

## **EXHIBIT B**

### Amendment of Rules 3.6, 9.4, and 9.5

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

RULES 1.1 – 3.5 [UNCHANGED]

#### RULE 3.6 REJECTION OF APPLICANT AND LIMITATIONS OF TRADING PRIVILEGES

- (a) Notwithstanding Nadex's authority granted under any other Rule, Nadex may, in its sole discretion, deny any Member application, or suspend, revoke, limit, condition, restrict, or qualify the trading privileges of any account owner or authorized trader of an account owner pursuant to this Section (a) as it deems necessary or appropriate<sup>1</sup>.
- (b) An account owner or an authorized trader of an account owner who has had trading privileges limited pursuant to Section (a) of this Rule will be provided, in writing, the reason such action was taken.
- (c) If Nadex denies the membership application of any Person or places limitations on trading privileges pursuant to this section, the applicant, account owner or authorized trader whose trading privileges have been limited may appeal the decision by filing with the CEO of Nadex a petition for review of such membership denial or trading limitation. The petition should describe in detail the reasons why the membership application should be granted or trading limitations removed. The petition must be filed within thirty (30) calendar days from the date upon which notice of the denial of membership or limitation of trading privileges was provided by Nadex. The decision of the CEO will be final. A Person that has been denied membership by the CEO will not be eligible for reapplication during the six months immediately following such denial.
- (d) If trading privileges are limited pursuant to Section (a) of this Rule, Nadex may initiate a transfer of the Member's balance to the bank account on record.

RULES 3.7 – 9.3 [UNCHANGED]

#### RULE 9.4 NOTICE AND PUBLICATION OF ~~DECISION~~DISCIPLINARY ACTION

(a) Nadex will provide to the person charged, notice of the disciplinary action, appeal determination, or settlement in which sanctions are imposed, no later than two business days after it becomes final in accordance with the provisions of Commission Regulation 39.19(c)(4)(xi).

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<sup>1</sup> Please reference Notice 851.042117 in the Notices section of the Nadex website for an informational Q&A page regarding this Rule.

(b) Within two business days after a disciplinary action decision becomes final, notice of any disciplinary action outcome decision providing that a Member is suspended, expelled, disciplined or denied access to the Exchange shall be provided to the National Futures Association for inclusion in its internet accessible database of disciplinary matters.

(c) Nadex will make public notice of the disciplinary action ~~when that action becomes final~~ by posting on its website, in accordance with Commission Regulation 9.13, the information required by Commission Regulation 9.11. The disciplinary action will be considered final on the date the notice of the disciplinary action is published on the Nadex website.

## RULE 9.5 PENALTIES

As a result of a disciplinary proceeding or as part of a settlement, Nadex may impose one or more of the following penalties:

(a) a letter of warning, censure, or reprimand (although no more than one such letter may be issued to the same Person found to have committed the same rule violation within a rolling twelve month period);

(b) a fine or penalty fee, which Nadex may deduct from the Member's account balance;

(c) disgorgement of profits that resulted from the violation of any Nadex Rule, which Nadex may deduct from the Member's account balance;

(d) suspension of membership status or privileges for a specified period, including partial suspension of such privileges (for example, suspension of trading privileges in particular types of Contracts or of placement of certain types of orders); ~~and~~

(e) revocation of membership status or privileges, including partial revocation of such privileges (for example, revocation of trading privileges in particular types of Contracts or of placement of certain types of orders); and

(f) interest, at the prime rate, as reported by the Wall Street Journal as of the date the amount becomes due, on any outstanding account balance, monetary fine, penalty fee, or disgorgement amount owed, compounded monthly and calculated from the date when the amount was first due and payable.

RULES 9.6 – 12.78 [UNCHANGED]

*End of Rulebook.*

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