

## North American Derivatives Exchange Emergency Action

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

Indicate the type of emergency being addressed (as listed in Rule 2.4(c)) (check appropriate):

- (i)  any activity that manipulates or attempts to manipulate the Market;
- (ii)  any actual, attempted, or threatened corner, squeeze, or undue concentration of positions;
- (iii)  any circumstance that may materially affect the performance of the Contracts traded on, Nadex;
- (iv)  any action taken by the United States, any foreign government, any state or local governmental body, any other contract market or board of trade, or any other exchange, market, facility, or trade association (foreign or domestic) that may have a direct impact on trading on Nadex;
- (v)  any circumstances that may have a severe, adverse impact upon the physical functions of Nadex including, for example, natural disasters such as fire or flood, terrorist acts such as bomb threats, physical plant breakdowns such as plumbing, heating, or air conditioning problems, system breakdowns such as power, telephony, cable, trading systems, or computer systems failures or interruptions to communications, the network, or the Internet;
- (vi)  the imposition of any injunction or other restraint by any government agency, court, or arbitrator that may affect the ability of a Member to perform on Contracts;
- (vii)  any circumstance in which it appears that a Nadex Member or any other person is in such operational condition, or is conducting business in such a manner, that such person cannot be permitted to continue in business without jeopardizing the safety of Nadex Members or Nadex itself; and
- (viii)  any other unusual, unforeseeable, and adverse circumstance which, in the opinion of the governing board, requires immediate action and threatens or may threaten such things as the fair and orderly trading in, or the liquidation of or delivery pursuant to Contracts traded on Nadex.

The reason for the emergency action is: Nadex implemented an Emergency Rule pursuant to Nadex Rule 2.4 on the evening of November 8, 2016 (trade date November 9, 2016) to halt trading in all of its US 500 and US Tech 100 Binary and Variable Payout contracts as a result of the lock limit down in the corresponding underlying CME E-mini S&P 500 Index Futures and CME E-mini NASDAQ 100 Index Futures markets. Specific contracts are listed in the table below, along with the approximate time trading was halted, and resumed.

Contract	Halted	Resumed
US Tech 100 Daily Variable Payout	12:08am ET	12:31am ET
US Tech 100 Daily Binary	12:08am ET	12:31am ET
US Tech 100 Weekly Binary	12:08am ET	12:31am ET
US 500 Daily Variable Payout	12:08am ET	12:31am ET
US 500 Daily Binary	12:08am ET	12:31am ET
US 500 Weekly Binary	12:08am ET	12:31am ET

Trading resumed in all contracts before any regularly scheduled expirations occurred, and therefore no Member remained in a position for which they could not attempt to liquidate prior to expiration of that contract.

By: Kate Krupl  
 Title: Chief Regulatory Officer  
 Date: November 9, 2016

and

By: [Signature]  
 Title: CEO