

**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: Due to the July 4th holiday, Nadex planned to close all of its Germany 30 and FTSE 100 Binary and Spread contracts at 1pm ET on Monday, trade date July 3, 2017, rather than their regular close time of 4pm ET due to the possibility of a thinly traded underlying market. Due to a manual scheduling error, the Germany 30 and FTSE 100 8-Hour Spread contracts were listed at 8:00am ET with a close time of 4pm ET. During the period the contracts were listed, one trade occurred between a local and a market maker in the Germany 30 8-Hour Spread contract at 8:02:31am ET. The listing error was discovered at approximately 8:15am ET, and trading was halted at approximately 8:19am ET. Nadex Customer Service contacted the Member and the market maker, and informed them that due to a listing error, trading in the contract had halted and they would be refunded for the trade. The contract was settled at the trade price at which the parties entered, resulting in a \$0 payout for both parties. Trading fees of \$1 and \$.50 were returned to the local and the market maker, respectively.

The Nadex Germany 30 and FTSE 100 Weekly, Daily, and 2-Hour Intraday Binary and Spread contracts were unaffected.

By: 

Title: Chief Executive Officer

Date: July 3, 2017

By: 

Title: Chief Financial Officer