



July 5, 2019

Via CFTC Portal Submissions

Mr. Christopher 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: Weekly Notification of Rule Amendments: Nadex Amends Use of Term “Touch Brackets” to “Touch Bracket Contracts” - 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 is making non-substantive revisions to eight references of the term “Touch Brackets” in the Rulebook, replacing the references with “Touch Bracket Contracts”, in order to use the term consistently as an adjective. The changes will be made for July 8, 2019.

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. Amendments to the Rulebook are set forth in Exhibit A. Any deletions are stricken out while the amendments and/or additions are underlined.

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 M. Walsh
Legal Counsel

EXHIBIT A

Amendment of Rules 12.28, 12.30, 12.34, 12.36, 12.58, 12.60, 12.62, 12.64

(The following Rule amendments are underlined and deletions are stricken out)

RULES 1.1 – 12.27 [UNCHANGED]

RULE 12.28 CURRENCY EXCHANGE EUR/USD VARIABLE PAYOUT CONTRACTS

RULE 12.28.1 CURRENCY EXCHANGE EUR/USD “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange EUR/USD (“EUR/USD”) 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/US dollar, herein referred to as “EUR/USD” as quoted in US dollars per Euro obtained from the spot EUR/USD foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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/USD Call Spreads, the Payout Criteria for the Contracts will be set as follows:

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

(1) DAILY EUR/USD CALL SPREAD CONTRACT:

(aa) CEILING – The Ceiling shall be $X + 0.0250$.

(bb) FLOOR – The Floor shall be $X - 0.0250$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(ii) DAILY EUR/USD 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 $X - 0.0250$.

(1) CONTRACT 2: The Ceiling shall be $X + 0.0125$; The Floor shall be $X - 0.0125$.

(2) CONTRACT 3: The Ceiling shall be $X + 0.0250$; The Floor shall be X.

(3) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(4) In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iii) INTRADAY EUR/USD 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 $X - 0.0250$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0125$; The Floor shall be $X - 0.0125$

(3) CONTRACT 3: The Ceiling shall be $X + 0.0250$; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iv) INTRADAY 2-HOUR EUR/USD 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 $X - 0.0100$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0050$; The Floor shall be $X - 0.0050$

(3) CONTRACT 3: The Ceiling shall be $X + 0.0100$; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, “X” equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(v) 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.

(g) MINIMUM TICK – The Minimum Tick size for EUR/USD Call Spread Variable Payout Contracts shall be 0.0001.

(h) POSITION LIMIT – There are currently no Position Limits for EUR/USD Call Spread Variable Payout Contracts.

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

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

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

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) EXPIRATION VALUE – The Expiration Value is the price or value of EUR/USD 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/USD 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 set¹, using the remaining EUR/USD Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining EUR/USD 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/USD Call Spread Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) EUR/USD Midpoints to calculate the

¹ 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.

Expiration Value. The calculation used is a simple average of all four (4) EUR/USD Midpoints, rounded to one decimal point past the precision of the underlying market.

(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.

RULE 12.28.2 CURRENCY EXCHANGE EUR/USD “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange EUR/USD (“EUR/USD”) 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/US dollar, herein referred to as “EUR/USD” as quoted in US dollars per Euro obtained from the spot EUR/USD foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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/USD Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY EUR/USD TOUCH BRACKET VARIABLE PAYOUT CONTRACTS, Expiration is the earlier of (a) 3:00PM ET on the Last Trade Day of the contract listing, or (b) when the EUR/USD 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, each 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 $X + 0.0200$; The Floor shall be $X - 0.0050$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0150$; The Floor shall be $X - 0.0100$.

(3) CONTRACT 3: The Ceiling shall be $X + 0.0100$; The Floor shall be $X - 0.0150$.

(4) CONTRACT 4: The Ceiling shall be $X + 0.0050$; The Floor shall be $X - 0.0200$.

(5) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(6) In each case, “X” equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0001.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 0.0200$ (or 0.0050) and a Floor of $X - 0.0050$ (or 0.0200) 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.

(g) **MINIMUM TICK** –The Minimum Tick size for the EUR/USD Touch Bracket Variable Payout Contracts shall be 0.0001.

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

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

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

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

(l) **SETTLEMENT VALUE** – The Settlement Value is 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.

(m) **EUR/USD INDEX VALUE** – The Source Agency shall calculate and produce a EUR/USD Index Value once each second throughout the life of the EUR/USD Variable Payout contracts. That is, each second the Source Agency will calculate a EUR/USD 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 set², using the remaining EUR/USD Midpoints to calculate the EUR/USD Index Value for that second. The calculation used is a simple average of the remaining EUR/USD 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/USD 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

² 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.

three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) EUR/USD Midpoints to calculate the EUR/USD Index Value. The calculation used is a simple average of all four (4) EUR/USD Midpoints, rounded to one decimal point past the precision of the underlying market.

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

(o) 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 12.29 [UNCHANGED]

RULE 12.30 CURRENCY EXCHANGE GBP/USD VARIABLE PAYOUT CONTRACTS

RULE 12.30.1 CURRENCY EXCHANGE GBP/USD “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange GBP/USD (“GBP/USD”) 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 British Pound/ US dollar, herein referred to as “GBP/USD” as quoted in US dollars per British Pound obtained from the spot GBP/USD foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 GBP/USD Call Spreads, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY GBP/USD CALL SPREAD VARIABLE PAYOUT CONTRACTS, 3:00 PM ET CLOSE SPREAD - At the commencement of trading in a Daily USD/USD Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to one of the Payout Criteria listed below:

(1) DAILY GBP/USD CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be $X + 0.0250$.

(bb) FLOOR – The Floor shall be $X - 0.0250$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, “X” equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(ii) DAILY GBP/USD 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 $X - 0.0250$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0125$; The Floor shall be $X - 0.0125$.

(3) CONTRACT 3: The Ceiling shall be $X + 0.0250$; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, “X” equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iii) INTRADAY GBP/USD 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 $X - 0.0300$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0150$; The Floor shall be $X - 0.0150$

(3) CONTRACT 3: The Ceiling shall be $X + 0.0300$; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, “X” equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iv) INTRADAY 2-HOUR GBP/USD 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 $X - 0.0150$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0075$; The Floor shall be $X - 0.0075$.

(3) CONTRACT 3: The Ceiling shall be $X + 0.0150$; The Floor shall be X .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, “X” equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(v) 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.

(g) MINIMUM TICK – The Minimum Tick size for GBP/USD Call Spread Variable Payout Contracts shall be 0.0001.

(h) POSITION LIMIT – There are currently no Position Limits for GBP/USD Call Spread Variable Payout Contracts.

(i) LAST TRADING DATE – The Last Trading Date in a Series shall be the same date as the Settlement Date.

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

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

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) EXPIRATION VALUE – The Expiration Value is the price or value of GBP/USD 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 GBP/USD 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 set³, using the remaining GBP/USD Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining GBP/USD 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

³ 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.

(10) Midpoints between the bid/ask spread (ten pips wide or less) just prior to the close of trading of the GBP/USD Call Spread Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) GBP/USD Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) GBP/USD Midpoints, rounded to one decimal point past the precision of the underlying market.

(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.

RULE 12.30.2 CURRENCY EXCHANGE GBP/USD “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange GBP/USD (“GBP/USD”) 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 British Pound/ US dollar, herein referred to as “GBP/USD” as quoted in US dollars per British Pound obtained from the spot GBP/USD foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 GBP/USD Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY GBP/USD TOUCH BRACKET Variable Payout CONTRACTS, Expiration is the earlier of 3:00PM ET on the Last Trade Day of the contract listing, or when the GBP/USD 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 $X + 0.0200$; The Floor shall be $X - 0.0050$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0150$; The Floor shall be $X - 0.0100$.

(3) CONTRACT 3: The Ceiling shall be $X + 0.0100$; The Floor shall be $X - 0.0150$.

(4) CONTRACT 4: The Ceiling shall be $X + 0.0050$; The Floor shall be $X - 0.0200$.

(5) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(6) In each case, “X” equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0001.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 0.0200$ (or 0.0050) and a Floor of $X - 0.0050$ (or 0.0200) 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.

(g) MINIMUM TICK – The Minimum Tick size for GBP/USD Touch Bracket Variable Payout Contracts shall be 0.0001.

(h) POSITION LIMIT – The Position Limit for GBP/USD Touch Bracket Variable Payout Contracts shall be 100 Contracts.

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

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

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

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) GBP/USD INDEX VALUE – The Source Agency shall calculate and produce a GBP/USD Index Value once each second throughout the life of the GBP/USD Variable Payout contracts. That is, each second the Source Agency will calculate a GBP/USD 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 set⁴, using the remaining GBP/USD Midpoints to calculate the GBP/USD Index Value for that second. The calculation used is a simple average of the remaining GBP/USD 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 GBP/USD Index

⁴ 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.

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) GBP/USD Midpoints to calculate the GBP/USD Index Value. The calculation used is a simple average of all four (4) GBP/USD Midpoints, rounded to one decimal point past the precision of the underlying market.

(n) EXPIRATION VALUE – The Expiration Value is the GBP/USD Index Value released by the Source Agency at Expiration on the Expiration Date.

(o) 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 12.31-12.33 [UNCHANGED]

RULE 12.34 CURRENCY EXCHANGE USD/CHF VARIABLE PAYOUT CONTRACTS

RULE 12.34.1 CURRENCY EXCHANGE USD/CHF “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/CHF (“USD/CHF”) 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 US dollar/ Swiss Franc, herein referred to as “USD/CHF” as quoted in the Swiss Franc per US dollars obtained from the spot USD/CHF foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 USD/CHF Call Spreads, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY USD/CHF CALL SPREAD VARIABLE PAYOUT CONTRACTS, 3:00 PM ET CLOSE - At the commencement of trading in a Daily USD/CHF Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) DAILY USD/CHF CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be $X + 0.0250$.

(bb) FLOOR – The Floor shall be $X - 0.0250$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, “X” equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0010.

(ii) DAILY USD/CHF 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 $X - 0.0250$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0125$; The Floor shall be $X - 0.0125$.

(3) CONTRACT 3: The Ceiling shall be $X + 0.0250$; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(1) In each case, “X” equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iii) INTRADAY USD/CHF CALL SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, 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 $X - 0.0200$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0100$; The Floor shall be $X - 0.0100$

(3) CONTRACT 3: The Ceiling shall be $X + 0.0200$; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, “X” equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iv) INTRADAY 2-HOUR USD/CHF 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 $X - 0.0100$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0050$; The Floor shall be $X - 0.0050$

(3) CONTRACT 3: The Ceiling shall be $X + 0.0100$; The Floor shall be X .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, “X” equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0010.

(v) 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.

(g) MINIMUM TICK – The Minimum Tick size for USD/CHF Call Spread Variable Payout Contracts shall be 0.0001.

(h) POSITION LIMIT – There are currently no Position Limits for USD/CHF Call Spread Variable Payout Contracts.

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

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

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

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) EXPIRATION VALUE – The Expiration Value is the price or value of USD/CHF 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 USD/CHF 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 set⁵, using the remaining USD/CHF Midpoints to calculate the Expiration Value. The calculation used is a simple average of the remaining USD/CHF Midpoints, rounded to one decimal point past the precision of the underlying market. In the event

⁵ 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.

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 USD/CHF Call Spread Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) USD/CHF Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) USD/CHF Midpoints, rounded to one decimal point past the precision of the underlying market.

(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.

RULE 12.34.2 CURRENCY EXCHANGE USD/CHF “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/CHF (“USD/CHF”) 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 US dollar/ Swiss Franc, herein referred to as “USD/CHF” as quoted in the Swiss Franc per US dollars obtained from the spot USD/CHF foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 USD/CHF Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY USD/CHF 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 USD/CHF 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 $X + 0.0200$; The Floor shall be $X - 0.0050$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.0150$; The Floor shall be $X - 0.0100$.

(3) CONTRACT 3: The Ceiling shall be $X + 0.0100$; The Floor shall be $X - 0.0150$.

(4) CONTRACT 4: The Ceiling shall be $X + 0.0050$; The Floor shall be $X - 0.0200$.

(5) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(6) In each case, “X” equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0001.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 0.0200$ (or 0.0050) and a Floor of $X - 0.0050$ (or 0.0200) 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.

(g) MINIMUM TICK –The Minimum Tick size for the USD/CHF Touch Bracket Variable Payout Contracts shall be 0.0001.

(h) POSITION LIMIT – The Position Limit for USD/CHF Touch Bracket Variable Payout Contracts shall be 100 Contracts.

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

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

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

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) USD/CHF INDEX VALUE – The Source Agency shall calculate and produce a USD/CHF Index Value once each second throughout the life of the USD/CHF Variable Payout contracts. That is, each second the Source Agency will calculate a USD/CHF 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 set⁶, using the remaining USD/CHF Midpoints to calculate the USD/CHF Index Value for that second. The calculation used is a simple average of the remaining USD/CHF Midpoints, rounded to one decimal point past the

⁶ 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.

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 USD/CHF 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) USD/CHF Midpoints to calculate the USD/CHF Index Value. The calculation used is a simple average of all four (4) USD/CHF Midpoints, rounded to one decimal point past the precision of the underlying market.

(n) EXPIRATION VALUE – The Expiration Value is the USD/CHF Index Value released by the Source Agency at Expiration on the Expiration Date.

(o) 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 12.35 [UNCHANGED]

RULE 12.36 CURRENCY EXCHANGE USD/JPY VARIABLE PAYOUT CONTRACTS

RULE 12.36.1 CURRENCY EXCHANGE USD/JPY “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/JPY (“USD/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 US dollar/ Japanese Yen, herein referred to as “USD/JPY” as quoted in the Japanese Yen per US dollars obtained from the spot USD/JPY foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 USD/JPY Call Spreads, the Payout Criteria for the Contracts will be set as follows:

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

(1) DAILY USD/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 USD/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(ii) DAILY USD/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 USD/JPY price, as reported by the Source Agency, rounded to the nearest 0.10.

(iii) INTRADAY USD/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 $X - 1.50$.

(2) CONTRACT 2: The Ceiling shall be $X + 0.75$; The Floor shall be $X - 0.75$.

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

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

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

(iv) INTRADAY 2-HOUR USD/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.

(2) CONTRACT 2: The Ceiling shall be X + 0.50; The Floor shall be X – 0.50.

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

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

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

(v) 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.

(g) MINIMUM TICK – The Minimum Tick size for USD/JPY Call Spread Variable Payout Contracts shall be 0.01.

(h) POSITION LIMIT – There are currently no Position Limits for USD/JPY Call Spread Variable Payout Contracts.

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

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

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

(l) 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.

(m) EXPIRATION VALUE – The Expiration Value is the price or value of USD/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 USD/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 set⁷, using the remaining USD/JPY Midpoints to calculate

⁷ 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.

the Expiration Value. The calculation used is a simple average of the remaining USD/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 USD/JPY Call Spread Contract and removing the highest three (3) Midpoints and the lowest three (3) Midpoints, using the remaining four (4) USD/JPY Midpoints to calculate the Expiration Value. The calculation used is a simple average of all four (4) USD/JPY Midpoints, rounded to one decimal point past the precision of the underlying market.

(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.

RULE 12.36.2 CURRENCY EXCHANGE USD/JPY “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/JPY (“USD/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 US dollar/ Japanese Yen, herein referred to as “USD/JPY” as quoted in the Japanese Yen per US dollars obtained from the spot USD/JPY foreign currency market.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 USD/JPY Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY USD/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 USD/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 USD/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.

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

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

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

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

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

(l) 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.

(m) USD/JPY INDEX VALUE – The Source Agency shall calculate and produce a USD/JPY Index Value once each second throughout the life of the USD/JPY Variable Payout contracts. That is, each second the Source Agency will calculate a USD/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 set⁸, using the remaining USD/JPY

⁸ 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.

Midpoints to calculate the USD/JPY Index Value for that second. The calculation used is a simple average of the remaining USD/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 USD/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) USD/JPY Midpoints to calculate the USD/JPY Index Value. The calculation used is a simple average of all four (4) USD/JPY Midpoints, rounded to one decimal point past the precision of the underlying market.

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

(o) 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 12.37 – 12.57 [UNCHANGED]

RULE 12.58 US 500 VARIABLE PAYOUT CONTRACTS

RULE 12.58.1 US 500 “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the US 500 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 price of the E-mini S&P 500® Futures contracts (“SPFC”) traded on the Chicago Mercantile Exchange® (CME®)⁹. The SPFC trade prices that will be used for the Underlying will be taken from four (4) SPFC delivery months: March, June, September, or December (each a “SPFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME e-mini S&P 500 March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the e-mini S&P 500 March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant e-mini S&P 500 contracts will be the Friday of the preceding week. Therefore, the End Date for using CME e-mini S&P 500 March 2012 futures will be March 9, 2012 and the Start

⁹ CME® is a registered mark of the Chicago Mercantile Exchange. S&P 500 is a registered mark of the McGraw-Hill Companies, Inc. Nadex is not affiliated with the Chicago Mercantile Exchange or the McGraw-Hill Companies and neither the Chicago Mercantile Exchange, the McGraw-Hill Companies, nor its affiliates, sponsor or endorse Nadex or its products in any way. In particular, the Nadex US 500 Contracts are not sponsored, endorsed, sold or promoted by CME or the McGraw-Hill Companies.

Date for the next delivery month, CME e-mini S&P 500 June 2012 futures, will be March 10, 2012.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 US 500 Call Spreads, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY US 500 CALL SPREAD VARIABLE PAYOUT CONTRACTS, 4:15 PM ET CLOSE - At the commencement of trading in a Daily US 500 Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) DAILY US 500 CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be $X + 40$.

(bb) FLOOR – The Floor shall be $X - 40$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(2) In each case, “X” equals the last SPFC price, as reported by the Source Agency, rounded to the nearest 10.

(ii) DAILY US 500 CALL SPREAD CONTRACTS, 4:15 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 $X - 40$.

(2) CONTRACT 2: The Ceiling shall be $X + 20$; The Floor shall be $X - 20$.

(3) CONTRACT 3: The Ceiling shall be $X + 40$; The Floor shall be X .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(5) In each case, “X” equals the last SPFC price, as reported by the Source Agency, rounded to the nearest 10.

(iii) INTRADAY US 500 CALL SPREAD CONTRACTS, 8AM ET to 4:15 PM ET CLOSE - Nadex shall list a set of five (5) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be $X - 15$; The Floor shall be $X - 45$.

(2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 30$.

(3) CONTRACT 3: The Ceiling shall be $X + 15$; The Floor shall be $X - 15$.

(4) CONTRACT 4: The Ceiling shall be $X + 30$; The Floor shall be X .

(5) CONTRACT 5: The Ceiling shall be $X + 45$; The Floor shall be $X + 15$.

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(7) In each case, “X” equals the last SPFC price, as reported by the Source Agency, rounded to the nearest 5.

(iv) INTRADAY 2-HOUR US 500 CALL SPREAD CONTRACTS, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM and 4:00PM ET CLOSE - Nadex shall list a set of five (5) 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 $X - 5$; The Floor shall be $X - 15$.

(2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 10$.

(3) CONTRACT 3: The Ceiling shall be $X + 5$; The Floor shall be $X - 5$.

(4) CONTRACT 4: The Ceiling shall be $X + 10$; The Floor shall be X .

(5) CONTRACT 5: The Ceiling shall be $X + 15$; The Floor shall be $X + 5$.

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(7) In each case, “X” equals the last SPFC price, as reported by the Source Agency, rounded to the nearest 5.

(v) 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.

(g) MINIMUM TICK – The Minimum Tick size for US 500 Call Spread Variable Payout Contracts shall be 0.1.

(h) POSITION LIMIT – The Position Limits for US 500 Call Spread Variable Payout Contracts shall be 31,250 Contracts.

(i) **LAST TRADING DATE** – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) **EXPIRATION DATE** – The Expiration Date of the Contract shall be the date on which the US 500 Expiration Value is released by the Source Agency.

(l) **SETTLEMENT VALUE** – The Settlement Value is 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.

(m) **EXPIRATION VALUE** - The Expiration Value is the US 500 Index Value as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all SPFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the US 500 Call Spread Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of SPFC trade prices and the lowest twenty (20) percent of SPFC trade prices from the data set¹⁰, and using the remaining SPFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining SPFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) SPFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the US 500 Call Spread Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) SPFC trade prices just prior to the close of trading of the US 500 Call Spread Contract removing the highest five (5) SPFC trade prices and the lowest five (5) SPFC trade prices, and using the remaining fifteen (15) SPFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) SPFC trade prices, rounded to one decimal point past the precision of the underlying market.

(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 the Series.

RULE 12.58.2 US 500 “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) **SCOPE** – These Rules shall apply to the Class of Contracts referred to as the US 500 Touch Bracket Variable Payout Contracts, referred to as a ‘Touch Bracket’, issued by Nadex.

¹⁰ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

(b) UNDERLYING – The Underlying for this Class of Contracts is the price of the E-mini S&P 500® Futures contracts (“SPFC”) traded on the Chicago Mercantile Exchange® (CME®)¹¹. The SPFC trade prices that will be used for the Underlying will be taken from four (4) SPFC delivery months: March, June, September, or December (each a “SPFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME e-mini S&P 500 March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the e-mini S&P 500 March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant e-mini S&P 500 contracts will be the Friday of the preceding week. Therefore, the End Date for using CME e-mini S&P 500 March 2012 futures will be March 9, 2012 and the Start Date for the next delivery month, CME e-mini S&P 500 June 2012 futures, will be March 10, 2012.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 US 500 Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY US 500 TOUCH BRACKET VARIABLE PAYOUT CONTRACTS, Close Time is the earlier of 4:15PM ET on the last Trade Day of the contract listing, or when the US 500 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 3:00AM 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 $X + 40$; The Floor shall be $X - 10$.

(2) CONTRACT 2: The Ceiling shall be $X + 30$; The Floor shall be $X - 20$.

(3) CONTRACT 3: The Ceiling shall be $X + 20$; The Floor shall be $X - 30$.

¹¹ CME® is a registered mark of the Chicago Mercantile Exchange. S&P 500 is a registered mark of the McGraw-Hill Companies, Inc. Nadex is not affiliated with the Chicago Mercantile Exchange or the McGraw-Hill Companies and neither the Chicago Mercantile Exchange, the McGraw-Hill Companies, nor its affiliates, sponsor or endorse Nadex or its products in any way. In particular, the Nadex US 500 Contracts are not sponsored, endorsed, sold or promoted by CME or the McGraw-Hill Companies.

(4) CONTRACT 4: The Ceiling shall be $X + 10$; The Floor shall be $X - 40$.

(5) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(6) In each case, “X” equals the last US 500 price, as reported by the Source Agency, rounded to the nearest 1.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 40$ (or 10) and a Floor of $X - 10$ (or 40) 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.

(g) MINIMUM TICK – The Minimum Tick size for US 500 Touch Bracket Variable Payout Contracts shall be 0.1.

(h) POSITION LIMIT – The Position Limit for US 500 Touch Bracket Variable Payout Contracts shall be 100 Contracts.

(i) LAST TRADING DATE – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the US 500 Expiration Value is released by the Source Agency.

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) US 500 INDEX VALUE – The Source Agency shall calculate and produce a US 500 Index Value once each second throughout the life of the US 500 Variable Payout contracts. That is, each second the Source Agency will calculate a US 500 Index Value by taking by taking all SPFC trade prices occurring in the ten (10) seconds leading up to the Calculation Time, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of SPFC trade prices and the lowest twenty (20) percent of SPFC trade prices from the data set¹², and using the remaining SPFC trade prices to calculate the US 500 Index Value for that second. The calculation used is a simple average of the remaining SPFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In

¹² If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

the event the time it takes to collect at least twenty-five (25) SPFC trade prices exceeds the ten (10) second period, the US 500 Index Value will be calculated by the Source Agency by taking the last twenty-five (25) SPFC trade prices just prior to the Calculation Time, removing the highest five (5) SPFC trade prices and the lowest five (5) SPFC trade prices, and using the remaining fifteen (15) SPFC trade prices to calculate the US 500 Index Value. The calculation used is a simple average of all fifteen (15) SPFC trade prices, rounded to one decimal point past the precision of the underlying market.

(n) EXPIRATION VALUE - The Expiration Value is the US 500 Index Value released by the Source Agency at Expiration on the Expiration Date.

(a) 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 the Series.

RULE 12.59 [UNCHANGED]

RULE 12.60 US SMALLCAP 2000 VARIABLE PAYOUT CONTRACTS

RULE 12.60.1 US SMALLCAP 2000 “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the US SmallCap 2000 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 price of the E-mini Russell 2000¹³ Index Futures contracts (“RUFC”) traded on the Chicago Mercantile Exchange (CME®)¹⁴. The RUFC trade prices that will be used for the Underlying will be taken from four (4) RUFC delivery months: March, June, September, or December (each a “RUFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME E-mini Russell 2000 Index September 2017 Futures has an Expiration Date of September 15, 2017. The last day on which the CME E-mini Russell 2000 Index September 2017 Futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant CME E-mini Russell 2000 Index Futures contracts will be the Friday of the preceding week. Therefore, the End Date for using CME E-mini Russell 2000 Index September 2017 Futures will be September 8, 2017 and the Start Date for the next

¹³ Russell 2000® is a registered mark of Frank Russell Company.

¹⁴ CME® is a registered mark of the Chicago Mercantile Exchange. Nadex is not affiliated with the Chicago Mercantile Exchange (“CME”), nor its affiliates, and CME does not sponsor or endorse Nadex or its products in any way. In particular, the Nadex US SmallCap 2000 Contracts are not sponsored, endorsed, sold or promoted by CME.

delivery month, CME E-mini Russell 2000 Index December 2017 Futures, will be September 9, 2017.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 US SmallCap 2000 Call Spread Contract, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY US SMALLCAP 2000 CALL SPREAD VARIABLE PAYOUT-CONTRACTS, 4:15 PM ET CLOSE - At the commencement of trading in a Daily US SmallCap 2000 Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) DAILY US SMALLCAP 2000 CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be $X + 30$.

(bb) FLOOR – The Floor shall be $X - 30$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(2) In each case, “X” equals the last RUFC price, as reported by the Source Agency, rounded to the nearest 5.

(ii) DAILY US SMALLCAP 2000 CALL SPREAD CONTRACTS, 4:15 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 $X - 30$.

(2) CONTRACT 2: The Ceiling shall be $X + 15$; The Floor shall be $X - 15$.

(3) CONTRACT 3: The Ceiling shall be $X + 30$; The Floor shall be X .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

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

(iii) INTRADAY US SMALLCAP 2000 CALL SPREAD CONTRACTS, 8AM ET to 4:15 PM ET CLOSE - Nadex shall list a set of five (5) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

- (1) CONTRACT 1: The Ceiling shall be $X - 10$; The Floor shall be $X - 30$.
- (2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 20$.
- (3) CONTRACT 3: The Ceiling shall be $X + 10$; The Floor shall be $X - 10$.
- (4) CONTRACT 4: The Ceiling shall be $X + 20$; The Floor shall be X .
- (5) CONTRACT 5: The Ceiling shall be $X + 30$; The Floor shall be $X + 10$.
- (6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(7) In each case, “X” equals the last RUFC price, as reported by the Source Agency, rounded to the nearest 5.

(iv) INTRADAY 2-HOUR US SMALLCAP 2000 CALL SPREAD CONTRACTS, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM and 4:00PM ET CLOSE - Nadex shall list a set of five (5) 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 $X - 3.5$; The Floor shall be $X - 10.5$.
- (2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 7$.
- (3) CONTRACT 3: The Ceiling shall be $X + 3.5$; The Floor shall be $X - 3.5$.
- (4) CONTRACT 4: The Ceiling shall be $X + 7$; The Floor shall be X .
- (5) CONTRACT 5: The Ceiling shall be $X + 10.5$; The Floor shall be $X + 3.5$.
- (6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(7) In each case, “X” equals the last RUFC price, as reported by the Source Agency, rounded to the nearest 1.

(v) 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.

(g) MINIMUM TICK – The Minimum Tick size for US SmallCap 2000 Call Spread Variable Payout Contracts shall be 0.1.

(h) POSITION LIMIT – The Position Limits for US SmallCap 2000 Call Spread Variable Payout Contracts shall be 50,000 Contracts.

(i) LAST TRADING DATE – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the US SmallCap 2000 Expiration Value is released by the Source Agency.

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) EXPIRATION VALUE – The Expiration Value is the US SmallCap 2000 Index Value as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all RUFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the US SmallCap 2000 Call Spread Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of RUFC trade prices and the lowest twenty (20) percent of RUFC trade prices from the data set¹⁵, and using the remaining RUFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining RUFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) SPFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the US SmallCap 2000 Call Spread Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) RUFC trade prices just prior to the close of trading of the US SmallCap 2000 Call Spread Contract removing the highest five (5) RUFC trade prices and the lowest five (5) RUFC trade prices, and using the remaining fifteen (15) RUFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) RUFC trade prices, rounded to one decimal point past the precision of the underlying market.

(n) CONTINGENCIES – If no daily settlement price of the relevant RUFC is announced by the Source Agency, the Settlement Date will be delayed until such daily settlement price for that Series is released and publicly available.

¹⁵ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

RULE 12.60.2 US SMALLCAP 2000 “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the US SmallCap 2000 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 price of the E-mini Russell 2000^{®16} Index Futures contracts (“RUFC”) traded on the Chicago Mercantile Exchange (CME[®])¹⁷. The RUFC trade prices that will be used for the Underlying will be taken from four (4) RUFC delivery months: March, June, September, or December (each a “RUFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME E-mini Russell 2000 Index September 2017 Futures has an Expiration Date of September 15, 2017. The last day on which the CME E-mini Russell 2000 Index September 2017 Futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant CME E-mini Russell 2000 Index Futures contracts will be the Friday of the preceding week. Therefore, the End Date for using CME E-mini Russell 2000 Index September 2017 Futures will be September 8, 2017 and the Start Date for the next delivery month, CME E-mini Russell 2000 Index December 2017 Futures, will be September 9, 2017.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 US SmallCap 2000 Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY US SMALLCAP 2000 TOUCH BRACKET VARIABLE PAYOUT CONTRACTS, Close Time is the earlier of 4:15PM ET on the last Trade Day of the contract listing, or when the US SmallCap 2000 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 3:00AM ET on the first

¹⁶ Russell 2000[®] is a registered mark of Frank Russell Company.

¹⁷ CME[®] is a registered mark of the Chicago Mercantile Exchange. Nadex is not affiliated with the Chicago Mercantile Exchange (“CME”), nor its affiliates, and CME does not sponsor or endorse Nadex or its products in any way. In particular, the Nadex US SmallCap 2000 Contracts are not sponsored, endorsed, sold or promoted by CME.

Trade Day of the week, with overlapping ranges, which conform to the Payout Criteria listed below.

(1) CONTRACT 1: The Ceiling shall be $X + 40$; The Floor shall be $X - 10$.

(2) CONTRACT 2: The Ceiling shall be $X + 30$; The Floor shall be $X - 20$.

(3) CONTRACT 3: The Ceiling shall be $X + 20$; The Floor shall be $X - 30$.

(4) CONTRACT 4: The Ceiling shall be $X + 10$; The Floor shall be $X - 40$.

(5) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(6) In each case, “X” equals the last US SmallCap 2000 price, as reported by the Source Agency, rounded to the nearest 1.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 40$ (or 10) and a Floor of $X - 10$ (or 40) 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.

(g) MINIMUM TICK – The Minimum Tick size for US SmallCap 2000 Touch Bracket Variable Payout Contracts shall be 0.1.

(h) POSITION LIMIT – The Position Limit for US SmallCap 2000 Touch Bracket Variable Payout Contracts shall be 100 Contracts.

(i) LAST TRADING DATE – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the US SmallCap 2000 Expiration Value is released by the Source Agency.

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) US SMALLCAP 2000 INDEX VALUE – The Source Agency shall calculate and produce a US SmallCap 2000 Index Value once each second throughout the life of the US SmallCap 2000 Variable Payout contracts. That is, each second the Source Agency will calculate a US SmallCap 2000 Index Value by taking by taking all RUFC trade prices occurring in the ten (10) seconds leading up to the Calculation Time, provided at least twenty-five (25) trade prices are

captured during the ten (10) second period, removing the highest twenty (20) percent of RUFC trade prices and the lowest twenty (20) percent of RUFC trade prices from the data set¹⁸, and using the remaining RUFC trade prices to calculate the US SmallCap 2000 Index Value for that second. The calculation used is a simple average of the remaining RUFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) RUFC trade prices exceeds the ten (10) second period, the US SmallCap 2000 Index Value will be calculated by the Source Agency by taking the last twenty-five (25) RUFC trade prices just prior to the Calculation Time, removing the highest five (5) RUFC trade prices and the lowest five (5) RUFC trade prices, and using the remaining fifteen (15) RUFC trade prices to calculate the US SmallCap 2000 Index Value. The calculation used is a simple average of all fifteen (15) RUFC trade prices, rounded to one decimal point past the precision of the underlying market.

(n) EXPIRATION VALUE – The Expiration Value is the US SmallCap 2000 Index Value as released by the Source Agency at Expiration

(o) CONTINGENCIES – If no daily settlement price of the relevant RUFC is announced by the Source Agency, the Settlement Date will be delayed until such daily settlement price for that Series is released and publicly available.

RULE 12.61 [UNCHANGED]

RULE 12.62 US TECH100 VARIABLE PAYOUT CONTRACTS

RULE 12.62.1 US TECH 100 “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the US Tech 100 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 price of the E-mini NASDAQ 100® Futures contracts (“NQFC”) traded on the Chicago Mercantile Exchange (CME®)¹⁹. The NQFC trade prices that will be used to calculate the Underlying will be taken from four (4) NQFC delivery months: March, June, September, or December (each a “NQFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts

¹⁸ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

¹⁹ CME® is a registered mark of the Chicago Mercantile Exchange. NASDAQ-100 are registered marks of the Nasdaq Stock Market, Inc. Nadex is not affiliated with the Chicago Mercantile Exchange or Nasdaq Stock Market and neither the Chicago Mercantile Exchange, the Nasdaq Market, nor its affiliates, sponsor or endorse Nadex or its products in any way. In particular, the Nadex US Tech 100 Contracts are not sponsored, endorsed, sold or promoted by CME or the Nasdaq Stock Market.

Expiration Date. For example, the CME e-mini NASDAQ 100 March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the e-mini NASDAQ 100 March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant e-mini NASDAQ 100 contracts will be the Friday of the preceding week. Therefore, the End Date for using CME e-mini NASDAQ 100 March 2012 futures will be March 9, 2012 and the Start Date for the next delivery month, CME e-mini NASDAQ 100 June 2012 futures, will be March 10, 2012.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 US Tech 100 Call Spreads, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY US TECH 100 CALL SPREAD VARIABLE PAYOUT CONTRACTS, 4:15 PM ET CLOSE - At the commencement of trading in a Daily Spread US Tech 100 Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) DAILY US TECH 100 CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be $X + 40$

(bb) FLOOR – The Floor shall be $X - 40$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(1) In each case, “X” equals the last NQFC price, as reported by the Source Agency, rounded to the nearest 10.

(iii) DAILY US TECH 100 CALL SPREAD CONTRACTS, 4:15 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 $X - 40$.

(2) CONTRACT 2: The Ceiling shall be $X + 20$; The Floor shall be $X - 20$.

(3) CONTRACT 3: The Ceiling shall be $X + 40$; The Floor shall be X .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(5) In each case, “X” equals the last NQFC price, as reported by the Source Agency, rounded to the nearest 10.

(iv) INTRADAY US TECH 100 CALL SPREAD CONTRACTS, 8AM ET to 4:15 PM ET CLOSE - Nadex shall list a set of five (5) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be $X - 15$; The Floor shall be $X - 45$.

(2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 30$.

(3) CONTRACT 3: The Ceiling shall be $X + 15$; The Floor shall be $X - 15$.

(4) CONTRACT 4: The Ceiling shall be $X + 30$; The Floor shall be X .

(5) CONTRACT 5: The Ceiling shall be $X + 45$; The Floor shall be $X + 15$.

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(7) In each case, “X” equals the last NQFC price, as reported by the Source Agency, rounded to the nearest 10.

(iv) INTRADAY 2-HOUR US TECH 100 CALL SPREAD CONTRACTS, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM and 4:00PM ET CLOSE - Nadex shall list a set of five (5) 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 $X - 5$; The Floor shall be $X - 15$.

(2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 10$.

(3) CONTRACT 3: The Ceiling shall be $X + 5$; The Floor shall be $X - 5$.

(4) CONTRACT 4: The Ceiling shall be $X + 10$; The Floor shall be X .

(5) CONTRACT 5: The Ceiling shall be $X + 15$; The Floor shall be $X + 5$.

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10.

(7) In each case, “X” equals the last NQFC price, as reported by the Source Agency, rounded to the nearest 5.

(v) 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.

(g) **MINIMUM TICK** – The Minimum Tick size for US Tech 100 Call Spread Variable Payout Contracts shall be 0.10.

(h) **POSITION LIMIT** – The Position Limits for US Tech 100 Call Spread Variable Payout Contracts shall be 125,000 Contracts.

(i) **LAST TRADING DATE** – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) **EXPIRATION DATE** – The Expiration Date of the Contract shall be the date on which the US Tech 100 Expiration Value is released by the Source Agency.

(l) **SETTLEMENT VALUE** – The Settlement Value is 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.

(m) **EXPIRATION VALUE** – The Expiration Value is the US Tech 100 Index Value as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all NQFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the US Tech 100 Call Spread Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of NQFC trade prices and the lowest twenty (20) percent of NQFC trade prices from the data set²⁰, and using the remaining NQFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining NQFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) SPFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the US Tech 100 Call Spread Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) NQFC trade prices just prior to the close of trading of the US Tech 100 Call Spread Contract removing the highest five (5) NQFC trade prices and the lowest five (5) NQFC trade prices, and using the remaining fifteen (15) NQFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) NQFC trade prices, rounded to one decimal point past the precision of the underlying market.

(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 the Series.

²⁰ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

RULE 12.62.2 US TECH 100 “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the US Tech 100 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 price of the E-mini NASDAQ 100® Futures contracts (“NQFC”) traded on the Chicago Mercantile Exchange (CME®)²¹. The NQFC trade prices that will be used to calculate the Underlying will be taken from four (4) NQFC delivery months: March, June, September, or December (each a “NQFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME e-mini NASDAQ 100 March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the e-mini NASDAQ 100 March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant e-mini NASDAQ 100 contracts will be the Friday of the preceding week. Therefore, the End Date for using CME e-mini NASDAQ 100 March 2012 futures will be March 9, 2012 and the Start Date for the next delivery month, CME e-mini NASDAQ 100 June 2012 futures, will be March 10, 2012.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 US Tech 100 Touch Brackets Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY US TECH 100 TOUCH BRACKET VARIABLE PAYOUT CONTRACTS, Close Time is the earlier of 4:15PM ET on the last Trade Day of the contract listing, or when the US Tech 100 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

²¹ CME® is a registered mark of the Chicago Mercantile Exchange. NASDAQ-100 are registered marks of the Nasdaq Stock Market, Inc. Nadex is not affiliated with the Chicago Mercantile Exchange or Nasdaq Stock Market and neither the Chicago Mercantile Exchange, the Nasdaq Market, nor its affiliates, sponsor or endorse Nadex or its products in any way. In particular, the Nadex US Tech 100 Contracts are not sponsored, endorsed, sold or promoted by CME or the Nasdaq Stock Market.

Contracts, referred to as a 'Touch Bracket', that open at 3:00AM 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 $X + 120$; The Floor shall be $X - 30$.

(2) CONTRACT 2: The Ceiling shall be $X + 90$; The Floor shall be $X - 60$.

(3) CONTRACT 3: The Ceiling shall be $X + 60$; The Floor shall be $X - 90$.

(4) CONTRACT 4: The Ceiling shall be $X + 30$; The Floor shall be $X - 120$.

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

(6) In each case, "X" equals the last US Tech 100 price, as reported by the Source Agency, rounded to the nearest 1.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 120$ (or 30) and a Floor of $X - 30$ (or 120) 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.

(g) MINIMUM TICK – The Minimum Tick size for the US Tech 100 Touch Bracket Variable Payout Contracts shall be 0.25.

(h) POSITION LIMIT – The Position Limit for US Tech 100 Touch Bracket Variable Payout Contracts shall be 100 Contracts.

(i) LAST TRADING DATE – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the US Tech 100 Expiration Value is released by the Source Agency.

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) US TECH 100 INDEX VALUE – The Source Agency shall calculate and produce a US Tech 100 Index Value once each second throughout the life of the US Tech 100 Variable Payout contracts. That is, each second the Source Agency will calculate a US Tech 100 Index Value by taking by taking all NQFC trade prices occurring in the ten (10) seconds leading up to

the Calculation Time, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of NQFC trade prices and the lowest twenty (20) percent of NQFC trade prices from the data set²², and using the remaining NQFC trade prices to calculate the US Tech 100 Index Value for that second. The calculation used is a simple average of the remaining NQFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) NQFC trade prices exceeds the ten (10) second period, the US Tech 100 Index Value will be calculated by the Source Agency by taking the last twenty-five (25) NQFC trade prices just prior to the Calculation Time, removing the highest five (5) NQFC trade prices and the lowest five (5) NQFC trade prices, and using the remaining fifteen (15) NQFC trade prices to calculate the US Tech 100 Index Value. The calculation used is a simple average of all fifteen (15) NQFC trade prices, rounded to one decimal point past the precision of the underlying market.

(n) EXPIRATION VALUE – The Expiration Value is the US Tech 100 Index Value as released by the Source Agency at Expiration.

(o) 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 the Series.

RULE 12.63 [UNCHANGED]

RULE 12.64 WALL STREET 30 VARIABLE PAYOUT CONTRACTS

RULE 12.64.1 WALL STREET 30 “CALL SPREAD” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Wall Street 30 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 price of the E-mini Dow® Futures contracts (“DJFC”) traded on the Chicago Board of Trade (CBOT®)²³. The DJFC trade prices that will be used to calculate the Underlying will be taken from four (4) DJFC delivery months: March, June, September, or December (each a “DJFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on

²² If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

²³ CBOT® is a registered service mark of the Board of Trade of the City of Chicago, “Dow Jones,” “DJIA,” and “The Dow” are registered trademarks of Dow Jones & Company, Inc. Nadex is not affiliated with the Board of Trade of the City of Chicago or Dow Jones and neither the Board of Trade of the City of Chicago, Dow Jones, nor its affiliates, sponsor or endorse Nadex or its products in any way. In particular, the Nadex Wall Street 30 Contracts are not sponsored, endorsed, sold or promoted by CBOT or Dow Jones.

which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME e-mini Dow March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the e-mini Dow March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant e-mini Dow contracts will be the Friday of the preceding week. Therefore, the End Date for using CME e-mini Dow March 2012 futures will be March 9, 2012 and the Start Date for the next delivery month, CME e-mini Dow June 2012 futures, will be March 10, 2012.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 Wall Street 30 Call Spreads, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY WALL STREET 30 CALL SPREAD VARIABLE PAYOUT-CONTRACTS, 4:15 PM ET CLOSE - At the commencement of trading in a Daily Wall Street 30 Call Spread, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:

(1) DAILY WALL STREET 30 CALL SPREAD CONTRACT

(aa) CEILING – The Ceiling shall be $X + 400$.

(bb) FLOOR – The Floor shall be $X - 400$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1.

(2) In each case, “X” equals the last DJFC price, as reported by the Source Agency, rounded to the nearest 100.

(ii) DAILY WALL STREET 30 CALL SPREAD CONTRACTS, 4:15 PM ET CLOSE - Nadex shall list a set of three (3) Call Spread Payout Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be X ; The Floor shall be $X - 400$.

(2) CONTRACT 2: The Ceiling shall be $X + 200$; The Floor shall be $X - 200$.

(3) CONTRACT 3: The Ceiling shall be $X + 400$; The Floor shall be X .

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1.

(5) In each case, “X” equals the last DJFC price, as reported by the Source Agency, rounded to the nearest 100.

(iii) INTRADAY WALL STREET 30 CALL SPREAD CONTRACTS, 8AM ET to 4:15 PM ET CLOSE - Nadex shall list a set of five (5) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Ceiling shall be $X - 150$; The Floor shall be $X - 450$.

(2) CONTRACT 2: The Ceiling shall be X ; The Floor shall be $X - 300$.

(3) CONTRACT 3: The Ceiling shall be $X + 150$; The Floor shall be $X - 150$.

(4) CONTRACT 4: The Ceiling shall be $X + 300$; The Floor shall be X .

(5) CONTRACT 5: The Ceiling shall be $X + 450$; The Floor shall be $X + 150$.

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1.

(7) In each case, “X” equals the last DJFC price, as reported by the Source Agency, rounded to the nearest 50.

(iv) INTRADAY 2-HOUR WALL STREET 30 CALL SPREAD CONTRACTS, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM and 4:00PM ET CLOSE - Nadex shall list a set of five (5) 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 $X - 50$; The Floor shall be $X - 150$.

(2) CONTRACT 1: The Ceiling shall be X ; The Floor shall be $X - 100$.

(3) CONTRACT 2: The Ceiling shall be $X + 50$; The Floor shall be $X - 50$.

(4) CONTRACT 3: The Ceiling shall be $X + 100$; The Floor shall be X .

(5) CONTRACT 5: The Ceiling shall be $X + 150$; The Floor shall be $X + 50$.

(6) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1.

(7) In each case, “X” equals the last DJFC price, as reported by the Source Agency, rounded to the nearest 5.

(v) 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.

(g) **MINIMUM TICK** – The Minimum Tick size for Wall Street 30 Call Spread Variable Payout Contracts shall be 1.

(h) **POSITION LIMIT** – The Position Limits for Wall Street 30 Call Spread Variable Payout Contracts shall be 31,250 Contracts.

(i) **LAST TRADING DATE** – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) **EXPIRATION DATE** – The Expiration Date of the Contract shall be the date on which the Wall Street 30 Expiration Value is released by the Source Agency.

(l) **SETTLEMENT VALUE** – The Settlement Value is 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.

(m) **EXPIRATION VALUE** – The Expiration Value is the Wall Street 30 Index Value as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all DJFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Wall Street 30 Call Spread Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of DJFC trade prices and the lowest twenty (20) percent of DJFC trade prices from the data set²⁴, and using the remaining DJFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining DJFC trade prices in the data set, rounded to the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) DJFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Wall Street 30 Call Spread Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) DJFC trade prices just prior to the close of trading of the Wall Street 30 Call Spread Contract removing the highest five (5) DJFC trade prices and the lowest five (5) DJFC trade prices, and using the remaining fifteen (15) DJFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) DJFC trade prices, rounded to the precision of the underlying market.

²⁴ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

(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 the Series.

RULE 12.64.2 WALL STREET 30 “TOUCH BRACKET” VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Wall Street 30 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 price of the E-mini Dow® Futures contracts (“DJFC”) traded on the Chicago Board of Trade (CBOT®)²⁵. The DJFC trade prices that will be used to calculate the Underlying will be taken from four (4) DJFC delivery months: March, June, September, or December (each a “DJFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME e-mini Dow March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the e-mini Dow March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant e-mini Dow contracts will be the Friday of the preceding week. Therefore, the End Date for using CME e-mini Dow March 2012 futures will be March 9, 2012 and the Start Date for the next delivery month, CME e-mini Dow June 2012 futures, will be March 10, 2012.

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

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

(e) ISSUANCE – For each planned release by the Source Agency of the Underlying, Nadex will issue various Contracts, each of a different Series. A new issuance of Contracts will commence no later than two (2) business days following the Expiration Date.

(f) 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 Wall Street 30 Touch Brackets Contracts the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY WALL STREET 30 TOUCH BRACKET VARIABLE PAYOUT CONTRACTS, Close Time is the earlier of 4:15PM ET on the last Trade Day of the contract listing, or when the Wall Street 30 Index Value is equal to or greater than the Ceiling, or

²⁵ CBOT® is a registered service mark of the Board of Trade of the City of Chicago, “Dow Jones,” “DJIA,” and “The Dow” are registered trademarks of Dow Jones & Company, Inc. Nadex is not affiliated with the Board of Trade of the City of Chicago or Dow Jones and neither the Board of Trade of the City of Chicago, Dow Jones, nor its affiliates, sponsor or endorse Nadex or its products in any way. In particular, the Nadex Wall Street 30 Contracts are not sponsored, endorsed, sold or promoted by CBOT or Dow Jones.

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 3:00AM 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 $X + 400$; The Floor shall be $X - 100$.

(2) CONTRACT 2: The Ceiling shall be $X + 300$; The Floor shall be $X - 200$.

(3) CONTRACT 3: The Ceiling shall be $X + 200$; The Floor shall be $X - 300$.

(4) CONTRACT 4: The Ceiling shall be $X + 100$; The Floor shall be $X - 400$.

(5) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1.

(6) In each case, "X" equals the last Wall Street 30 price, as reported by the Source Agency, rounded to the nearest 10.

(ii) Upon the early Expiration of a Touch Bracket, Nadex may list a new Touch Bracket with a Ceiling of $X + 400$ (or 100) and a Floor of $X - 100$ (or 400) 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.

(g) MINIMUM TICK – The Minimum Tick size for Wall Street 30 Touch Bracket Variable Payout Contracts shall be 1.

(h) POSITION LIMIT – The Position Limit for Wall Street 30 Touch Bracket Variable Payout Contracts shall be 100 Contracts.

(i) LAST TRADING DATE – The Last Trading Date of the Contract is the same date as the Settlement Date.

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

(k) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the Wall Street 30 Expiration Value is released by the Source Agency.

(l) SETTLEMENT VALUE – The Settlement Value is 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.

(m) WALL STREET 30 INDEX VALUE – The Source Agency shall calculate and produce a Wall Street 30 Index Value once each second throughout the life of the Wall Street 30 Variable Payout contracts. That is, each second the Source Agency will calculate a Wall Street 30 Index Value by taking by taking all DJFC trade prices occurring in the ten (10) seconds leading up to the Calculation Time, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of DJFC trade prices and the lowest twenty (20) percent of DJFC trade prices from the data set²⁶, and using the remaining DJFC trade prices to calculate the Wall Street 30 Index Value for that second. The calculation used is a simple average of the remaining DJFC trade prices in the data set, rounded to the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) DJFC trade prices exceeds the ten (10) second period, the Wall Street 30 Index Value will be calculated by the Source Agency by taking the last twenty-five (25) DJFC trade prices just prior to the Calculation Time, removing the highest five (5) DJFC trade prices and the lowest five (5) DJFC trade prices, and using the remaining fifteen (15) DJFC trade prices to calculate the Wall Street 30 Index Value. The calculation used is a simple average of all fifteen (15) DJFC trade prices, rounded to the precision of the underlying market.

(n) EXPIRATION VALUE – The Expiration Value is the Wall Street 30 Index Value as released by the Source Agency at Expiration.

(o) 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 the Series.

RULE 12.65 [UNCHANGED]

End of Rulebook

²⁶ If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.