

**North American Derivatives Exchange  
Emergency Action**

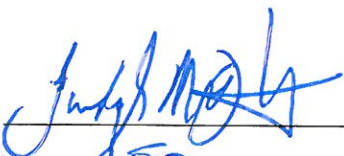
Per North American Derivatives Exchange Rule 2.4, the undersigned two members of the Management Team have authorized the adoption of a temporary emergency rule to address the following emergency:

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: 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. 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. The Daily China 50 Binary contracts will reopen at their regular time on trade date May 26, 2016. Weekly Daily China 50 contracts were unaffected by this error and therefore remained open.

By:   
Title: CEO  
Date: 25 May 2016

and

By:   
Title: CHIEF REGULATORY OFFICER