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Nadex, Inc.
311 South Wacker Drive
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Chicago, IL 60606

OFFICE OF THE
SECRETARIAT

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February 24, 2011

Via E-Mail: submissions@cftc.gov

Mr. David Stawick
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[®] Amends Error in Wall Street 30, US Tech 100, US 500 Intraday Binary Close Times and Adjusts Strike Levels in the Weekly US Tech 100 and US 500 Binary Contracts – Submission pursuant to Commission Regulation §40.6(a)

Dear Mr. Stawick:

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, Nadex, Inc. (“Nadex”) hereby submits to the Commission its intent to amend its Rules to correct an error in the close time for the 2:00pm ET Wall Street 30, US Tech 100, and US 500 Intraday Binary Contracts. Additionally, Nadex is amending the strike levels in its Weekly US Tech 100 and US 500 Binary Contracts.

The amendments to Nadex’s existing rules address the following provisions:

RULE 12.90 NADEX US TECH 100 BINARY CONTRACTS
RULE 12.89 NADEX WALL STREET 30 BINARY CONTRACTS
RULE 12.91 NADEX US 500 BINARY CONTRACTS

The aforementioned amendments are summarized in Exhibit A. The applicable rule amendments are defined in Exhibit B. Any rule deletions are stricken out while the amendments and/or additions are underlined.

Nadex intends to implement these rule amendments provided for herein effective at the start of business on trade date February 28, 2011.



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No substantive opposing views were expressed to Nadex with respect to any of these actions.

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

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.

Sincerely,

Timothy G. McDermott
General Counsel and Chief Regulatory Officer

cc: DMOSubmission@cftc.gov
Jon Hultquist – CFTC (Acting Branch Chief, DMO, Chicago)
Tom Leahy - CFTC
Riva Adriance – CFTC
Nancy Markowitz – CFTC

Yossi Beinart - Nadex

EXHIBIT A

Nadex Rule	Asset	Duration/ Close Time	Action	Effective Date
12.89	Wall Street 30	4:00 PM ET Intraday Binary Contracts	Correct error in close time	2/28/2011
12.90	US Tech 100	4:00 PM ET Intraday Binary Contracts and All Weekly Binary Contracts	Correct error in close time and adjust strike level in weekly binary contracts	2/28/2011
12.91	US 500	4:00 PM ET Intraday Binary Contracts and All Weekly Binary Contracts	Correct error in close time and adjust strike level in weekly binary contracts	2/28/2011

EXHIBIT B

Amendments to Rules 12.89, 12.90 and 12.91

(The following new Rule additions are underlined and deletions are stricken out)

RULE 1.1 – RULE 12.88 [Unchanged]

RULE 12.89 NADEX WALL STREET 30 BINARY CONTRACTS

(a) - (f)(viii) [Unchanged]

(ix) INTRADAY WALL STREET 30 BINARY CONTRACTS, 2:00
PM to ~~4:15~~ 4:00 PM ET CLOSE

(1) Binary Contract 1: One Contract will have a Payout Criterion of greater than $Z7 - 40$.

(2) Binary Contract 2: One Contract will have a Payout Criterion of greater than $Z7$.

(3) Binary Contract 3: One Contract will have a Payout Criterion of greater than $Z7 + 40$.

(4) In each case above, $Z7$ equals the strike level determined by the Source Agency immediately before the issuance of these contracts.

x) Nadex may list additional Wall Street 30 Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(g) - (o) [Unchanged]

RULE 12.90 NADEX US TECH 100 BINARY CONTRACTS

(a) - (f)(i) [Unchanged]

(ii) WEEKLY US TECH 100 BINARY CONTRACTS, 4:15 PM ET
CLOSE

(1) Binary Contract 1: One Contract will have a Payout Criterion of greater than $X - \del{75}72.$

(2) Binary Contract 2: One Contract will have a Payout Criterion of greater than $X - \del{50}48.$

(3) Binary Contract 3: One Contract will have a Payout Criterion of greater than $X - \del{25}24.$

(4) Binary Contract 4: One Contract will have a Payout Criterion of greater than X.

(5) Binary Contract 5: One Contract will have a Payout Criterion of greater than X + ~~25~~ 24.

(6) Binary Contract 6: One Contract will have a Payout Criterion of greater than X + ~~50~~ 48.

(7) Binary Contract 7: One Contract will have a Payout Criterion of greater than X + ~~75~~ 72.

(8) In each case above, "X" equals the US Tech 100 reference price, as calculated by the Source Agency, rounded to the nearest 10 ~~25~~.

(f)(iii) – (viii) [Unchanged]

(ix) INTRADAY US TECH 100 BINARY CONTRACTS, 2:00 PM to ~~4:15~~ 4:00 PM ET CLOSE

(1) Binary Contract 1: One Contract will have a Payout Criterion of greater than Z7 - 10.

(2) Binary Contract 2: One Contract will have a Payout Criterion of greater than Z7.

(3) Binary Contract 3: One Contract will have a Payout Criterion of greater than Z7 + 10.

(4) In each case above, Z7 equals the strike level determined by the Source Agency immediately before the issuance of these contracts.

(x) Nadex may list additional US Tech 100 Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(g) - (o) [Unchanged]

RULE 12.91 NADEX US 500 BINARY CONTRACTS

(a) - (f)(i) [Unchanged]

(ii) WEEKLY US 500 BINARY CONTRACTS, 4:15 PM ET CLOSE

(1) Binary Contract 1: One Contract will have a Payout Criterion of greater than X - 63 ~~60~~.

(2) Binary Contract 2: One Contract will have a Payout Criterion of greater than $X - \underline{42.40}$.

(3) Binary Contract 3: One Contract will have a Payout Criterion of greater than $X - \underline{21.20}$.

(4) Binary Contract 4: One Contract will have a Payout Criterion of greater than X .

(5) Binary Contract 5: One Contract will have a Payout Criterion of greater than $X + \underline{21.20}$.

(6) Binary Contract 6: One Contract will have a Payout Criterion of greater than $X + \underline{42.40}$.

(7) Binary Contract 7: One Contract will have a Payout Criterion of greater than $X + \underline{63.60}$.

(14) In each case above, "X" equals the US 500 reference price, as calculated by the Source Agency, rounded to the nearest value ending in 0.50.

(f)(iii) – (viii) [Unchanged]

(ix) INTRADAY US 500 BINARY CONTRACTS, 2:00 PM to ~~4:15~~
4:00 PM ET CLOSE

(1) Binary Contract 1: One Contract will have a Payout Criterion of greater than $Z7 - 4$.

(2) Binary Contract 2: One Contract will have a Payout Criterion of greater than $Z7$.

(3) Binary Contract 3: One Contract will have a Payout Criterion of greater than $Z7 + 4$.

(4) In each case above, $Z7$ equals the strike level determined by the Source Agency immediately before the issuance of these contracts.

(x) Nadex may list additional US 500 Binary Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(g) - (o) [Unchanged]

RULE 12.92 – RULE 12.97 [Unchanged]

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