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November 5, 2015

Via CFTC Portal Submissions

Mr. Christopher Kirkpatrick
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 Permissible Orders per Second Limit for FIX Connection and Amends Hours for Thanksgiving Holiday – Submission Pursuant to Commission Regulation §40.6(a)

Dear Mr. Kirkpatrick:

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 the number of acceptable orders per second submitted to the Exchange via FIX connection, and amends its Exchange and listing hours during the week of November 23, 2015 to accommodate the 2015 Thanksgiving holiday. Nadex plans to implement the additions for the open of business on trade date November 23, 2015.

Nadex is increasing the number of permissible orders a market participant not acting as a market maker, may submit to the Exchange via FIX connection from one order every five seconds to four orders per second. Nadex is making this change to enable its market participants to engage in multi-leg strategies such as straddles, strangles, or trading in multiple markets based on correlation or inverse correlation, which they would be unable to do under the current limitations of the Rule.

Additionally, Nadex is amending its Exchange hours and specific contract listing hours for the week of November 23, 2015, in order to conform to the listing hours for the underlying market upon which the Nadex contracts are based for the 2015 Thanksgiving holiday.

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No. 20151105(1)

FIX Connection Limitation on Order Submission DCM Core Principles

Nadex has identified the following Designated Contract Market (“DCM”) Core Principles as potentially being impacted by the change to the limitation on the number of orders that can be submitted to the Exchange via FIX connection per second by a market participant not acting as a market maker: Core Principle 2 Abusive Trading Practices Prohibited; Core Principle 4 Risk Controls for Trading; and Core Principle 7 Availability of General Information.

Core Principle 2 (Abusive Trading Practices Prohibited), implemented by Regulation §38.152, requires the DCM to prohibit disruptive trading practices. Nadex originally restricted the number of orders a participant could submit to the Exchange via FIX to one order per five seconds, in order to prevent excessive messaging to the Exchange which could potentially decrease the efficiency in which orders would be processed. The original limitation has been in place for nearly a year and a half, and after review of the FIX messaging over this period, it appears the original limitations were overly precautionous. By amending the restrictions to expand the number of orders that may be submitted per second, market participants will have the opportunity to implement their desired trading strategies, however, the Rule will remain sufficiently controlled in order to maintain a fair and orderly market. Furthermore, Nadex has developed a “limiter” which identifies orders submitted via the FIX Gateway from a non-market maker member that exceed the Exchange-set limits and prevents those orders from reaching the Exchange. This feature was initially set to allow one order per 5 seconds to reach the Exchange, and has performed as expected. Nadex plans to adjust the limiter to permit four orders per second, and the limiter will reject additional orders that violate these parameters. Therefore, amending the limitations on the FIX connection order entry rate will not have a negative impact on Nadex’s ability to comply with this Core Principle.

Core Principle 4, (Risk Controls for Trading), implemented by Regulation §38.152, requires the DCM to establish and maintain risk control mechanisms to prevent and reduce the potential risk of market disruptions. Nadex is amending the limitations on FIX connection order entry in order to afford its participants more trading opportunities, however, the Rule still limits the number of orders that a market participant may submit to the Exchange via FIX connection and will therefore continue to serve the purpose of preventing and reducing the risk of market disruptions. As previously stated, Nadex has developed a “limiter” which will reject any incoming orders sent by a non-market maker participant via the FIX connection if the number of permissible orders per second has been exceeded, thereby further reducing the risk of market disruption. Accordingly, the amendments to the limitations on the FIX connection order entry rate will not have a negative impact on Nadex’s ability to comply with this Core Principle.

Core Principle 7 (Availability of General Information), implemented by Regulation §38.400, requires the DCM to make its Rulebook available to the public. Nadex makes its Rulebook public on its website, and it will continue to be made available after the amendments to the limitations to the number of orders that may be submitted to the Exchange via FIX connection on a per second basis have been made. Therefore, the amendments discussed herein will not negatively impact Nadex’s ability to comply with these Core Principles.

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Nadex has not identified any DCO Core Principles that would be negatively affected by the change to the limitation on the number of orders than can be submitted to the Exchange via FIX connection per second.

Nadex has not identified any DCO or DCM Core Principles that would be negatively affected by the change to the Exchange and listing hours for the week of November 23, 2015 due to the Thanksgiving holiday.

Pursuant to the 10-day filing period under Regulation 40.6(a)(3), the amendments will become effective November 23, 2015.

Rule amendments and additions have been outlined in Exhibit A. The amendments to the Rulebook are set forth in Exhibit B. Any deletions to the Rulebook have been stricken out while the amendments and/or additions have been underlined. The listing schedule for the week of November 23, 2015 due to the Thanksgiving holiday is set forth in Exhibit C.

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

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

Nadex certifies that a copy of these amendments was posted on its website at the time of this filing.

Should you have any questions regarding the above, please do not hesitate to contact me by telephone at (312) 884-0927 or by email at Jaime.walsh@nadex.com.

Sincerely,



Jaime Walsh
Legal Counsel

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EXHIBIT A

Rule	Asset	Duration/ Close Time	Action	Effective Date
5.5	Order Entry	N/A	Increase permissible number of orders entered per second through a FIX connection	11/23/2015

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EXHIBIT B

Amendment of Rules 5.5

(The following Rule amendments are underlined and deletions are stricken out)

RULES 1.1 – 5.4 [UNCHANGED]

RULE 5.5 ORDER ENTRY

(a) Trading Member Orders

(i) A Trading Member will enter orders to trade Contracts by electronic transmission over the Internet. A Trading Member may elect to enter into a FIX Connection agreement with Nadex, which will provide for specific FIX Connection fees, and if approved by Nadex, may submit orders over a FIX Connection in accordance with Nadex's applicable policies and procedures. A Trading Member that is not acting as a market maker who elects to submit orders via FIX Connection is limited to the submission of no more than ~~one-four~~ orders per ~~five~~one seconds.

(ii) A Trading Member will enter an order to trade one or more Contracts by indicating to Nadex in the manner required by Nadex: (1) order direction (i.e., buy or sell); (2) order type (e.g., Limit Order or Market Order); (3) duration of the order (e.g., Fill or Kill, Immediate or Cancel, Good 'Til Cancel); (4) the Series of Contract; (5) the limit price at which the Trading Member wants to buy or sell the Contract, in the case of Limit Orders; (6) the number of Contracts the Trading Member want to buy or sell, and (7) the Tolerance Protection in the case of Market Orders With Protection.

(iii) In order to enter an order to trade one or more Contracts, a Trading Member will be required to submit the order to Nadex. Once the order is accepted by Nadex, Nadex will assign to the order an order confirmation number. This confirmation number will appear next to the associated order on the Trading Member's Order Ticket and Order History account pages. The Trading Member will be responsible for any and all order entries confirmed for its account and accepted by Nadex.

(b) FCM Customer Orders

(i) A FCM Customer may not submit orders directly to the Exchange and all such order must be submitted by that Customer's FCM Member.

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(ii) FCM Members may submit FCM Customer Orders by electronic transmission over a FIX Connection, in accordance with Nadex's applicable policies and procedures.

(iii) FCM Members will submit a FCM Customer Order to trade one or more Contracts by indicating to Nadex in the manner required by Nadex: (1) order direction (i.e., buy or sell); (2) order type (e.g., Limit Order or Market Order); (3) duration of the order (e.g., Fill or Kill, Immediate or Cancel, Good 'Til Cancel); (4) the Series of Contract; (5) the limit price at which the FCM Customer wants to buy or sell the Contract, in the case of Limit Orders; (6) the number of Contracts the FCM Customer wants to buy or sell; (7) the Tolerance Protection in the case of Market Orders With Protection; (8) the FCM Customer Position Account identifier; and (8) the user identifier for the person who directed the submission of the order to the Exchange.

(iv) Upon receipt of a FCM Customer Order to trade one or more Contracts, a FCM Member will be required to ensure that the FCM Customer has on deposit with the FCM Member enough funds to cover the FCM Customer's maximum loss under the Contract(s) it is attempting to enter into before the order is submitted to Nadex. When the order has been submitted to and accepted by Nadex, Nadex will assign to the order an order confirmation number. This confirmation number will appear next to the associated order on the FCM Member's Order and Order History account pages. The FCM Member will be responsible for any and all order entries confirmed for its FCM Customer Position Accounts and its settlement accounts and accepted by Nadex.

(c) Nadex's trading system will keep an electronic record of all orders to trade Contracts, and all executed Contract trades. The records kept by Nadex will include all of the terms identified in paragraphs (a)(ii) – (iii) and (b)(iii) – (iv) of this Rule as well as the date and time that the transaction was completed to the nearest tenth of a second, for all executed Contract trades and to the nearest second for all orders to trade Contracts.

RULES 5.6 – 12.78 [UNCHANGED]

[End Rulebook]

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EXHIBIT C

Nadex Product Schedule for the Week of November 23, 2015 for the 2015 Thanksgiving Holiday

Nadex will observe the following modified holiday schedule for the week of November 23, 2015:

Monday, November 23, 2015: The Exchange will observe regular business hours.

- No Japan 225 contracts will be listed for trading on this date. No Japan 225 Weekly contracts will be listed for the week of November 23, 2015.
- All Weekly contracts listed on this date will have a settlement date of Friday of the current week, with the exception of any contracts not available for trading on Friday, which will have a settlement date of Wednesday of the current week.
- Initial Jobless Claims Binary contracts will be listed on Monday, November 23, 2015, and will settle on the day that number is released by the Source Agency.

Wednesday, November 25, 2015: The Exchange will observe regular business hours. No Daily Currency Binary contracts which would have an expiration trade date of November 26, 2015 will be listed on this date.

Thursday, November 26, 2015: The Exchange will be closed for Thursday's trade date.

Friday, November 27, 2015: The Exchange will open at 8:00am ET. Nadex will observe the following modified schedule:

- Trading in US 500, US Tech 100, US SmallCap 2000, and Wall St 30 contracts will open at 8:00am ET and close at 1:15pm ET; Intraday 2-hour contracts which normally expire at 2pm, 3pm, and 4pm ET will not be offered on this day; Intraday 20-minute binary contracts which normally expire at 1:20, 1:40, 2:00, 2:20, 2:40, 3:00, 3:20, 3:40, and 4:00 will not be offered on this day;
- Trading in FTSE 100[®] and Germany 30 contracts will open at 8:00am ET and close at 1:00pm ET; Intraday 2-hour contracts which normally expire at 2pm, 3pm and 4pm ET will not be offered on this day;
- Trading in the Bitcoin contracts will open at 8:00am ET and will close at its regular time;
- No Japan 225 or China 50 contracts will be offered on this trade date;
- Trading in Corn and Soybean contracts will open at their regular time of 10:30am ET and close at 1:00pm ET;

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- Trading in Crude Oil and Natural Gas contracts will open at 8am ET and close at 1:30pm ET; Intraday 2-hour contracts which normally expire at 2:00pm ET will not be offered on this day;
- Trading in Gold, Silver, and Copper contracts will open at 8am ET; all Gold contracts will close at 12:30pm ET; all Silver contracts will close at 12:25pm ET; all Copper contracts will close at 12:00pm ET; Intraday 2-hour contracts which normally expire at 1:00pm ET will not be offered on this day;
- Daily Currency Binary contracts will not be available for trading on Friday, with the exception of the 3pm ET close time contract which will open at 8am ET and close at 3pm ET. Additionally, 2-Hour Intraday Currency Binary contracts with a 4pm ET expiration time will not be listed on this day. No 5-Minute Intraday Currency Binary contracts which would expire after 2:55pm ET will be listed on this day. All other Currency contracts will open at 8am ET and close at their regular times.

Nadex will return to its regular listing schedule for trade date November 30, 2015.

Click the following link to view the amended [Holiday Product Schedule Guidelines](#).

Should you have any questions or require further information, please contact the [Compliance Department](#).

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