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January 9, 2014

Via E-Mail: [submissions@cftc.gov](mailto:submissions@cftc.gov)

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

**RE: Self-Certification Rule Amendments: Nadex Amends Trading Hours for its Daily and Weekly Germany 30 and FTSE 100<sup>®</sup> Binary and Variable Payout Contracts – Submission Pursuant to Commission Regulation §40.6(a)**

Dear Ms. Jurgens:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and section §40.6(a) 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 submits to the Commission its intent to amend the trading hours for its Daily and Weekly Germany 30 and FTSE 100 Binary and Variable Payout Contracts.

Currently, the Nadex Daily Germany 30 and FTSE 100 Binary and Variable Payout Contracts are available for trading beginning on Monday from 3:00am ET to 4:00pm ET, and continuing 6:00pm ET to 4:00pm ET, Tuesday through Friday. Weekly Contracts are available beginning on Monday from 3:00am ET to 5:00pm ET and continuing 6:00pm ET to 4:00pm ET, Tuesday through Friday. Nadex is amending the hours for these contracts so that trading would be available only from 3:00am ET to 4:00pm ET, Monday through Friday (i.e., trading will no longer be available in these products from 4:00pm ET to 3:00am ET throughout the week). Nadex is making these changes to conform to the listing schedule for the underlying products upon which the Nadex derivatives are based.

North American Derivatives Exchange, Inc., 311 South Wacker Drive, Suite 2675, Chicago, IL 60606

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Nadex has identified the following Designated Contract Market (“DCM”) Core Principles as potentially being impacted by the changes to the trading hours for the Germany 30 and FTSE 100 Contracts: Core Principle 3 Contracts Not Readily Subject to Manipulation; Core Principle 4 Prevention of Market Disruption; Core Principle 7 Availability of General Information.

Core Principles 3 and 4 require the DCM to list on the contract market only contracts that are not readily susceptible to manipulation, and to monitor market data in order to detect and prevent manipulative activity. The amended trading hours will not increase the risk of manipulation, as the change is being made to conform to the availability of the underlying market upon which these contracts are based. Additionally, the change will not affect the settlement calculation process, nor the SMARTS Surveillance System, which Nadex uses to assist with market monitoring. Moreover, Nadex previously has designated a market maker who is obligated to provide liquidity in these contracts, limiting opportunities for the market to be manipulated.

Core Principle 7 requires the DCM to make available the terms and conditions of the contracts available on its market. Nadex makes available on its website the trading availability hours for all of its contracts, and will make the necessary website amendments to reflect the new hours in the affected contracts. The Nadex Rulebook does not require amendments to implement the changes as only contract expiration times are reflected for these contracts and will remain unchanged.

Nadex has identified the following Derivatives Clearing Organization (“DCO”) Core Principles as potentially being impacted by the changes to the trading hours for the Germany 30 and FTSE 100 Contracts: 39.12 Participant and Product Eligibility; 39.21 Public Information.

Core Principle 39.12 requires the DCO to determine the eligibility of contracts for clearing. The specific product class will remain unchanged, as will the payout criterion, settlement calculation process, and the maker maker’s obligation to provide a market in these products. Although not necessary, the amended hours will conform to the trading hours during which the underlying market upon which these contracts are based is active.

Core Principle 39.21 requires the DCO to make available to the public the terms and conditions of each contract. As stated above, no amendments to the Rulebook are needed, and the Nadex website will reflect the specific trading hours for the Germany 30 and FTSE 100 Contracts.

Therefore, the amendments described in this submission will not negatively impact Nadex’s obligations to comply with the Core Principles described above.

Pursuant to the 10-day filing period under Regulation 40.6(a)(3), Nadex intends to implement these amendments on trade date January 27, 2014.

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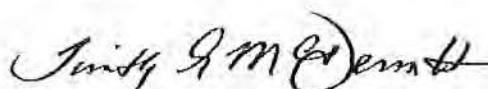
No substantive opposing views were expressed to Nadex with respect to this amendment.

Nadex hereby certifies that the revisions contained herein comply with the Act, as amended, and the Commission Regulations adopted thereunder.

Nadex hereby certifies that a copy of these amendments 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) 884-0171 or by email at [tim.mcdermott@nadex.com](mailto:tim.mcdermott@nadex.com).

Sincerely,



Timothy G. McDermott  
General Counsel and Chief Regulatory Officer

cc: [DMOSubmission@cftc.gov](mailto:DMOSubmission@cftc.gov)  
Tom Leahy – CFTC  
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