



June 11, 2021

Via CFTC Portal Submissions

Mr. Christopher Kirkpatrick  
Secretary of the Commission  
Office of the Secretariat  
Commodity Futures Trading Commission  
3 Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington D.C. 20581

**RE: Weekly Notification of Rule Amendments: Nadex Amends Strike Widths and Corrects Typo - Submission Pursuant to Commission Reg. §40.6(d)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Section 40.6(d) 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 provides notice that it amended the strike widths of various contracts during the week of June 7, 2021 due to increased volatility in the underlying markets upon which the Nadex contracts are based.

Amended strike widths are reflected in Exhibit A.

Additionally, Nadex is correcting a typographical numbering error in its Rule 12.38.2 which was incorrectly labeled as 12.36.2 in the Rulebook. The corrected Rule is reflected in Exhibit B.

Nadex hereby certifies that the additions and amendments 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 these additions. 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 [jaime.walsh@ig.com](mailto:jaime.walsh@ig.com).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jaime M. Walsh'.

Jaime M. Walsh  
Legal Counsel

North American Derivatives Exchange, Inc., 200 West Jackson Blvd., Suite 1400, Chicago, IL 60606

US Toll-Free +1 (877) 77 NADEX [info@nadex.com](mailto:info@nadex.com) [www.nadex.com](http://www.nadex.com)

No. 20210611(1)

**EXHIBIT A****Week of June 7, 2021**

<b>Contract</b>	<b>Trade Date of Change</b>	<b>Strike Width Adjusted From</b>	<b>Strike Width Adjusted To</b>
Daily Gold Binary	June 7, 2021	1.5	6
2-Hour Intraday Gold Binary	June 7, 2021	1	3
Daily Silver Binary	June 7, 2021	0.05	0.1
2-Hour Intraday Silver Binary	June 7, 2021	0.03	0.06
Daily Crude Oil Binary	June 7, 2021	0.1	0.4
Weekly AUD/USD Binary	June 7, 2021	0.005	0.005
5-Minute Intraday AUD/USD Binary	June 7, 2021	0.0004	0.0002
Weekly EUR/USD Binary	June 7, 2021	0.005	0.01
Weekly GBP/USD Binary	June 7, 2021	0.005	0.005
Daily GBP/USD Binary	June 7, 2021	0.002	0.004
5-Minute Intraday GBP/USD Binary	June 7, 2021	0.0004	0.0002
Daily GBP/JPY Binary	June 7, 2021	0.2	0.4
20-Minute Wall St 30 (Narrow)	June 7, 2021	4	16
20-Minute Wall St 30 (Wide)	June 7, 2021	6	16
2-Hour Wall St 30 Binary	June 7, 2021	12	24
Weekly US 500 Binary	June 7, 2021	24	48
20-Minute US 500 (Wide)	June 7, 2021	0.75	3
20-Minute US 500 (Narrow)	June 7, 2021	0.5	2
2-Hour US 500 Binary	June 7, 2021	1.5	3
20-Minute US Tech 100 (Wide)	June 7, 2021	2	16
20-Minute US Tech 100 (Narrow)	June 7, 2021	1	12
Daily US Tech 100 Binary	June 7, 2021	12	24
Weekly US Tech 100 Binary	June 7, 2021	24	144
20-Minute US SmallCap 2000 (Wide)	June 7, 2021	0.7	1.4
20-Minute US SmallCap 2000 (Narrow)	June 7, 2021	0.6	1.2
2-Hour US SmallCap 2000 Binary	June 7, 2021	1.4	2.8
Weekly US SmallCap 2000 Binary	June 7, 2021	12	24
Daily Japan 225 Binary	June 7, 2021	40	80
Weekly Japan 225 Binary	June 7, 2021	100	200
Daily China 50 Binary	June 7, 2021	20	40
Weekly China 50 Binary	June 7, 2021	100	200

## EXHIBIT B

### RULE 12.38 CURRENCY EXCHANGE EUR/JPY VARIABLE PAYOUT CONTRACTS

#### RULE 12.38.1 CURRENCY EXCHANGE EUR/JPY “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange EUR/JPY (“EUR/JPY”) Call Spread Variable Payout Contracts, referred to as a “Call Spread”, issued by Nadex.

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

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

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

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

(i) WEEKLY EUR/JPY CALL SPREAD VARIABLE PAYOUT CONTRACTS, 3:00 PM ET CLOSE – At the commencement of trading in a Weekly EUR/JPY Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) WEEKLY EUR/JPY CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be  $X + 3.75$ .

(bb) FLOOR – The Floor shall be  $X - 3.75$ .

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(2) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(ii) WEEKLY EUR/JPY CALL SPREAD VARIABLE PAYOUT CONTRACTS, 3:00 PM ET CLOSE – At the commencement of trading in a Weekly EUR/JPY Call Spread, Nadex shall list five (5) Call Spread Contracts with overlapping ranges, which conforms to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be  $X - 1.25$ ; The Floor shall be  $X - 3.75$ .

(2) CONTRACT 2: The Ceiling shall be  $X$ ; The Floor shall be  $X - 2.50$ .

(3) CONTRACT 3: The Ceiling shall be  $X + 1.25$ ; The Floor shall be  $X - 1.25$ .

(4) CONTRACT 4: The Ceiling shall be  $X + 2.50$ ; The Floor shall be  $X$ .

(5) CONTRACT 5: The Ceiling shall be  $X + 3.75$ ; The Floor shall be  $X - 1.25$ .

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(7) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(iii) DAILY EUR/JPY CALL SPREAD VARIABLE PAYOUT CONTRACTS, 3:00 PM ET CLOSE - At the commencement of trading in a Daily EUR/JPY Call Spread Variable Payout Contract, referred to as a ‘Call Spread’, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) DAILY EUR/JPY CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be  $X + 2.50$ .

(bb) FLOOR – The Floor shall be  $X - 2.50$ .

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(2) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(iv) DAILY EUR/JPY CALL SPREAD CONTRACTS, 3:00 PM ET CLOSE - Nadex shall list a set of three (3) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be  $X$ ; The Floor shall be  $X - 2.50$ .

(2) CONTRACT 2: The Ceiling shall be  $X + 1.25$ ; The Floor shall be  $X - 1.25$ .

(3) CONTRACT 3: The Ceiling shall be  $X + 2.50$ ; The Floor shall be  $X$ .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(5) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(v) INTRADAY EUR/JPY CALL SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, and 7:00AM to 3:00PM ET CLOSE - Nadex shall list a set of three (3) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be  $X$ ; The Floor shall be  $X - 2.00$ .

(2) CONTRACT 2: The Ceiling shall be  $X + 1.00$ ; The Floor shall be  $X - 1.00$ .

(3) CONTRACT 3: The Ceiling shall be  $X + 2.00$ ; The Floor shall be  $X$ .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(5) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(vi) INTRADAY 2-HOUR EUR/JPY CALL SPREAD

CONTRACTS, 8:00PM, 9:00PM, 10:00PM, 11:00PM, 12:00AM, 1:00AM, 2:00AM, 3:00AM, 4:00AM, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, and 3:00PM ET CLOSE - Nadex shall list a set of three (3) Call Spread Contracts that open 2 hours prior to the stated closing time(s) above with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be  $X$ ; The Floor shall be  $X - 1.00$ .

(1) CONTRACT 2: The Ceiling shall be  $X + 0.50$ ; The Floor shall be  $X - 0.50$ .

(2) CONTRACT 3: The Ceiling shall be  $X + 1.00$ ; The Floor shall be  $X$ .

(3) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(5) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(vii) Nadex may list additional Call Spread Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(b) MINIMUM TICK – The Minimum Tick size for EUR/JPY Call Spread Contracts shall be 0.01.

(c) POSITION LIMIT – There are currently no Position Limits for EUR/JPY Call Spread Contracts.

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

(e) SETTLEMENT DATE – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(f) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the EUR/JPY Expiration Value is released by the Source Agency.

(g) **SETTLEMENT VALUE** – The Settlement Value shall be the amount paid to the holder of either a Short or Long Variable Payout Contract on Settlement Date. The Settlement Value of a Variable Payout Contract is determined as described in the definition for Long and Short Variable Payout Contracts.

(h) **EXPIRATION VALUE** – The Expiration Value is the price or value of EUR/JPY Index Value released by the Source Agency at Expiration 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/JPY Call Spread 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 set<sup>1</sup>, using the remaining EUR/JPY Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining EUR/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 EUR/JPY Call Spread Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) EUR/JPY Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) EUR/JPY Midpoints, rounded to one decimal point past the precision of the underlying market.

(i) **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 12.368.2 CURRENCY EXCHANGE EUR/JPY “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS**

(a) **SCOPE** – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange EUR/JPY (“EUR/JPY”) Touch Bracket Variable Payout Contracts, referred to as a ‘Touch Bracket’, issued by Nadex.

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

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

(d) **TYPE** – The Type of Contract is a Variable Payout Contract.

---

<sup>1</sup> 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.

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

(i) **WEEKLY EUR/JPY TOUCH BRACKET VARIABLE PAYOUT CONTRACTS**, Close Time is the earlier of 3:00PM ET on the last Trade Day of the contract listing, or when the EUR/JPY Index Value is equal to or greater than the Ceiling, or equal to or less than the Floor. Nadex shall list a set of four (4) Touch Bracket Variable Payout Contracts, referred to as a ‘Touch Bracket’, that open at 6:00PM ET on the first Trade Day of the week, with overlapping ranges, which conform to the Payout Criteria listed below.

(1) **CONTRACT 1**: The Ceiling shall be  $X + 2.00$ ; The Floor shall be  $X - 0.50$ .

(2) **CONTRACT 2**: The Ceiling shall be  $X + 1.50$ ; The Floor shall be  $X - 1.00$ .

(3) **CONTRACT 3**: The Ceiling shall be  $X + 1.00$ ; The Floor shall be  $X - 1.50$ .

(4) **CONTRACT 4**: The Ceiling shall be  $X + 0.50$ ; The Floor shall be  $X - 2.00$ .

(5) **DOLLAR MULTIPLIER** – The Dollar Multiplier shall be 100.

(6) In each case, “X” equals the last EUR/JPY price, as reported by the Source Agency, rounded to the nearest 0.01.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of  $X + 2.00$  (or 0.50) and a Floor of  $X - 0.50$  (or 2.00) where X equals the Ceiling (or Floor) of the Touch Bracket that expired early. The newly listed Touch Bracket will have the same Last Trade Day as originally established for the expired Touch Bracket and the same Dollar Multiplier as the expired Touch Bracket.

(f) **MINIMUM TICK** – The Minimum Tick size for EUR/JPY Touch Bracket Variable Payout Contracts shall be 0.01.

(g) **POSITION LIMIT** – The Position Limit for EUR/JPY Touch Bracket Variable Payout Contracts shall be 100 Contracts.

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

(i) **SETTLEMENT DATE** – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(j) **EXPIRATION DATE** – The Expiration Date of the Contract shall be the date on which the EUR/JPY Expiration Value is released by the Source Agency.

(k) **SETTLEMENT VALUE** – The Settlement Value shall be the amount paid to the holder of either a Short or Long Variable Payout Contract on Settlement Date. The Settlement

Value of a Variable Payout Contract is determined as described in the definition for Long and Short Variable Payout Contracts.

(l) EUR/JPY INDEX VALUE – The Source Agency shall calculate and produce a EUR/JPY Index Value once each second throughout the life of the EUR/JPY Variable Payout contracts. That is, each second the Source Agency will calculate a EUR/JPY Index Value by taking all Midpoints between the bid/ask spread (ten pips wide or less) occurring in the ten (10) seconds leading up to the Calculation Time, 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 set<sup>2</sup>, using the remaining EUR/JPY Midpoints to calculate the EUR/JPY Index Value for that second. The calculation used is a simple average of the remaining EUR/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 EUR/JPY Index 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 Calculation Time and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) EUR/JPY Midpoints to calculate the EUR/JPY Index Value. The calculation used is a simple average of all four (4) EUR/JPY Midpoints, rounded to one decimal point past the precision of the underlying market.

(m) EXPIRATION VALUE – The Expiration Value is the EUR/JPY Index Value released by the Source Agency at Expiration on the Expiration Date.

(n) 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.

---

<sup>2</sup> 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.