0.0010$; Z ; $Z + 0.0010$). The Contract will have a Payout Criterion of greater than the strike level value.

(iv) Nadex may list additional EUR/GBP Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(f) MINIMUM TICK – The Minimum Tick size for EUR/GBP Binary Contracts shall be \$0.25.

(g) POSITION LIMIT – There are currently no Position Limits for EUR/GBP Binary Contract.

(h) LAST TRADING DATE – The Last Trading Date in a Series is the same as the Expiration Date. No trading in the EUR/GBP Binary Contracts shall occur after its Last Trading Date.

(i) SETTLEMENT DATE – The Settlement Date will be the date on which the EUR/GBP number as reported by the Source Agency.

(j) EXPIRATION DATE – The Expiration Date of the Contract will be the date on which the EUR/GBP number is scheduled to be released.

(k) SETTLEMENT VALUE – The Settlement Value is the amount paid to the holder of the in the money Contract on the Settlement Date. The Settlement Value of an in the money EUR/GBP Binary Contract is \$100.

(l) EXPIRATION VALUE – The Expiration Value is the price or value of EUR/GBP released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all Midpoints between the bid/ask spread (ten pips wide or less) occurring in the ten (10) seconds leading up to the close of trading of the EUR/GBP Binary Contract, provided at least ten (10) Midpoints are captured during the ten (10) second period, removing the highest thirty (30) percent of Midpoints and the lowest thirty (30) percent of Midpoints from the data set⁷, using the remaining EUR/GBP Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining EUR/GBP Midpoints, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least ten (10) Midpoints (ten pips wide or less) exceeds the ten (10) second time period, the Expiration Value is calculated by the Source Agency by taking the last ten (10) Midpoints between the bid/ask spread (ten pips wide or less) just prior to the close of trading of the EUR/GBP Binary Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) EUR/GBP Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) EUR/GBP Midpoints, rounded to one decimal point past the precision of the underlying market.

(m) CONTINGENCIES – If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series.

RULE 12.44 [UNCHANGED]

⁷ If 30% of the data set would result in a non-integer number of Midpoints, the number of Midpoints to be removed from the set will be rounded down. For example, if the number of Midpoints collected during the last 10 seconds prior to the close of trading was 14, 30% of the data set would be 4.2 Midpoints. As 4.2 is a non-integer number, the value will be rounded down, and the 4 highest and 4 lowest Midpoints will be removed from the data set.

RULE 12.45 CURRENCY EXCHANGE AUD/JPY BINARY CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange AUD/JPY (“AUD/JPY”) Binary Contract issued by Nadex.

(a) UNDERLYING – The Underlying for this Class of Contracts is the Australian dollar/ Japanese Yen, herein referred to as “AUD/JPY” as quoted in the Japanese Yen per Australian dollar obtained from the spot AUD/JPY foreign currency market.

(b) SOURCE AGENCY – The Source Agency is Nadex.

(c) TYPE – The type of Contract is a Binary Contract.

(d) PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the AUD/JPY Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY AUD/JPY BINARY CONTRACTS

- (1) EXPIRATION TIME – 3 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.50.
- (3) NUMBER OF STRIKE LEVELS LISTED - Fourteen (14) strike levels will be listed for each Weekly AUD/JPY Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “X” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.25 or 0.75 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract X at an interval of 0.50, and seven (7) strike levels will be generated below Binary Contract X at an interval of 0.50 (e.g. X – 0.50; X; X + 0.50). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY AUD/JPY BINARY CONTRACTS

- (1) EXPIRATION TIME – 3-AM, 7 AM, 11-AM, 3 PM, 7-PM, 11 PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.10.
- (3) NUMBER OF STRIKE LEVELS LISTED – Twenty-one (21) strike levels will be listed for each Daily AUD/JPY Binary Contract Series.

- (4) **STRIKE LEVELS GENERATED** - Strike levels will be generated such that Binary Contract “Y” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.20 as reported by the Source Agency. Ten (10) strike levels will be generated above Binary Contract Y at an interval of 0.10, and ten (10) strike levels will be generated below Binary Contract Y at an interval of 0.10 (e.g. $Y - 0.10$; Y ; $Y + 0.10$). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) **INTRADAY AUD/JPY BINARY CONTRACTS**

- (1) **EXPIRATION TIME** – 10 AM, 11 AM, 12 PM, 1 PM, 2 PM, 3 PM ET CLOSE
- (2) **STRIKE INTERVAL WIDTH** – The interval width between each strike level shall be 0.05.
- (3) **NUMBER OF STRIKE LEVELS LISTED** – Nine (9) strike levels will be listed for each Intraday AUD/JPY Binary Contract Series.
- (4) **STRIKE LEVELS GENERATED** - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.01 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Z at an interval of 0.05, and four (4) strike levels will be generated below Binary Contract Z at an interval of 0.05 (e.g. $Z - 0.05$; Z ; $Z + 0.05$). The Contract will have a Payout Criterion of greater than the strike level value.

(iv) Nadex may list additional AUD/JPY Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(e) **MINIMUM TICK** – The Minimum Tick size for AUD/JPY Binary Contracts shall be \$0.25.

(f) **POSITION LIMIT** – There are currently no Position Limits for AUD/JPY Binary Contract.

(g) **LAST TRADING DATE** – The Last Trading Date in a Series is the same date as the Expiration Date. No trading in the AUD/JPY Binary Contracts shall occur after its Last Trading Date.

(h) **SETTLEMENT DATE** – The Settlement Date will be the date the AUD/JPY number is released by the Source Agency.

(i) EXPIRATION DATE – The Expiration Date of the Contract will be the date on which the AUD/JPY number is scheduled to be released.

(j) SETTLEMENT VALUE – The Settlement Value is the amount paid to the holder of the in the money Contract on Settlement Date. The Settlement Value of an in the money AUD/JPY Binary Contract is \$100.

(k) EXPIRATION VALUE – The Expiration Value is the price or value of AUD/JPY released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all Midpoints between the bid/ask spread (ten pips wide or less) occurring in the ten (10) seconds leading up to the close of trading of the AUD/JPY Binary Contract, provided at least ten (10) Midpoints are captured during the ten (10) second period, removing the highest thirty (30) percent of Midpoints and the lowest thirty (30) percent of Midpoints from the data set⁸, using the remaining AUD/JPY Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining AUD/JPY Midpoints, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least ten (10) Midpoints (ten pips wide or less) exceeds the ten (10) second time period, the Expiration Value is calculated by the Source Agency by taking the last ten (10) Midpoints between the bid/ask spread (ten pips wide or less) just prior to the close of trading of the AUD/JPY Binary Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) AUD/JPY Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) AUD/JPY Midpoints, rounded to one decimal point past the precision of the underlying market.

(l) CONTINGENCIES – If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series.

RULES 12.46 – 12.86 [UNCHANGED]

End of Rulebook.

⁸ If 30% of the data set would result in a non-integer number of Midpoints, the number of Midpoints to be removed from the set will be rounded down. For example, if the number of Midpoints collected during the last 10 seconds prior to the close of trading was 14, 30% of the data set would be 4.2 Midpoints. As 4.2 is a non-integer number, the value will be rounded down, and the 4 highest and 4 lowest Midpoints will be removed from the data set.