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September 28, 2010

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's Amendment to the strike width, duration and number of contracts listed for the EUR/USD, GBP/USD, USD/YEN, USD/CHF, and USD/CAD Variable Payout Contracts, and Amendment to the rounding value, dollar multiplier value, and reporting level on certain 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 ("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") hereby submits to the Commission its intent to make the following changes effective for the start of business on trading day Monday, October 4, 2010:

Amendment to the Currency Exchange EUR/USD Variable Payout Contracts
Amend the Currency Exchange EUR/USD Variable Payout Contracts in Rule 12.2.
Specifically, Nadex is amending the Cap and Floor, the number of contracts listed, duration, the rounding value, and the dollar multiplier value.

Amendment to the Currency Exchange GBP/USD Variable Payout Contracts
Amend the Currency Exchange GBP/USD Variable Payout Contracts in Rule 12.3.
Specifically, Nadex is amending the Cap and Floor, the number of contracts listed, duration, the rounding value, dollar multiplier value, and the reporting level.

Amendment to the Currency Exchange USD/YEN Variable Payout Contracts
Amend the Currency Exchange USD/YEN Variable Payout Contracts in Rule 12.4.
Specifically, Nadex is amending the Cap and Floor, the number of contracts listed, duration, the rounding value, and the dollar multiplier value.

Amendment to the Currency Exchange USD/CHF Variable Payout Contracts
Amend the Currency Exchange USD/CHF Variable Payout Contracts in Rule 12.5.
Specifically, Nadex is amending the Cap and Floor, the number of contracts listed, duration, the rounding value, dollar multiplier value, and the reporting level.

Amendment to the Currency Exchange USD/CAD Variable Payout Contracts
Amend the Currency Exchange USD/CAD Variable Payout Contracts in Rule 12.49.
Specifically, Nadex is amending the Cap and Floor, the number of contracts listed, duration, the rounding value, dollar multiplier value, and the reporting level.

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 make all of the aforementioned amendments effective at the start of business on Monday, October 4, 2010.

No substantive opposing views were expressed to Nadex with respect to these additions.

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

Rule	Asset	Duration/ Close Time	Action	Effective Date
12.2	EUR/USD	All	Amend rounding value, number of contracts listed, duration, cap and floor values, and dollar multiplier value	10/04/2010
12.3	GBP/USD	All	Amend rounding value, number of contracts listed, duration, cap and floor values, dollar multiplier value, and reporting level	10/04/2010
12.4	USD/YEN	All	Amend rounding value, number of contracts listed, duration, cap and floor values, and dollar multiplier value	10/04/2010
12.5	USD/CHF	All	Amend rounding value, number of contracts listed, duration, cap and floor values, dollar multiplier value, and reporting level	10/04/2010
12.49	USD/CAD	All	Amend rounding value, number of contracts listed, duration, cap and floor values, dollar multiplier value, and reporting level	10/04/2010

EXHIBIT B

Amendment of Rules 12.2-12.5, 12.49

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

RULE 1.1 – 12.1 [Unchanged]

RULE 12.2 CURRENCY EXCHANGE EUR/USD VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange EUR/USD ("EUR/USD") Variable Payout Contracts issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the Euro/US dollar, herein referred to as "EUR/USD" as quoted in US dollars per Euro obtained from the spot EUR/USD foreign currency market.

(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.

(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 EUR/USD Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows;

(i) DAILY VARIABLE EUR/USD SPREAD CONTRACTS, 3:00 PM ET CLOSE - At the commencement of trading in a Daily Spread EUR/USD 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:

(1) DAILY VARIABLE EUR/USD SPREAD CONTRACT:

(aa) CAP – The Cap shall be X + 0.0300.

(bb) FLOOR – The Floor shall be X – 0.0300.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest ~~0.0050~~ 0.0010.

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(ii) ~~DAILY VARIABLE EUR/USD CONTRACTS, 3:00 PM ET CLOSE NARROW SPREAD - At the commencement of trading in a Daily Narrow Spread EUR/USD Variable Payout Contract, Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, referred to as 'Narrow Spreads', which conform to the Payout Criteria listed below:~~

(1) ~~DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD'~~

(aa) ~~CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0300.~~

(bb) ~~CONTRACT 2: The Cap shall be X + 0.0150; The Floor shall be X - 0.0150.~~

(cc) ~~CONTRACT 3: The Cap shall be X + 0.0300; The Floor shall be X.~~

(dd) ~~DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.~~

(2) ~~In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0100.~~

(ii) <u>INTRADAY VARIABLE EUR/USD SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, and 7:00AM to 3:00PM ET CLOSE - Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, which conform to the Payout Criteria listed below:</u>

(1) <u>CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0250.</u>

(2) <u>CONTRACT 2: The Cap shall be X + 0.0125; The Floor shall be X – 0.0125</u>

(3) <u>CONTRACT 3: The Cap shall be X + 0.0250; The Floor shall be X.</u>

(4) <u>DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.</u>

(5) <u>In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.</u>

(iii) <u>INTRADAY 2-HOUR VARIABLE EUR/USD SPREAD CONTRACTS, 8:00PM, 9:00PM, 10:00PM, 11:00PM, 12:00AM, 1:00AM, 2:00AM, 3:00AM, 4:00AM, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, and 3:00PM 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:</u>

(1) <u>CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0100.</u>

(2) <u>CONTRACT 2: The Cap shall be X + 0.0050; The Floor shall be X – 0.0050</u>

(3) <u>CONTRACT 3: The Cap shall be X + 0.0100; The Floor shall be X.</u>

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, "X" equals the last EUR/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.

       (iv)   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 EUR/USD Variable Payout Contracts shall be 0.0001.

(h) REPORTING LEVEL – The Reporting Level for the EUR/USD Variable Payout Contracts shall be 2,083 Contracts.

(i) POSITION LIMIT – There are currently no Position Limits for EUR/USD Variable Payout Contracts.

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

(k) SETTLEMENT DATE – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(l) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the EUR/USD Expiration Value is released by the Source Agency.

(m) 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.

(n) EXPIRATION VALUE – The Expiration Value is the price or value of EUR/USD released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) Midpoints just prior to the close of trading of the EUR/USD Variable Payout Contract and removing the highest five (5) Midpoints and the lowest (5) Midpoints. A simple average of the remaining fifteen (15) EUR/USD Midpoints is used to calculate the Expiration Value. A Midpoint is calculated by adding the bid price and the ask price together and then dividing that number by two (2). For example, if the bid price is 1.3400 and the ask price is 1.3402, the two numbers are added together (totaling 2.6802) and then divided by two (2), equaling a Midpoint of 1.3401. If the spread between a particular bid price and ask price is deemed too wide (greater than five (5) pips), those prices will not be used to calculate a Midpoint and will thus not be included within the 25 initially captured values.

(o) 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 CURRENCY EXCHANGE GBP/USD VARIABLE PAYOUT CONTRACTS

(a) SCOPE –These Rules shall apply to the Class of Contracts referred to as the Currency Exchange GBP/USD ("GBP/USD") Variable Payout Contracts issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the British Pound/ US dollar, herein referred to as "GBP/USD" as quoted in US dollars per British Pound obtained from the spot GBP/USD foreign currency market.

(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.

(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 GBP/USD Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows;

(i) DAILY VARIABLE GBP/USD CONTRACTS, 3:00 PM ET CLOSE SPREAD - At the commencement of trading in a Daily Spread USD/USD 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:

(1) DAILY VARIABLE GBP/USD SPREAD CONTRACT

(aa) CAP – The Cap shall be X + ~~0.0300~~ 0.0400.

(bb) FLOOR – The Floor shall be X – ~~0.0300~~ 0.0400.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, "X" equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest ~~0.0100~~ 0.0010.

(ii) ~~DAILY VARIABLE GBP/USD CONTRACTS, 3:00 PM ET CLOSE NARROW SPREAD – At the commencement of trading in a Daily Narrow Spread GBP/USD Variable Payout Contract, Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, referred to as 'Narrow Spreads', which conform to the Payout Criteria listed below:~~

(1) ~~DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD' – SET 1~~

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~~(aa) CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0300.~~

~~(bb) CONTRACT 2: The Cap shall be X + 0.0150; The Floor shall be X - 0.0150.~~

~~(cc) CONTRACT 3: The Cap shall be X+ 0.0300; The Floor shall be X.~~

~~(dd) DOLLAR MULTIPLIER - The Dollar Multiplier shall be 10,000.~~

~~(2) In each case, "X" equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0100.~~

(ii) <u>INTRADAY VARIABLE GBP/USD SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, and 7:00AM to 3:00PM ET CLOSE - Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, which conform to the Payout Criteria listed below:</u>

(1) <u>CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0300.</u>

(2) <u>CONTRACT 2: The Cap shall be X + 0.0150; The Floor shall be X − 0.0150</u>

(3) <u>CONTRACT 3: The Cap shall be X + 0.0300; The Floor shall be X.</u>

(4) <u>DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.</u>

(5) <u>In each case, "X" equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.</u>

(iii) <u>INTRADAY 2-HOUR VARIABLE GBP/USD SPREAD CONTRACTS, 8:00PM, 9:00PM, 10:00PM, 11:00PM, 12:00AM, 1:00AM, 2:00AM, 3:00AM, 4:00AM, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, and 3:00PM 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:</u>

(1) <u>CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0150.</u>

(2) <u>CONTRACT 2: The Cap shall be X + 0.0075; The Floor shall be X − 0.0075.</u>

(3) <u>CONTRACT 3: The Cap shall be X + 0.0150; The Floor shall be X.</u>

(4) <u>DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.</u>

(5) <u>In each case, "X" equals the last GBP/USD price, as reported by the Source Agency, rounded to the nearest 0.0010.</u>

(v) 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 GBP/USD Variable Payout Contracts shall be 0.0001.

(h) REPORTING LEVEL – The Reporting Level for the GBP/USD Variable Payout Contracts shall be 2,083 1,562 Contracts.

(i) POSITION LIMIT – There are currently no Position Limits for GBP/USD Variable Payout Contracts.

(j) LAST TRADING DATE – The Last Trading Date in a Series shall be the same date as the Settlement Date.

(k) SETTLEMENT DATE – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(l) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the GBP/USD Expiration Value is released by the Source Agency.

(m) 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.

(n) EXPIRATION VALUE – The Expiration Value is the price or value of GBP/USD released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) Midpoints just prior to the close of trading of the GBP/USD Variable Payout Contract and removing the highest five (5) Midpoints and the lowest (5) Midpoints. A simple average of the remaining fifteen (15) GBP/USD Midpoints is used to calculate the Expiration Value. A Midpoint is calculated by adding the bid price and the ask price together and then dividing that number by two (2). For example, if the bid price is 1.9900 and the ask price is 1.9902, the two numbers are added together (totaling 3.9802) and then divided by two (2), equaling a Midpoint of 1.9901. If the spread between a particular bid price and ask price is deemed too wide (greater than five (5) pips), those prices will not be used to calculate a Midpoint and will thus not be included within the 25 initially captured values.

(o) 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 12.4 CURRENCY EXCHANGE USD/YEN VARIABLE PAYOUT CONTRACTS

(a) SCOPE – These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/YEN ("USD/YEN") Variable Payout Contracts issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the US dollar/ Japanese Yen, herein referred to as "USD/YEN" as quoted in the Japanese Yen per US dollars obtained from the spot USD/YEN foreign currency market.

(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.

(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 USD/YEN Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows;

(i) DAILY VARIABLE USD/YEN CONTRACTS, 3:00 PM ET CLOSE SPREAD - At the commencement of trading in a Daily Spread USD/YEN 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 VARIABLE USD/YEN SPREAD CONTRACT

(aa) CAP – The Cap shall be X + 2.00.

(bb) FLOOR – The Floor shall be X – 2.00.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

(2) In each case, "X" equals the last USD/YEN price, as reported by the Source Agency, rounded to the nearest ~~1.00~~ 0.10.

(ii) ~~DAILY VARIABLE USD/YEN CONTRACTS, 3:00 PM ET CLOSE NARROW SPREAD – At the commencement of trading in a Daily Narrow Spread USD/YEN Variable Payout Contract, Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, referred to as 'Narrow Spreads', which conform to the Payout Criteria listed below:~~

(1) ~~DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD'~~

~~(aa) CONTRACT 1: The Cap shall be X; The Floor shall be X – 2.00.~~

~~(bb) CONTRACT 2: The Cap shall be X + 1.00; The Floor shall be X – 1.00.~~

~~(cc) CONTRACT 3: The Cap shall be X + 2.00; The Floor shall be X.~~

~~(dd) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.~~

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~~(2) In each case, "X" equals the last USD/YEN price, as reported by the Source Agency, rounded to the nearest 1.00.~~

    (ii)   INTRADAY VARIABLE USD/YEN SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, and 7:00AM to 3:00PM 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- 1.50.

    (2) CONTRACT 2: The Cap shall be X + 0.75; The Floor shall be X – 0.75.

    (3) CONTRACT 3: The Cap shall be X + 1.50; The Floor shall be X.

    (4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

    (5) In each case, "X" equals the last USD/YEN price, as reported by the Source Agency, rounded to the nearest 0.10.

    (iii)   INTRADAY 2-HOUR VARIABLE USD/YEN SPREAD CONTRACTS, 8:00PM, 9:00PM, 10:00PM, 11:00PM, 12:00AM, 1:00AM, 2:00AM, 3:00AM, 4:00AM, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, and 3:00PM 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- 1.00.

    (2) CONTRACT 2: The Cap shall be X + 0.50; The Floor shall be X – 0.50.

    (3) CONTRACT 3: The Cap shall be X + 1.00; The Floor shall be X.

    (4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 100.

    (5) In each case, "X" equals the last USD/YEN price, as reported by the Source Agency, rounded to the nearest 0.10.

    (vi) 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 USD/YEN Variable Payout Contracts shall be 0.01.

    (h) REPORTING LEVEL – The Reporting Level for the USD/YEN Variable Payout Contracts shall be 3,125 Contracts.

    (i) POSITION LIMIT – There are currently no Position Limits for USD/YEN Variable Payout Contracts.

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

(k) SETTLEMENT DATE – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(l) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the USD/YEN Expiration Value is released by the Source Agency.

(m) SETTLEMENT VALUE – The Settlement Value shall be 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.

(n) EXPIRATION VALUE – The Expiration Value shall be the price or value of USD/YEN released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) Midpoints just prior to the close of trading of the USD/YEN Variable Payout Contract and removing the highest five (5) Midpoints and the lowest (5) Midpoints. A simple average of the remaining fifteen (15) USD/YEN Midpoints is used to calculate the Expiration Value. A Midpoint is calculated by adding the bid price and the ask price together and then dividing that number by two (2). For example, if the bid price is 121.00 and the ask price is 121.02, the two numbers are added together (totaling 242.02) and then divided by two (2), equaling a Midpoint of 121.01. If the spread between a particular bid price and ask price is deemed too wide (greater than five (5) pips), those prices will not be used to calculate a Midpoint and will thus not be included within the 25 initially captured values.

(o) 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 12.5 CURRENCY EXCHANGE USD/CHF VARIABLE PAYOUT CONTRACTS

(a) SCOPE –These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/CHF ("USD/CHF") Variable Payout Contracts issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the US dollar/ Swiss Franc, herein referred to as "USD/CHF" as quoted in the Swiss Franc per US dollars obtained from the spot USD/CHF foreign currency market.

(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.

(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 USD/CHF Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows;

(i) DAILY VARIABLE USD/CHF CONTRACTS, 3:00 PM ET CLOSE SPREAD - At the commencement of trading in a Daily Spread USD/CHF 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 VARIABLE USD/CHF SPREAD CONTRACT

(aa) CAP – The Cap shall be X + ~~0.0200~~ 0.0250.

(bb) FLOOR – The Floor shall be X – ~~0.0200~~ 0.0250.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, "X" equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest ~~0.0100~~ 0.0010.

(ii) ~~DAILY VARIABLE USD/CHF CONTRACTS, 3:00 PM ET CLOSE NARROW SPREAD - At the commencement of trading in a Daily Narrow Spread USD/CHF Variable Payout Contract, Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, referred to as 'Narrow Spreads', which conform to the Payout Criteria listed below:~~

(1) ~~DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD'~~

~~(aa) CONTRACT 1: The Cap shall be X; The Floor shall be X – 0.0200.~~

~~(bb) CONTRACT 2: The Cap shall be X + 0.0100; The Floor shall be X – 0.0100.~~

~~(cc) CONTRACT 3: The Cap shall be X + 0.0200; The Floor shall be X.~~

~~(dd) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.~~

(2) ~~In each case, "X" equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0100.~~

(ii) INTRADAY VARIABLE USD/CHF SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, 7:00AM to 3:00PM ET CLOSE - Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, which conform to the Payout Criteria listed below:

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(1) CONTRACT 1: The Cap shall be X; The Floor shall be X- 0.0200.

(2) CONTRACT 2: The Cap shall be X + 0.0100; The Floor shall be X − 0.0100

(3) CONTRACT 3: The Cap shall be X + 0.0200; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, "X" equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iii) INTRADAY 2-HOUR VARIABLE USD/CHF SPREAD CONTRACTS, 8:00PM, 9:00PM, 10:00PM, 11:00PM, 12:00AM, 1:00AM, 2:00AM, 3:00AM, 4:00AM, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, and 3:00PM 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- 0.0100.

(2) CONTRACT 2: The Cap shall be X + 0.0050; The Floor shall be X − 0.0050

(3) CONTRACT 3: The Cap shall be X + 0.0100; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, "X" equals the last USD/CHF price, as reported by the Source Agency, rounded to the nearest 0.0010.

(vi) 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 USD/CHF Variable Payout Contracts shall be 0.0001.

(h) REPORTING LEVEL – The Reporting Level for the USD/CHF Variable Payout Contracts shall be ~~3,125~~ 2,500 Contracts.

(i) POSITION LIMIT – There are currently no Position Limits for USD/CHF Variable Payout Contracts.

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

(k) SETTLEMENT DATE – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(l) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the USD/CHF Expiration Value is released by the Source Agency.

(m) 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.

(n) EXPIRATION VALUE – The Expiration Value is the price or value of USD/CHF released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) Midpoints just prior to the close of trading of the USD/CHF Variable Payout Contract and removing the highest five (5) Midpoints and the lowest (5) Midpoints. A simple average of the remaining fifteen (15) USD/CHF Midpoints is used to calculate the Expiration Value. A Midpoint is calculated by adding the bid price and the ask price together and then dividing that number by two (2). For example, if the bid price is 1.2200 and the ask price is 1.2202, the two numbers are added together (totaling 2.4402) and then divided by two (2), equaling a Midpoint of 1.2201. If the spread between a particular bid price and ask price is deemed too wide (greater than five (5) pips), those prices will not be used to calculate a Midpoint and will thus not be included within the 25 initially captured values.

(o) 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 12.6 – 12.48 [Unchanged]

RULE 12.49 CURRENCY EXCHANGE USD/CAD VARIABLE PAYOUT CONTRACTS

(a) SCOPE –These Rules shall apply to the Class of Contracts referred to as the Currency Exchange USD/CAD ("USD/CAD") Variable Payout Contracts issued by Nadex.

(b) UNDERLYING – The Underlying for this Class of Contracts is the US the US Dollar/ Canadian Dollar, herein referred to as "USD/CAD" as quoted in US dollars per Canadian Dollar obtained from the spot USD/CAD foreign currency market.

(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.

(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 USD/CAD Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows;

(i) DAILY VARIABLE USD/CAD CONTRACTS, 3:00 PM ET CLOSE SPREAD - At the commencement of trading in a Daily Spread USD/CAD 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 VARIABLE USD/CAD SPREAD CONTRACT

(aa) CAP – The Cap shall be X + ~~0.0300~~ 0.0250.

(bb) FLOOR – The Floor shall be X – ~~0.0300~~ 0.0250.

(cc) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(2) In each case, "X" equals the last USD/CAD price, as reported by the Source Agency, rounded to the nearest ~~0.0100~~ 0.0010.

(ii) ~~DAILY VARIABLE USD/CAD CONTRACTS, 3:00 PM ET CLOSE NARROW SPREAD - At the commencement of trading in a Daily Narrow Spread USD/CAD Variable Payout Contract, Nadex shall list a set of three (3) Variable Payout Contracts with overlapping ranges, referred to as 'Narrow Spreads', which conform to the Payout Criteria listed below:~~

~~(1) DAILY VARIABLE PAYOUT CONTRACT 'NARROW SPREAD'~~

~~(aa) CONTRACT 1: The Cap shall be X; The Floor shall be X – 0.0300.~~

~~(bb) CONTRACT 2: The Cap shall be X + 0.0150; The Floor shall be X – 0.0150.~~

~~(cc) CONTRACT 3: The Cap shall be X + 0.0300; The Floor shall be X.~~

~~(dd) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.~~

~~(2) In each case, "X" equals the last USD/CAD price, as reported by the Source Agency, rounded to the nearest 0.0100.~~

(ii) INTRADAY VARIABLE USD/CAD SPREAD CONTRACTS, 6:00PM to 11:00PM, 11:00PM to 7:00AM, 7:00AM to 3:00PM 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- 0.0200.

(2) CONTRACT 2: The Cap shall be X + 0.0100; The Floor shall be X – 0.0100

(3) CONTRACT 3: The Cap shall be X + 0.0200; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, "X" equals the last USD/CAD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(iii) INTRADAY 2-HOUR VARIABLE USD/CAD SPREAD CONTRACTS, 8:00PM, 9:00PM, 10:00PM, 11:00PM, 12:00AM, 1:00AM, 2:00AM, 3:00AM, 4:00AM, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, and 3:00PM 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- 0.0100.

(2) CONTRACT 2: The Cap shall be X + 0.0050; The Floor shall be X – 0.0050

(3) CONTRACT 3: The Cap shall be X + 0.0100; The Floor shall be X.

(4) DOLLAR MULTIPLIER – The Dollar Multiplier shall be 10,000.

(5) In each case, "X" equals the last USD/CAD price, as reported by the Source Agency, rounded to the nearest 0.0010.

(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 USD/CAD Variable Payout Contracts shall be 0.0001.

(h) REPORTING LEVEL – The Reporting Level for the USD/CAD Variable Payout Contracts shall be 2,083 2,500 Contracts.

(i) POSITION LIMIT – There are currently no Position Limits for USD/CAD Variable Payout Contracts.

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

(k) SETTLEMENT DATE – The Settlement Date of the Contract shall be the same date as the Expiration Date.

(l) EXPIRATION DATE – The Expiration Date of the Contract shall be the date on which the USD/CAD Expiration Value is released by the Source Agency.

(m) 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.

(n) EXPIRATION VALUE – The Expiration Value is the price or value of USD/CAD released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) Midpoints just prior to the close of trading of the USD/CAD Variable Payout Contract and removing the highest five (5) Midpoints and the lowest (5) Midpoints. A simple average of the remaining fifteen (15) USD/CAD Midpoints is used to calculate the Expiration Value. A Midpoint is calculated by adding the bid price and the ask price together and then dividing that number by two (2). For example, if the bid price is 1.0700 and the ask price is 1.0702, the two numbers are added together (totaling 2.1402) and then divided by two (2), equaling a Midpoint of 1.0701. If the spread between a particular bid price and ask price is deemed too wide (greater than five (5) pips), those prices will not be used to calculate a Midpoint and will thus not be included within the 25 initially captured values.

(o) 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 12.50 – 12.95 [Unchanged]

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