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March 30, 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 its Fee Schedule – 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, North American Derivatives Exchange, Inc. (“Nadex” or “Exchange”) hereby submits to the Commission its intent to amend its Fee Schedule. Specifically, this filing establishes the fee schedule for automated trading via an application programming interface (“API”) connection and reduces the transactional fees for non-intermediated Market Makers. Amendments to the Fee Schedule are presented in Exhibit A. Rule additions have been underlined and deletions stricken.

Although no Nadex Trading Member currently engages in automated trading via an API connection, Nadex Rule 3.1(d)(v) currently grants Trading Members the privilege of receiving access to the market via the FIX Gateway, Nadex’s API, “provided the Trading Member agrees to pay any and all trading and other fees or charges incurred for such access...” Accordingly, Nadex is establishing that Trading Members utilizing the FIX Gateway to engage in automated trading on Nadex will incur trading fees of \$1.50 per contract per side for each trade executed as well as a \$1.00 settlement fee per contract per side for each contract that settles in-the-money, as set forth in the amended Fee Schedule.

Additionally, Nadex Rule 4.3(b) states that "Market Makers may receive reduced trading fees as an incentive for fulfilling the obligations of a market maker..." Accordingly, Nadex is reducing its non-intermediated Market Maker trading and settlement fees from \$1.00 to \$0.50.

Nadex Rule 3.8(e) grants Nadex the authority to impose dues or additional fees. The Rule's 30-day notice requirement for imposing additional fees is inapplicable in this instance as Market Maker fees will be reduced and because Nadex does not currently have, nor will have within the next 30 days, any Trading Members accessing the market via API connection. No other existing Trading Members will be affected by these amendments.

Nadex intends to implement these amendments for the start of business on trading day Monday, April 4, 2011.

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

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 Partners Fee Schedule

Direct Trading Members

- **Membership Fee:**
 - Nadex does not charge a Membership fee to join the Exchange.
- **Initial Deposit:**
 - Direct Trading Members are required to make an initial deposit of at least \$100; no minimum balance is required thereafter.
- **Transaction Fees:**
 - Direct Trading Members incur an Exchange trading fee of \$1.00 per contract per side for each trade executed on Nadex; on orders of 7 contracts or more, trading fees in connection with the execution of that order are capped at \$7.00.
 - Direct Trading Members incur an Exchange settlement fee of \$1.00 per contract per side for each contract that settles in-the-money.
 - Nadex charges no fee for contracts that settle out-of-the-money.
 - Nadex charges no fee for orders placed, cancelled or amended.
- **Automated Trading via API Connection:**
 - Automated trading by Trading Members via API connection incurs an Exchange trading fee of \$1.50 per contract per side for each trade executed.
 - Settlements in connection with automated trading by Trading Members via API connection incur an Exchange settlement fee of \$1.00 per contract per side for each contract that settles in-the-money.
 - Settlements in connection with automated trading by Trading Members via API connection incur no fee for contracts that settle out-of-the-money.
 - The placement, cancellation or amendment of orders in connection with automated trading by Trading Members via API connection incurs no fee.

FCM Members

- **Membership Fee:**
 - Nadex does not charge a FCM Membership fee to join the Exchange.
- **Minimum Balance:**
 - FCM Members are required to make an initial deposit of at least \$100,000 and to maintain a minimum balance of uncommitted funds of \$50,000.
- **Transaction Fees:**
 - Nadex charges FCM Members an Exchange trading fee of \$0.35 per contract per side for each trade executed on Nadex.
 - Nadex charges its FCM Members an Exchange settlement fee of \$0.35 per contract per side for each contract that settles in-the-money.
 - Nadex charges no fee for contracts that settle out-of-the-money.
 - Nadex charges no fee for orders placed, cancelled or amended.

Market Makers

- **Membership Fee:**
 - Nadex does not charge Market Makers a membership fee.
- **Minimum Balance:**
 - Market Makers are required to make an initial deposit of at least \$500,000 and to maintain a minimum balance of uncommitted funds of \$250,000 to collateralize the trades executed on Nadex.
- **Transaction Fees:**
 - Nadex charges its non-intermediated Market Makers an Exchange trading fee of ~~\$1~~ \$0.50 per contract per side for each trade executed on Nadex.
 - Nadex charges its non-intermediated Market Makers an Exchange settlement fee of ~~\$1~~ \$0.50 per contract per side for each contract that settles in-the-money.
 - Nadex charges no fee for contracts that settle out-of-the-money.
 - Nadex charges no fee for orders placed, cancelled or amended.

System Providers

- Nadex is interested in discussing partnership opportunities with systems providers.

Anyone interested in becoming a Nadex FCM Member or market maker or pursuing a partnership as a systems provider should contact us.

April 4, 20112010