



February 2, 2026

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: Submission Pursuant to Commission Regulation 40.6(a) – New Rules 5.21 (Position Accountability), 5.22 (Reports of Large Positions) and 5.23 (Aggregation of Positions).

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act” or “CEA”), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (the “Commission”) under the Act, the North American Derivatives Exchange, Inc. d/b/a Crypto.com | Derivatives North America (the “Exchange” or “CDNA”), in its capacity as a registered designated contract market (“DCM”), hereby certifies to the Commission new Rules 5.21, 5.22 and 5.23, which relate to position accountability, reportable levels and aggregation of contracts listed on the Exchange, as well as certain non-material modifications (the “Rulebook Amendments”).

Specifically, CDNA is amending the following Rules with conforming changes throughout:

- Rule 5.21 (Position Accountability) is added to establish provisions related to position accountability levels.
- Rule 5.22 (Reports of Large Positions) is added to establish the Reportable Level for fully collateralized products on the Exchange and specify the manner and substance of reporting large positions.
- Rule 5.23 (Aggregation of Positions) is added to clarify that positions in Contracts are aggregated in accordance with CFTC Regulations.
- Rules 1.1, 3.5, 5.19, 5.20, 5.24, 9.10, 11.12, 11.13, 11.15, 14.64, 14.65, 14.66, 14.67, 14.68, and 14.69 were amended with conforming and non-material modifications.

The Rulebook Amendments shall become effective ten (10) business days after this submission has been filed.

DCM CORE PRINCIPLES

CDNA has identified the following DCM Core Principles as being impacted by the Rulebook Amendments:

Core Principle 2 (Compliance with Rules)

Core Principle 2 requires the DCM to have the capacity to detect, investigate, and apply appropriate sanctions to any person that violates any rule of the contract market. The Exchange has a dedicated Compliance/Regulatory staff that monitors the markets, investigates potential rule violations, and imposes sanctions against individuals who have been determined to have violated the Rules. The Exchange has an automated trade surveillance system that is capable of detecting potential trade practice violations, and also conducts real-time market monitoring of all trading activity in all Contracts, at all hours the Exchange is open. The Exchange is able to set the parameters by which the system detects potential issues. Chapter 9 of the Exchange Rulebook sets forth the Exchange's authority to investigate and sanction Participants for activity that violates the Exchange Rules. Exchange Rule 2.10 grants the Exchange jurisdiction over any Person initiating or executing a transaction on or subject to the Rules of the Exchange, either directly or through an intermediary, and any Person for whose benefit such transaction has been initiated or executed. The Exchange's jurisdiction continues notwithstanding the termination of the Participant's Exchange access. The Exchange's Rules require all Participants to comply with the Exchange Rules and to cooperate with the Exchange promptly and fully in any investigation, call for information, inquiry, audit, examination or proceeding. Such cooperation may involve a request for the Participant's activity in the relevant Underlying.

Core Principle 3 (Contracts Not Readily Susceptible to Manipulation) and Core Principle 4 (Prevention of Market Disruption)

Core Principles 3 and 4 (Contracts Not Readily Subject to Manipulation and Prevention of Market Disruption), implemented by Commission Regulations 38.200 and 38.250, require a DCM to list only contracts that are not readily susceptible to manipulation and to prevent market disruption. The Exchange has dedicated market regulation staff and an automated surveillance system to monitor all markets in real-time. The surveillance system not only monitors for abnormal market conditions, market abuse, and potential manipulative activity, but also monitors Market Makers' activity for compliance with the quoting parameters of the Market Maker Agreement.

Core Principle 5 (Position Limitations or Accountability)

Core Principle 5 (Position Limitations or Accountability) requires a DCM to adopt for each contract of the DCM position limitations or position accountability for speculators, as is necessary and appropriate. The Exchange's position accountability limits and reporting of large positions in excess of the Exchange's Reportable Level help to reduce the potential threat of

market manipulation and congestion by enabling CDNA to monitor large positions while maintaining liquidity in Contracts' markets.

Core Principle 7 (Availability of General Information)

Core Principle 7 requires that the Exchange ensure that its Rulebook is accurate, complete, current and readily accessible to the public, and all new or amended rules, both substantive and non-substantive, shall be reflected in the Rulebook on the date of implementation. CDNA makes its Rulebook publicly available on the CDNA website. On the effective date of this submission, the Rulebook will be updated and published with the Rulebook Amendments described herein. Accordingly, the Rulebook Amendments will not negatively affect CDNA's ability to comply with this Core Principle. The Exchange has dedicated staff to conduct surveillance of the market and uses the SCILA surveillance system to assist with market monitoring at all times the Event Contract will be listed. The Exchange trading system has a cap-check feature that ensures a trader has sufficient funds in the account to fully collateralize the Order if executed before the Order is accepted by the Exchange. The Exchange also has the ability to block new Orders and/or cancel working Orders if necessary to prevent market disruption. Additionally, Commission Regulation 38.256 requires a DCM to have the ability to comprehensively and accurately reconstruct all trading on its trading facility. The Exchange is currently able to reconstruct trading in its markets based on the data stored in the database, the SCILA surveillance system, as well as the Exchange log files. Trade data will continue to be stored in this same manner following the addition of the Event Contract.

Core Principle 9 (Execution of Transactions)

Core Principle 9 requires the DCM to provide a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process. The Rulebook Amendments will not negatively affect CDNA's ability to comply with this Core Principle. All trading on the Exchange is subject to the CDNA Rulebook, including Core Principle 2 requires that the Exchange establish, monitor, and enforce compliance with its Rules, including the terms and conditions of any contracts to be traded on the Exchange.

Core Principle 12 (Protection of Markets and Market Participants)

Core Principle 12 requires a DCM to protect markets and market participants from abusive practices committed by any party and to promote fair and equitable trading on the contract market. Chapter 5 of the Exchange Rulebook establishes Rules to protect the market and market participants from abusive, disruptive, fraudulent, noncompetitive, and unfair conduct and trade practices. The Rules apply to all market participants and transactions on the Exchange, and participants will comply with the Rules.

Core Principle 16 (Conflicts of Interest)

Core Principle 16 requires a DCM to establish and enforce rules that minimize conflicts of interest and a process for resolving conflicts of interest. CDNA has in place rules that regulate trading limitations and non-public information. The Rules apply to all market participants and transactions on the Exchange, and participants will need to comply with the Rules with respect to reporting to CDNA when a reportable position level is reached.

Core Principle 18 (Recordkeeping)

Core Principle 18, implemented by Commission Regulation 38.951, requires a DCM to maintain records of all activities relating to the business of the DCM, (i) in a form and manner that is acceptable to the Commission, and (ii) for a period of at least 5 years. A DCM must maintain such records in accordance with the applicable requirements of Commission Regulations. CDNA maintains records of all its activities relating to the business of the DCM, including records related to the Rulebook Amendments and reportable position levels, pursuant to Commission Regulations.

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Redlined versions of the amended Rules are attached hereto as Appendix A.

CDNA hereby certifies that the Rulebook Amendments contained herein complies with the Act, as amended, and the Commission Regulations adopted thereunder. No substantive opposing views were expressed to CDNA with respect to any of these actions.

CDNA hereby certifies that notice of the Rulebook Amendments was posted on its website at the time of this filing.

In accordance with the 10-day review period set forth in Commission Regulation 40.6(a)(3), the Rulebook Amendments shall become effective ten (10) business days after this submission has been filed.

Should you have any questions regarding the above, please do not hesitate to contact me by telephone at (312) 884-0161 or by email at Kevin.Dan@nadex.com.

Sincerely,

/s/

Kevin Dan
Chief Compliance Officer and Chief Regulatory Officer
The North American Derivatives Exchange, Inc. d/b/a Crypto.com | Derivatives North America



APPENDIX A

Redlined Version of the Amended Rules

RULE 5.20 ~~SPECULATIVE~~ POSITION LIMITS

- (a) CDNA has imposed Speculative Position Limits on certain Classes of Contracts, subject to the exemption and Alternative Position Limits for certain Market Makers. Any Participant who exceeds a Speculative Position Limit or, if applicable, an Alternative Position Limit shall be deemed in violation of this 0. In addition, any Participant (except for approved Market Makers) entering bids or offers, if accepted, which would cause that Participant to exceed the applicable Speculative Position Limit shall be in violation of this Rule. In the case of any violation of this Rule by a Customer, that Customer's Intermediating Member shall be held directly responsible for such violation.
- (b) If a Participant fails to reduce any position in a manner and time as directed by, CDNA shall have the authority to liquidate the applicable position to a level below the defined Speculative Position Limit stipulated under the relevant Class of Contracts or, if applicable, the Alternative Position Limits.
- (c) In addition to the restrictions and requirements imposed in Section 5.20(a) and (b), the first violation of a Speculative Position Limit or Alternative Position Limit by a Participant may result in a letter of warning to be issued by the CDNA Compliance Department to the Participant, and/or its Intermediating Member or the initiation of proceedings in accordance with **Error! Reference source not found.** of these rules.
- (d) In addition to the restrictions and requirements placed in Section 5.20(c), any subsequent violation of a Speculative Position Limit or Alternative Position Limit by a Participant within 12 months after a violation that resulted in a letter of warning, will result in the initiation of proceedings in accordance with **Error! Reference source not found.** of these Rules.
- (e) Position limits shall apply to i) all positions in accounts for which any Person by power of attorney or otherwise, directly or indirectly holds positions or controls trading, and ii) positions held by two or more Persons acting pursuant to an express or implied agreement or understanding the same as if the positions were held by, or the trading of the position were done by, a single individual.
- (f) [Unless otherwise specified in the Contract specifications set forth in Chapters 13 or 14, the Position Limit for fully collateralized products on the Exchange is 2,500,000 Contracts.](#)

RULE 5.21 POSITION ACCOUNTABILITY

- (f) A Person who holds or controls aggregate positions in a Contract in excess of 1,750,000 Contracts, unless otherwise specified in the Contract, shall be subject to the following provisions:
 - (i) Such Person shall provide, in a timely manner upon request by the Compliance Department, information regarding the nature of the position, trading strategy, and hedging information if applicable.
 - (ii) Such Person shall, if so ordered by the Compliance Department, acting in its discretion, liquidate or not increase further the positions which exceed such levels.
 - (iii) Such positions must be initiated and liquidated in an orderly manner.
- (g) This Rule shall not limit the jurisdiction of the Exchange to take action that it determines necessary or appropriate in respect of any positions on the Exchange

RULE 5.22 REPORTS OF LARGE POSITIONS

- (a) The Reportable Level for all fully collateralized products on the Exchange is 1,000,000 Contracts.
- (h) Upon request, Participants must provide the Compliance Department with information, in a form and manner acceptable to the Compliance Department, identifying the owner, any controlling parties and any additional required information for each reportable account.
- (i) Each Clearing Member shall submit to the Exchange (i) a daily report of all positions that exceed the applicable Reportable Level and (ii) a copy of the CFTC Form 102 filed by the Participant or Clearing Member with the CFTC for such Participant's or Clearing Member's Customers' reportable accounts. The Form 102 shall be submitted to the Exchange no later than the Business Day following the date on which the account becomes reportable.
- (b) Positions in Exchange products at or above the Reportable Level trigger reportable status. For a Participant in reportable status, all positions, regardless of size, in relevant Exchange products must be reported to the Exchange, in addition to any regulatory obligations a Participant may have separate and apart from these Rules.

RULE 5.23 AGGREGATION OF POSITIONS

- (j) For purposes of Rule 5.20, Rule 5.21 and Rule 5.22, positions in Contracts shall be aggregated in accordance with the CFTC's regulations.