

HedgeStreet.
EXCHANGE

November 18, 2008

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

OFFICE OF THE SECRETARIAT

NOV 19 PM 1:47

RECEIVED
CFTC.

RE: Emergency Action for HedgeStreet FTSE 100 Binary Contracts (Rule 12.76) and Germany 30 Binary Contracts (Rule 12.75) – 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, HedgeStreet, Inc. (“HedgeStreet”) hereby submits to the Commission notice of an emergency action with respect to its FTSE 100 Binary Contracts and Germany 30 Binary Contracts. First, HedgeStreet took action on November 17, 2008 at 12:00pm ET to temporarily suspend the listing of all FTSE 100 Binary Contracts, as represented in Rule 12.76, due to an issue whereby Market Makers are at this time unable to provide continuous bid and offer pricing on the aforementioned FTSE 100 Binary Contracts. As such, HedgeStreet will not offer any FTSE 100 Binary Contracts until the above referenced issue has been resolved, which is expected to occur prior to Monday, November 24, 2008. In the event this issue has been resolved by the date stated and the Market Makers are able to provide pricing on the FTSE 100 Binary Contracts, HedgeStreet intends to reinstitute the FTSE 100 Binary Contract offering effective at the start of business on Monday, November 24, 2008 or sooner if the market maker issue is resolved prior to this date.

Additionally, due to the aforementioned issue, HedgeStreet temporarily suspended trading for the Weekly duration Germany 30 Binary Contracts for the day and evening session on Monday, November 17, 2008. Trading during the evening session from 6pm to 9pm ET on Monday, November 17, 2008 will also be temporarily suspended for the Daily duration Germany 30 Binary Contracts. HedgeStreet intends to reinstitute both the Daily and Weekly duration Germany 30 Binary Contracts effective at the start of business on Tuesday, November 18, 2008. HedgeStreet has provided a notice on the HedgeStreet website with respect to the temporary

HedgeStreet. EXCHANGE

suspension of trading in both the FTSE 100 and Germany 30 Binary contracts from this emergency action.

No open interest is affected for the FTSE 100 Binary Contracts referenced above. Although some Germany 30 Binary contracts had open interest at the time of the emergency action, HedgeStreet contacted all members holding the open interest and has not received any objections to this action. In addition, HedgeStreet contacted each member who had an open position to specifically address their respective position.

HedgeStreet's Chief Operating Officer and Chief Compliance Officer, in compliance with HedgeStreet Rule 2.4(d) determined it necessary to combat perceived market threats caused by an emergency. This action was deemed necessary due to the inability of HedgeStreet's only Market Maker to continue to consistently make markets, as represented under HedgeStreet's rules, to the potential disadvantage of customers in the market.

Neither the Chief Operating Officer nor the Chief Compliance Officer had any conflicts of interest in connection with this decision making process. Written notice of this action has been provided to HedgeStreet's Board of Directors.

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

HedgeStreet hereby certifies that this Emergency Action complies with the Act, as amended, and the Commission's 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 tmcdermott@hedgestreet.com.

Sincerely,

Timothy G. McDermott /ccg
General Counsel and Chief Compliance Officer

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

Ed Dasso – NFA
Yossi Beinart - HedgeStreet, Inc.