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September 24, 2009

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[®] Amendments to Update Rule Language Regarding Korea 200 Variable Payout Contracts, RBOB Binary and Variable Payout 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, North American Derivatives Exchange, Inc. ("Nadex") hereby submits to the Commission its intent to amend its Rules to update language regarding a text and numbering error for the RBOB Variable Payout Contracts, the position limit and reportable level for the RBOB Binary Contracts and the position limit for the Korea 200 Variable Payout Contracts.

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

RULE 12.44 WHOLESALE GASOLINE VARIABLE PAYOUT CONTRACTS
RULE 12.45 WHOLESALE GASOLINE BINARY CONTRACTS
RULE 12.83 KOREA 200 VARIABLE PAYOUT 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.

No contracts that have open interest will be affected by these amendments.

Nadex intends to implement these rule amendments provided for herein effective at the start of business on September 28, 2009.



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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
12.44	RBOB	All Variable Payout Contracts (2:30pm ET)	Amend text error/Amend numbering error	9/28/2009
12.45	RBOB	All Binary Contracts (2:30pm ET)	Amend Position Limit/Reportable Level	9/28/2009
12.83	Korea 200	All Variable Payout Contracts (2:05am ET)	Amend Position Limit	9/28/2009

EXHIBIT B

Amendments to Rules 12.44, 12.45 and 12.83

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

RULE 1.1 – RULE 12.43 [Unchanged]

RULE 12.44 WHOLESALE GASOLINE VARIABLE PAYOUT CONTRACTS

(a) ~~(d)~~ **SCOPE** – These Rules shall apply to the Class of Contracts referred to as the Wholesale Gasoline Variable Payout Contracts issued by Nadex.

(b) ~~(e)~~ **UNDERLYING** – The Underlying for this Class of Contracts is the Wholesale Gasoline price per gallon (in U.S. dollars), obtained from the RBOB Gasoline Futures Contract (“RBOB FC”) traded on the New York Mercantile Exchange (“NYMEX”³). The RBOB FC trade prices that will be used for the Underlying will be taken from all twelve RBOB FC delivery months: January, February, March, April, May, June, July, August, September, October, November, or December (each a “RBOB FC Delivery Month”). The specific RBOB FC Delivery Month that will be used as the Underlying will be based on the RBOB FC represented in the following schedule of dates for 2009:

Start Date	End Date	RBOB FC Delivery Month Used as the Underlying and to Calculate the Expiration Value
12/27/2008	1/23/2009	RBOB Gasoline February 2009 Futures (NYMEX)
1/24/2009	2/20/2009	RBOB Gasoline March 2009 Futures (NYMEX)
2/21/2009	3/27/2009	RBOB Gasoline April 2009 Futures (NYMEX)
3/28/2009	4/24/2009	RBOB Gasoline May 2009 Futures (NYMEX)
4/25/2009	5/22/2009	RBOB Gasoline June 2009 Futures (NYMEX)
5/23/2009	6/26/2009	RBOB Gasoline July 2009 Futures (NYMEX)
6/27/2009	7/24/2009	RBOB Gasoline August 2008 Futures (NYMEX)
7/25/2009	8/28/2009	RBOB Gasoline September 2009 Futures (NYMEX)
8/29/2009	9/25/2009	RBOB Gasoline October 2009 Futures (NYMEX)
9/26/2009	10/23/2009	RBOB Gasoline November 2009 Futures (NYMEX)
10/24/2009	11/27/2009	RBOB Gasoline December 2009 Futures (NYMEX)

On the date listed in the ‘Start Date’ column above, the RBOB FC trade prices to be used for the Underlying and to calculate the Expiration Value will be done with the corresponding RBOB FC Delivery Month listed. For instance, beginning on December 27, 2008, Nadex will use the RBOB Gasoline February 2009 futures prices as the Underlying as well as use such prices to calculate the Expiration Value on the Expiration Date for the relevant Wholesale Gasoline Variable Payout Contract.

³ *Supra*, at fn 1.

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

(d) ~~(gg)~~ TYPE – The type of Contract is a Variable Payout Contract.

(e) ~~(hh)~~ 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) ~~(ii)~~ 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 Wholesale Gasoline Variable Payout Contracts, the Payout Criteria for the Contracts will be set as follows:

(i) DAILY VARIABLE WHOLESALE GASOLINE CONTRACTS, 2:30 PM ET CLOSE SPREAD - At the commencement of trading in a Daily Spread Wholesale Gasoline Variable Payout Contract, Nadex shall list one (1) Variable Payout Contract, referred to as a 'Spread', which conforms to one of the Payout Criteria listed below as determined by Nadex at the time of listing:

(1) DAILY VARIABLE PAYOUT CONTRACT 'SPREAD' - 1

(aa) CAP – The Cap shall be $X + 0.120$.

(bb) FLOOR – The Floor shall be $X - 0.120$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1,000.

(2) DAILY VARIABLE PAYOUT CONTRACT 'SPREAD' - 2

(aa) CAP – The Cap shall be $X + 0.090$.

(bb) FLOOR – The Floor shall be $X - 0.090$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1,000.

(3) DAILY VARIABLE PAYOUT CONTRACT 'SPREAD' - 3

(aa) CAP – The Cap shall be $X + 0.075$.

(bb) FLOOR – The Floor shall be $X - 0.075$.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1,000.

(4) In each case, "X" equals the last Wholesale Gasoline price, as reported by the Source Agency, rounded to the nearest 0.01.

(ii) **DAILY VARIABLE WHOLESALE GASOLINE CONTRACTS, 2:30 PM ET CLOSE NARROW SPREAD** - At the commencement of trading in a Daily Narrow Spread Wholesale Gasoline Variable Payout Contract, Nadex shall list a set of five (5) Variable Payout Contracts with overlapping ranges, referred to as 'Narrow Spreads', which conform to one of the Payout Criteria listed below as determined by Nadex at the time of listing:

(1) DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD' - SET 1

(aa) **CONTRACT 1:** The Cap shall be $X - 0.040$; The Floor shall be $X - 0.120$.

(bb) **CONTRACT 2:** The Cap shall be X ; The Floor shall be $X - 0.080$.

(cc) **CONTRACT 3:** The Cap shall be $X + 0.040$; The Floor shall be $X - 0.040$.

(dd) **CONTRACT 4:** The Cap shall be $X + 0.080$; The Floor shall be X .

(ee) **CONTRACT 5:** The Cap shall be $X + 0.120$; The Floor shall be $X + 0.040$.

(ff) **DOLLAR MULTIPLIER** - The Dollar Multiplier shall be 1,000.

(2) DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD' - SET 2

(aa) **CONTRACT 1:** The Cap shall be $X - 0.030$; The Floor shall be $X - 0.090$.

(bb) **CONTRACT 2:** The Cap shall be X ; The Floor shall be $X - 0.060$.

(cc) **CONTRACT 3:** The Cap shall be $X + 0.030$; The Floor shall be $X - 0.030$.

(dd) **CONTRACT 4:** The Cap shall be $X + 0.060$; The Floor shall be X .

(ee) **CONTRACT 5:** The Cap shall be $X + 0.090$; The Floor shall be $X + 0.030$.

(ff) **DOLLAR MULTIPLIER** - The Dollar Multiplier shall be 1,000.

(3) DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD' - SET 3

(aa) **CONTRACT 1:** The Cap shall be $X - 0.025$; The Floor shall be $X - 0.075$.

(bb) **CONTRACT 2:** The Cap shall be X ; The Floor shall be $X - 0.050$.

(cc) **CONTRACT 3:** The Cap shall be $X + 0.025$; The Floor shall be $X - 0.025$.



(dd) CONTRACT 4: The Cap shall be $X + 0.050$; The Floor shall be X .

(ee) CONTRACT 5: The Cap shall be $X + 0.075$; The Floor shall be $X + 0.025$.

(ff) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 1,000.

(4) In each case, "X" equals the last Wholesale Gasoline price, as reported by the Source Agency, rounded to the nearest 0.01.

(iii) Nadex may list additional Wholesale Gasoline Variable Payout Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.

(g) ~~(ii)~~ MINIMUM TICK - The Minimum Tick size for Wholesale Gasoline Variable Payout Contracts shall be 1.

(h) ~~(kk)~~ REPORTING LEVEL - The Reporting Level for the Wholesale Gasoline Binary Variable Payout Contracts shall be 5,208 Contracts.

(i) ~~(ll)~~ POSITION LIMIT - The Position Limit for Wholesale Gasoline Variable Payout Contracts shall be 104,166 Contracts.

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

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

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

(m) ~~(pp)~~ SETTLEMENT VALUE - The Settlement Value is the amount paid to the holder of either a Short or Long Variable Payout Contract on the Settlement Date. The Settlement Value of a Variable Payout Contract is determined as described in the definition for Long and Short Variable Payout Contracts.

(n) ~~(qq)~~ EXPIRATION VALUE - The Expiration Value is the price or value of Wholesale Gasoline as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) RBOB FC trade prices just prior to the close of trading of the Wholesale Gasoline Variable Contract and removing the highest five (5) RBOB FC trade prices and the lowest five (5) RBOB FC trade prices, using the remaining fifteen (15) RBOB FC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) RBOB FC trade prices.



(o) ~~(f)~~ 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 12.45 WHOLESALE GASOLINE BINARY CONTRACTS

(a) – (g) [Unchanged]

(h) REPORTING LEVEL - The Reporting Level for the Wholesale Gasoline Binary Contracts shall be ~~1,000~~ 700 Contracts.

(i) POSITION LIMIT - The Position Limit for the Wholesale Gasoline Binary Contracts shall be ~~700~~ 1,000 Contracts.

(j) – (o) [Unchanged]

RULE 12.46 – RULE 12.82 [Unchanged]

RULE 12.83 KOREA 200 VARIABLE PAYOUT CONTRACTS

(a) – (h) [Unchanged]

(i) POSITION LIMIT - The Position Limits for Korea 200 Variable Payout Contracts shall be ~~41,666~~ 104,166 Contracts.

(j) – (o) [Unchanged]

RULE 12.84 – RULE 12.91 [Unchanged]

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