Jaime M. Walsh
+1 (312) 884-0927
Jaime.walsh@nadex.com

NADEX

November 30, 2018

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: Rule Certification: Nadex Delists Corn, Soy, Copper Binary Contracts and Intraday Copper Variable Payout Contracts - Submission Pursuant to Commission Regulation §40.6(a)**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the "Act"), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (the "Commission") under the Act, North American Derivatives Exchange, Inc. ("Nadex") hereby submits to the Commission its intent to delist its Corn, Soybeans, and Copper Binary contracts (all durations), as well as its Intraday (2-Hour and 5-Hour) Copper Call Spread Variable Payout contracts. As §40.6(a) exempts the delisting of a product from the 10-day review period, Nadex will delist the aforementioned contracts effective at the close of business on trade date Friday, November 30, 2018.

All Corn, Soybeans, and Copper Binary contracts, and all Intraday Copper Call Spread Variable Payout contracts will have closed by 4:15pm ET on November 30, 2018. After the final settlement of these contracts, no open positions or working orders will exist in the Nadex market for the contracts to be delisted.

Amendments to the Rulebook to remove the relevant contract specifications have been outlined in Exhibit A. Specific amendments are set forth in Exhibit B. Any deletions are stricken out while the amendments and/or additions are underlined.

Nadex hereby certifies that the additions 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 any of these actions. Nadex hereby certifies that notice of these events was posted on its website at the time of this filing.

Should you have any questions regarding the above, please do not hesitate to contact me by telephone at (312) 884-0927 or by email at jaime.walsh@nadex.com.

Sincerely,

Jaime M. Walsh
Legal Counsel

## EXHIBIT A

| Rule | Asset | Duration/Close Time | Action | Effective Date |
|---|---|---|---|---|
| 4.4 | Obligations of Market Maker | N/A | Remove Copper Binaries from Alternative Position Limits as no longer applicable | 12/3/2018 |
| 12.3 | Copper Binary Contracts | All Intraday (10am, 11am, 12pm close times), Daily (1pm close time), and Weekly (1pm close time) contracts | Delist contracts | 12/3/2018 |
| 12.2 | Copper Variable Payout Contracts | All Intraday 2-Hour (10am, 11am, 12pm, 1pm close times) and 5-Hour (1pm close time) contracts | Delist contracts | 12/3/2018 |
| 12.13 | Corn Binary Contracts | All Daily (2:15pm close time) and Weekly (2:15pm close time) contracts | Delist contracts | 12/3/2018 |
| 12.15 | Soybeans Binary Contracts | All Daily (2:15pm close time) and Weekly (2:15pm close time) contracts | Delist contracts | 12/3/2018 |

**EXHIBIT B**

Amendment of Rules 4.4, 12.2, 12.3, 12.13, 12.15

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

RULES 1.1 – 4.3 [UNCHANGED]

RULE 4.4 OBLIGATIONS OF MARKET MAKERS

(a) General – Transactions of Market Makers should constitute a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and Market Makers shall not make bids or offers or enter into transactions that are inconsistent with such a course of dealings. Ordinarily, Market Makers shall be obligated to do the following:

(i) trade for the proprietary account of the Market Maker only;

(ii) maintain at least the minimum capital on deposit with Nadex in accordance with the terms of the applicable Market Maker Agreement;

(iii) comply with all other terms of the applicable Market Maker Agreement; and

(iv) maintain two-sided displayed quotes, insofar as required by the Market Maker Agreement, of a minimum designated quantity ("Size") within a predefined spread ("Bid/Ask Spread") for a Series of Contracts for a certain period of time throughout the trading day, and comply with all other terms of the applicable Market Maker Agreement.

(1) In ordinary market conditions, quotes must be made within a maximum Bid/Ask Spread.

(2) The Market Maker Agreement sets forth specific conditions under which a Market Maker is permitted to refrain from quoting binding bid and offer prices.

(b) A Market Maker has a continuous obligation to engage, to a reasonable degree under the existing circumstances, in dealings for the account of the Market Maker when there exists, or it is reasonably anticipated that there will exist, a lack of price continuity or a temporary disparity between the supply of and demand for quotations in a Series of a Designated Class to which the Market Maker is appointed. Without limiting the foregoing, a Market Maker is expected to perform the following activities in the course of maintaining a fair and orderly market;

(i) To post bid and ask quotations in all Designated Classes to which the Market Maker is appointed that, absent changed market conditions, will be honored by the Market Maker.

(ii) To update quotations in response to changed market conditions in all Designated Classes to which the Market Maker is appointed.

(iii) All Market Maker quotations shall be submitted as "Post-Only Quotes". A Market Maker is not permitted to submit Non Post-Only Orders.

(iv) In the event a Market Maker has built a position size equal to or greater than 90% of any applicable position limit in a particular Class or Contract, Market Maker is temporarily relieved of its quoting obligation for such Class or Contract until Market Maker's position in such Class or Contract has been reduced to 75% of the applicable position limit, at which time quoting obligations as set forth in the Market Maker Agreement will resume.

(c) Like other Members of Nadex, a Market Maker may not attempt to execute a trade unless it has the excess funds in its Nadex account necessary to fully collateralize its obligations of the trade.

(d) Alternative Position Limits for Certain Binary Contracts

(i) Approved market makers who are engaged in bona fide market-making activity shall be exempt from the position limits for those Binary Contracts defined in

(1) Rules 12.55 (Japan 225), 12.57 (China 50),12.65 (Wall Street 30), 12.63 (US Tech 100), 12.59 (US 500) and 12.61 (US SmallCap 2000) of these Rules. Instead, such market makers shall be subject to Alternative Position Limits of twice the limit identified for such Binary Contract in Chapter 12. In addition, such Alternative Position Limits shall apply not to the entire class of Binary Contracts, but to each Binary Contract in that Class (i.e., per strike).

(2) Rules ~~12.3 (Copper),~~ 12.5 (Gold), 12.7 (Silver), 12.9 (Crude Oil), 12.11 (Natural Gas), 12.49 (FTSE 100) and 12.51 (Germany 30) of these Rules. Instead, such market makers shall be subject to Alternative Position Limits of the limit identified for such Binary Contract in Chapter 12, which limit shall apply not to the entire class of Binary Contracts, but to each Binary Contract in that Class (i.e., per strike).

(ii) A market maker taking advantage of this exemption and an Alternative Position Limit must, within 1 business day following a request by Nadex's Compliance Department, provide the Nadex Compliance Department with a trade register detailing all futures trading activity in any account owned or controlled by the market maker in the futures contract underlying a Binary Contract during the 15 minutes immediately before and after any expiration time identified by Nadex's Compliance Department in the request.

(e) Duly appointed Market Makers may be charged a Wide Spread Surcharge as set forth in the fee schedule.

RULES 5.1 - 12.1 [UNCHANGED]

RULE 12.2 COPPER VARIABLE PAYOUT CONTRACTS

(a) SCOPE –These Rules shall apply to the Class of Contracts referred to as the Copper Variable Payout Contracts issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the Copper price per pound (in U.S. cents), obtained from the specified Copper Futures Contracts ("CPFC") trading in the COMEX Division on the New York Mercantile Exchange ("NYMEX"®)[1]. The CPFC prices that will be used to calculate the Underlying will be taken from the March, May, July, September, or December CPFC delivery months (each a "CPFC Delivery Month"). The Start and End Date for which Nadex will use a specific delivery month as the Underlying will be set based on the Settlement date of the Underlying futures contract. 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 third to last business day of the month preceding the month of the Underlying futures contracts Expiration Date. For example, the Comex Copper March 2014 futures have an Expiration Date of March 27, 2014. The last day on which the Copper March 2014 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Copper contracts will be the third to last business day of the preceding month, February. Therefore, the End Date for using Comex Copper March 2014 futures will be February 26, 2014 and the Start Date for the next delivery month, Comex Copper May 2014 futures, will be February 27, 2014.

(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.

---

[1] NYMEX® is a registered service mark of the New York Mercantile Exchange, Inc. COMEX® is a registered service mark of the Commodity Exchange, Inc. Nadex is not affiliated with the New York Mercantile Exchange, Inc. or the Commodity Exchange, Inc. and neither the New York Mercantile Exchange, the Commodity Exchange, Inc., nor their affiliates, sponsor or endorse Nadex or any of its products in any way.

(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 Copper Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY COPPER VARIABLE PAYOUT SPREAD CONTRACTS, 1:00 PM ET CLOSE - At the commencement of trading in a Daily Spread Copper Variable Payout Contract, Nadex shall list one (1) Variable Payout Contract, referred to as a 'Spread', which conforms to the Payout Criteria listed below:

(1) DAILY COPPER VARIABLE PAYOUT 'SPREAD' CONTRACT

(aa) CAP – The Cap shall be X + .30.

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

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1000.

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

(ii) DAILY COPPER VARIABLE PAYOUT SPREAD CONTRACTS, 1:00 PM ET CLOSE - Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

(1) CONTRACT 1: The Cap shall be X; The Floor shall be X – .30.

(2) CONTRACT 2: The Cap shall be X + .15; The Floor shall be X – .15.

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

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1000.

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

~~(iii) INTRADAY COPPER VARIABLE PAYOUT SPREAD CONTRACTS, 8AM ET to 1:00 PM ET CLOSE - Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, which conform to the Payout Criteria listed below:~~

(1) ~~CONTRACT 1: The Cap shall be X; The Floor shall be X – .25.~~

(2) ~~CONTRACT 2: The Cap shall be X + .125; The Floor shall be X – .125.~~

(3) ~~CONTRACT 3: The Cap shall be X + .25; The Floor shall be X.~~

(4) ~~DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1000.~~

(5) ~~In each case, "X" equals the last Copper price, as reported by the Source Agency, rounded to the nearest .025.~~

~~(iv) INTRADAY 2-HOUR COPPER VARIABLE PAYOUT SPREAD CONTRACTS, 10:00AM, 11:00AM, 12:00PM, and 1:00PM ET CLOSE - Nadex shall list a set of three (3) Variable Payout 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 Cap shall be X; The Floor shall be X – .08.~~

(2) ~~CONTRACT 2: The Cap shall be X + .04; The Floor shall be X – .04.~~

(3) ~~CONTRACT 3: The Cap shall be X + .08; The Floor shall be X.~~

(4) ~~DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1000.~~

(5) ~~In each case, "X" equals the last Copper price, as reported by the Source Agency, rounded to the nearest .02.~~

~~(v)~~ (iii) Nadex may list additional Variable Payout 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 Copper Variable Payout Contracts shall be 0.001.

(h) POSITION LIMIT – The Position Limits for Copper Variable Payout Contracts shall be 20,833 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 Copper 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 Copper released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all CPFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Copper Variable Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of CPFC trade prices and the lowest twenty (20) percent of CPFC trade prices from the data set[2], and using the remaining CPFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining CPFC 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) CPFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Copper Variable Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) CPFC trade prices just prior to the close of trading of the Copper Variable Contract removing the highest five (5) CPFC trade prices and the lowest five (5) CPFC trade prices, and using the remaining fifteen (15) CPFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) CPFC 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 that Series.

RULE 12.3 [RESERVED] ~~COPPER BINARY CONTRACTS~~

(a) ~~SCOPE – These Rules shall apply to the Class of Contracts referred to as the Copper Binary Contract issued by Nadex.~~

(b) ~~UNDERLYING – The Underlying for this Class of Contracts is the Copper price per pound (in U.S. cents), obtained from the specified Copper Futures Contracts ("CPFC") trading in the COMEX Division on the New York Mercantile Exchange ("NYMEX"®)[3]. The CPFC prices that will be used to calculate the Underlying will be taken from the March, May, July, September, or December CPFC delivery months (each a "CPFC Delivery Month"). The Start and End Date for which Nadex will use a specific delivery month as the Underlying will be set based on the Settlement date of the Underlying futures contract. 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 third to last business day of the month preceding the month of the Underlying futures contracts Expiration Date. For example, the Comex Copper March 2014 futures have an Expiration Date of March 27, 2014. The last day on which the Copper March 2014 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date~~

[2] 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.

~~[3] NYMEX® is a registered service mark of the New York Mercantile Exchange, Inc. COMEX® is a registered service mark of the Commodity Exchange, Inc. Nadex is not affiliated with the New York Mercantile Exchange, Inc. or the Commodity Exchange, Inc. and neither the New York Mercantile Exchange, the Commodity Exchange, Inc., nor their affiliates, sponsor or endorse Nadex or any of its products in any way.~~

~~for the relevant Copper contracts will be the third to last business day of the preceding month, February. Therefore, the End Date for using Comex Copper March 2014 futures will be February 26, 2014 and the Start Date for the next delivery month, Comex Copper May 2014 futures, will be February 27, 2014.~~[4]

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

(d) ~~TYPE – The type of Contract is a Binary 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 Binary Contracts are initially issued. For the Copper Binary Contract, the Payout Criteria for the Contracts will be set as follows:~~

(i) ~~WEEKLY COPPER BINARY CONTRACTS~~

(1) ~~EXPIRATION TIME – 1:00PM ET CLOSE~~

(2) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.05.~~

(3) ~~NUMBER OF STRIKE LEVELS LISTED - Thirteen (13) strike levels will be listed for each Weekly Copper Binary Contract Series.~~

(4) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "W" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.005 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract W at an interval of 0.05, and six (6) strike levels will be generated below Binary Contract W at an interval of 0.05 (e.g. W – 0.05; W; W + 0.05). The Contract will have a Payout Criterion of greater than the strike level value.~~

(ii) ~~DAILY COPPER BINARY CONTRACTS~~

[4] ~~Weekly contracts listed on a Monday during a week containing an Underlying futures rollover date will be listed using the Underlying futures month scheduled to be used to determine the settlement value on the day the contract expires. For example, the End Date for which Nadex will use the Comex Copper March 2014 Underlying futures to determine the settlement value is February 26, 2014. February 26, 2014 is a Wednesday, however, and any Nadex weekly contracts listed for this roll week and expiring on Friday, February 28, 2014, will be listed using the Comex Copper May 2014 futures as its Underlying, as May is the futures month scheduled to be used to determine the Settlement Value of the Nadex weekly contract on its expiration date. Therefore, the Start Date for the Comex Copper May 2014 futures will be Monday, February 24, 2014 for any Nadex weekly contracts listed on this date.~~

(1) ~~EXPIRATION TIME – 1:00PM ET CLOSE~~

(2) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.01.~~

(3) ~~NUMBER OF STRIKE LEVELS LISTED - Fifteen (15) strike levels will be listed for each Daily Copper Binary Contract Series.~~

(4) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "Y" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.01 as reported by the Source Agency. Seven (7) strike levels will be generated above Binary Contract Y at an interval of 0.01, and seven (7) strike levels will be generated below Binary Contract Y at an interval of 0.01 (e.g. Y – 0.01; Y; Y + 0.01). The Contract will have a Payout Criterion of greater than the strike level value.~~

(iii) ~~INTRADAY COPPER BINARY CONTRACTS~~

(1) ~~EXPIRATION TIME – 10:00AM, 11:00AM, 12:00PM ET CLOSE~~

(2) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.005.~~

(3) ~~NUMBER OF STRIKE LEVELS LISTED - Nine (9) strike levels will be listed for each Intraday Copper Binary Contract Series.~~

(4) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "Z" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.001 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Z at an interval of 0.005, and four (4) strike levels will be generated below Binary Contract Z at an interval of 0.005 (e.g. Z – 0.005; Z; Z + 0.005). The Contract will have a Payout Criterion of greater than the strike level value.~~

~~(iv) Nadex may list additional Copper Binary Contract 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 the Copper Binary Contracts shall be $0.25.~~

(h) ~~POSITION LIMIT – The Position Limits for the Copper Binary Contract shall be 2,500 Contracts.~~

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

(j) ~~SETTLEMENT DATE – The Settlement Date will be the date on which the Copper Settlement Price is released by the Source Agency.~~

(k) ~~EXPIRATION DATE – The Expiration Date of the Contract will be the date on which the Copper Settlement Price is released by the Source Agency.~~

(l) ~~SETTLEMENT VALUE – The Settlement Value is the amount paid to the holder of the in the money Contract on the Settlement Date. The Settlement Value for an in the money Copper Binary Contract is $100.~~

(m) ~~EXPIRATION VALUE – The Expiration Value is the price or value of Copper released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all CPFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Copper Binary Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of CPFC trade prices and the lowest twenty (20) percent of CPFC trade prices from the data set~~[5]~~, and using the remaining CPFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining CPFC 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) CPFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Copper Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) CPFC trade prices just prior to the close of trading of the Copper Binary Contract removing the highest five (5) CPFC trade prices and the lowest five (5) CPFC trade prices, and using the remaining fifteen (15) CPFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) CPFC 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 that Series.~~

RULES 12.4 – 12.12 [UNCHANGED]

RULE 12.13 [RESERVED] ~~CORN BINARY CONTRACTS~~

(a) ~~SCOPE – These Rules shall apply to the Class of Contracts referred to as the Corn Binary Contract issued by Nadex.~~

[5] ~~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 Corn price per bushel (in U.S. cents), herein after referred to as "Corn", as calculated by Nadex using a proprietary algorithm which takes a sampling of prices~~[6] ~~obtained from the specified Corn Futures Contracts ("CNFC") currently trading on the Chicago Board of Trade (CBOT®)~~[7]~~. The CNFC prices that will be used to calculate the Underlying will be taken from the March, May, July, or December CNFC delivery months (each a "CNFC Delivery Month"). The Start and End Date for which Nadex will use a specific delivery month as the Underlying, will be set based on the Settlement date of the Underlying futures contract. 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 last day preceding the Start Date. The Start Date will be the 12th business day of the calendar month that precedes the Underlying futures contracts current lead month. For example, if the CBOT Corn May 2014 futures is the current lead month and used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Corn contracts, the CBOT Corn July 2014 futures will become the current lead month on April 16, 2014, the 12th business day of the month preceding the current lead month (May), and become the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Corn contracts. The last day on which the Corn May 2014 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date is April 15, 2014, which is the last trading day preceding April 16, 2014, the Start Date of the July 2014 futures~~[8]~~.~~

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

(d) ~~TYPE – The type of Contract is a Binary 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 Binary Contracts are initially issued. For the Corn Binary Contract, the Payout Criteria for the Contracts will be set as follows:~~

~~(i) WEEKLY CORN BINARY CONTRACTS~~

---

[6] ~~*Supra, at fn 14.*~~
[7] ~~*Supra, at fn 15.*~~
[8] ~~Weekly contracts listed on a Monday during a week containing an Underlying futures rollover date will be listed using the Underlying futures month scheduled to be used to determine the Expiration Value on the day the contract expires. For example, the Start Date for the CBOT Corn July 2014 Underlying futures is April 16, 2014. April 16, 2014 is a Wednesday, and therefore, and any Nadex weekly contracts listed on Monday, April 14, 2014 and expiring on Friday, April 18, 2014, will be listed using the CBOT Corn July 2014 futures as its Underlying, as July is the futures month scheduled to be used to determine the Expiration Value of the Nadex weekly contract on its expiration date. Therefore, the Start Date for the CBOT Corn July 2014 futures will be Monday, April 14, 2014 for any Nadex weekly contracts listed on this date.~~

(1) ~~EXPIRATION TIME – 2:15PM ET CLOSE~~

(2) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 5.0.~~

(3) ~~NUMBER OF STRIKE LEVELS LISTED - Seven (7) strike levels will be listed for each Weekly Corn Binary Contract Series.~~

(4) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "W" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.5 as reported by the Source Agency. Three (3) strike levels will be generated above Binary Contract W at an interval of 5.0, and three (3) strike levels will be generated below Binary Contract W at an interval of 5.0 (e.g. W – 5.0; W; W + 5.0). The Contract will have a Payout Criterion of greater than the strike level value.~~

(ii) ~~DAILY CORN BINARY CONTRACTS~~

~~(1) EXPIRATION TIME – 2:15PM ET CLOSE~~

(1) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 2.0.~~

(2) ~~NUMBER OF STRIKE LEVELS LISTED – Fifteen (15) strike levels will be listed for each Daily Corn Binary Contract Series.~~

(3) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract "Y" is valued 'at-the-money' in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 1 as reported by the Source Agency. Seven (7) strike levels will be generated above Binary Contract Y at an interval of 2.0, and seven (7) strike levels will be generated below Binary Contract Y at an interval of 2.0 (e.g. Y – 2.0; Y; Y + 2.0). The Contract will have a Payout Criterion of greater than the strike level value.~~

~~(iii) Nadex may list additional Corn Binary 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 Corn Binary Contracts shall be $0.25.~~

(h) ~~POSITION LIMIT - The Position Limit for Corn Binary Contracts shall be 2,500 Contracts.~~

(i) ~~LAST TRADING DATE - The Last Trading Date in a Series is the same date as the Expiration Date.~~

(j) ~~SETTLEMENT DATE - The Settlement Date will be the same date as the Expiration Date.~~

(k) ~~EXPIRATION DATE - The Expiration Date of the Contract will be the date on which the Corn Expiration Value is released by the Source Agency.~~

(l) ~~SETTLEMENT VALUE - The Settlement Value is the amount paid to the holder of the in the money Contract on the Settlement Date. The Settlement Value of an in the money Corn Binary Contract is $100.~~

(m) ~~EXPIRATION VALUE - The Expiration Value is the price or value of Corn as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all CNFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Corn Binary Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of CNFC trade prices and the lowest twenty (20) percent of CNFC trade prices from the data set[9], and using the remaining CNFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining CNFC 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) CNFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Corn Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) CNFC trade prices just prior to the close of trading of the Corn Binary Contract removing the highest five (5) CNFC trade prices and the lowest five (5) CNFC trade prices, and using the remaining fifteen (15) CNFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) CNFC 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 that Series.~~

RULE 12.14 [UNCHANGED]

RULE 12.15 [RESERVED] ~~SOYBEAN BINARY CONTRACTS~~

(a) ~~SCOPE – These Rules shall apply to the Class of Contracts referred to as the Soybean Binary Contracts issued by Nadex.~~

---

[9] ~~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 Soybean price per bushel (in U.S. cents), herein after referred to as "Soybean" or "Soybeans", as calculated by Nadex using a proprietary algorithm which takes a sampling of prices[10] obtained from the specified Soybean Futures contracts ("SBFC") currently trading in the Chicago Board of Trade (CBOT®)[11] The SBFC prices that will be used to calculate the Underlying will be taken from the January, March, May, July, or November SBFC delivery months (each a "SBFC Delivery Month"). The Start and End Date for which Nadex will use a specific delivery month as the Underlying, will be set based on the Settlement date of the Underlying futures contract. 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 last day preceding the Start Date. The Start Date will be the 12th business day of the calendar month that precedes the Underlying futures contracts current lead month. For example, if the CBOT Soybeans May 2014 futures is the current lead month and used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Soybeans contracts, the CBOT Soybeans July 2014 futures will become the current lead month on April 16, 2014, the 12th business day of the month preceding the current lead month (May), and become the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Soybeans contracts. The last day on which the Soybeans May 2014 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date is April 15, 2014, which is the last trading day preceding April 16, 2014, the Start Date of the July 2014 futures[12].~~

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

(d) ~~TYPE – The type of Contract is a Binary 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.~~

~~[10] The term "Prices" does not include any settlement prices calculated or issued by CBOT. Nadex only uses the prices reported on the CBOT in order to formulate its own Expiration Value.~~

~~[11] CBOT® is a registered service mark of the Chicago Board of Trade. Nadex is not affiliated with the Chicago Board of Trade and neither the Chicago Board of Trade, nor its affiliates, sponsor or endorse Nadex in any way.~~

~~[12] Weekly contracts listed on a Monday during a week containing an Underlying futures rollover date will be listed using the Underlying futures month scheduled to be used to determine the Expiration Value on the day the contract expires. For example, the Start Date for the CBOT Soybeans July 2014 Underlying futures is April 16, 2014. April 16, 2014 is a Wednesday, and therefore, and any Nadex weekly contracts listed on Monday, April 14, 2014 and expiring on Friday, April 18, 2014, will be listed using the CBOT Soybeans July 2014 futures as its Underlying, as July is the futures month scheduled to be used to determine the Expiration Value of the Nadex weekly contract on its expiration date. Therefore, the Start Date for the CBOT Soybeans July 2014 futures will be Monday, April 14, 2014 for any Nadex weekly contracts listed on this date.~~

(f) ~~PAYOUT CRITERION – The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the Soybean Binary Contract, the Payout Criteria for the Contracts will be set as follows:~~

(i) ~~WEEKLY SOYBEANS BINARY CONTRACTS~~

(1) ~~EXPIRATION TIME – 2:15PM ET CLOSE~~

(2) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 10.0.~~

(3) ~~NUMBER OF STRIKE LEVELS LISTED - Seven (7) strike levels will be listed for each Weekly Soybeans Binary Contract Series.~~

(4) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “W” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 0.5 as reported by the Source Agency. Three (3) strike levels will be generated above Binary Contract W at an interval of 10.0, and three (3) strike levels will be generated below Binary Contract W at an interval of 10.0 (e.g. W – 10.0; W; W + 10.0). The Contract will have a Payout Criterion of greater than the strike level value.~~

(ii) ~~DAILY SOYBEANS BINARY CONTRACTS~~

~~(1) EXPIRATION TIME – 2:15PM ET CLOSE~~

(1) ~~STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 3.0.~~

(2) ~~NUMBER OF STRIKE LEVELS LISTED – Fifteen (15) strike levels will be listed for each Daily Corn Binary Contract Series.~~

(3) ~~STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Y” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in 1 as reported by the Source Agency. Seven (7) strike levels will be generated above Binary Contract Y at an interval of 3.0, and seven (7) strike levels will be generated below Binary Contract Y at an interval of 3.0 (e.g. Y – 3.0; Y; Y + 3.0). The Contract will have a Payout Criterion of greater than the strike level value.~~

~~(iii) Nadex may list additional Soybean Binary Contract 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 Soybean Binary Contracts shall be $0.25.~~

(h) ~~POSITION LIMIT - The Position Limit for Soybean Binary Contract shall be 2500 Contracts.~~

(i) ~~LAST TRADING DATE - The Last Trading Date in a Series is the same date as the Expiration Date.~~

(j) ~~SETTLEMENT DATE - The Settlement Date will be the same date as the Expiration Date.~~

(k) ~~EXPIRATION DATE - The Expiration Date of the Contract will be the date on which the Expiration Value is released by the Source Agency.~~

(l) ~~SETTLEMENT VALUE - The Settlement Value is the amount paid to the holder of the in the money Contract on the Settlement Date. The Settlement Value of an in the money Soybean Binary Contract is $100.~~

(m) ~~EXPIRATION VALUE - The Expiration Value is the price or value of Soybeans as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all SBFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Soybeans Variable Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of SBFC trade prices and the lowest twenty (20) percent of SBFC trade prices from the data set[13], and using the remaining SBFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining SBFC 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) SBFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Soybeans Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) SBFC trade prices just prior to the close of trading of the Soybeans Binary Contract removing the highest five (5) SBFC trade prices and the lowest five (5) SBFC trade prices, and using the remaining fifteen (15) SBFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) SBFC 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 that Series.~~

---

~~[13] 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.~~

RULES 12.16 – 12.78 [UNCHANGED]

*End of Rulebook.*

*The remainder of this page has intentionally been left blank.*