



May 26, 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 China 50 Markets Due to Early Rollover from May to June Delivery Months - 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.

The Nadex China 50 Binary contracts are derivative contracts based on the underlying SGX[®] FTSE[®] Xinhua[®] China A50 Index Futures. Pursuant to the China 50 contract specifications set forth in Nadex Rule 12.57, the last day on which a delivery month will be used as the underlying for the China 50 contracts is the third business day prior to the last trading day of the underlying futures contracts expiration date, and the first day of the new delivery month will be the day after the last day of the prior delivery month. As the underlying SGX[®] FTSE[®] Xinhua[®] China A50 Index Futures contract was scheduled to have a last trade date of May 30, 2016 for the May 2016 delivery month, and a start date of June 1, 2016 for the June 2016 delivery month, according to Nadex Rule 12.57, the last trade date the Nadex Daily China 50 should have been based on the May 2016 delivery month was May 25, 2016 and the start date for the June 2016 delivery month would have been May 26, 2016. However, due to human error, the Nade Daily China 50 contracts rolled to the June 2016 delivery month a day early on May 25.

North American Derivatives Exchange, Inc., 311 South Wacker Drive, Suite 2675, Chicago, IL 60606

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

In order to avoid any confusion for participants trading these contracts and prevent potential trade prices inconsistent with the underlying market, Nadex determined it was appropriate to halt trading in the Daily China 50 Binary contracts on trade date May 25, 2016 at 10:29:23 ET.

No trading had occurred in the Daily China 50 contracts, and no open positions existed at the time the market was halted, therefore, the decision to halt the Daily China 50 market did not have a negative impact on participants. Weekly Daily China 50 contracts were unaffected by this error and therefore remained open.

The Daily China 50 Binary contracts will reopen at their regular time on trade date May 26, 2016.

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 jaime.walsh@nadex.com.

Sincerely,



Jaime Walsh
Legal Counsel