

**North American Derivatives Exchange  
Emergency Action**

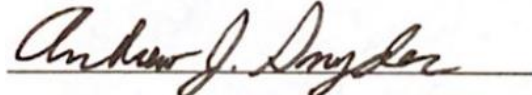
Per North American Derivatives Exchange Rule 2.4, the undersigned two members of the Management Team have authorized the adoption of a temporary emergency rule to address the emergency following emergency:

Indicate the type of emergency being addressed (as listed in Rule 2.4(c)) (check appropriate):

- (i)  any activity that manipulates or attempts to manipulate the Market;
- (ii)  any actual, attempted, or threatened corner, squeeze, or undue concentration of positions;
- (iii)  any circumstance that may materially affect the performance of the Contracts traded on, Nadex;
- (iv)  any action taken by the United States, any foreign government, any state or local governmental body, any other contract market or board of trade, or any other exchange, market, facility, or trade association (foreign or domestic) that may have a direct impact on trading on Nadex;
- (v)  any circumstances that may have a severe, adverse impact upon the physical functions of Nadex including, for example, natural disasters such as fire or flood, terrorist acts such as bomb threats, physical plant breakdowns such as plumbing, heating, or air conditioning problems, system breakdowns such as power, telephony, cable, trading systems, or computer systems failures or interruptions to communications, the network, or the Internet;
- (vi)  the imposition of any injunction or other restraint by any government agency, court, or arbitrator that may affect the ability of a Member to perform on Contracts;
- (vii)  any circumstance in which it appears that a Nadex Member or any other person is in such operational condition, or is conducting business in such a manner, that such person cannot be permitted to continue in business without jeopardizing the safety of Nadex Members or Nadex itself; and
- (viii)  any other unusual, unforeseeable, and adverse circumstance which, in the opinion of the governing board, requires immediate action and threatens or may threaten such things as the fair and orderly trading in, or the liquidation of or delivery pursuant to Contracts traded on Nadex.

The reason for the emergency action is: On May 3, 2020 (trade date May 4, 2020) at about 6:10pm ET Nadex experienced an issue whereby certain orders were accepted by the backend office but did not route to the order book. After investigating, the issue was identified as isolated to a specific order book node. In order to restart the node, the markets needed to be halted between 8:29pm ET and at 8:50pm ET. It was soon discovered that the problem persisted and a restart of the entire backend office was necessary, and accordingly the Exchange was closed at 9:37pm ET and reopened at 10:01pm ET after the restart completed. The backend office restart resolved the issue. Further investigation traced back to a firewall change implemented during weekend maintenance. Nadex Customer Service received minimal inquiries from market participants as to the issue, and Nadex is continuing to investigate which participants may have been affected and potentially need an account adjustment or the release of reserved funds.

By:   
Title: Chief Compliance/Regulatory Officer  
Date: May 4, 2020

By:   
Title: Chief Financial Officer