

**EXHIBIT A**

<b>Rule</b>	<b>Asset</b>	<b>Duration/Close Time</b>	<b>Action</b>	<b>Effective Date</b>
312.61	US SmallCap 2000 Binary Contract	11:40am, 12:00pm, 12:20pm, 12:40pm, 1:00pm, 1:20pm, 1:40pm, 2:00pm, 2:20pm ET	Amend strike width for narrow 20- Minute Intraday Binary contract.	9/5/2017

## **EXHIBIT B**

### Amendment of Rules 12.61

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

RULES 1.1 – 12.60 [UNCHANGED]

#### RULE 12.61 US SMALLCAP 2000 BINARY CONTRACTS

(a) **SCOPE** – These Rules shall apply to the Class of Contracts referred to as the US SmallCap 2000 Binary Contracts issued by Nadex.

(b) **UNDERLYING** – The Underlying for this Class of Contracts is the price of the E-mini Russell 2000<sup>®1</sup> Index Futures contracts (“RUFC”) traded on the Chicago Mercantile Exchange (CME<sup>®</sup>)<sup>2</sup>. The RUFC trade prices that will be used for the Underlying will be taken from four (4) RUFC delivery months: March, June, September, or December (each a “RUFC Delivery Month”). The date on which a new delivery month will be used as the Underlying for Nadex contracts (i.e. “Start Date”) is one calendar day after the End Date for the previous delivery month contract. The last day on which a delivery month will be used as the Underlying for Nadex contracts (i.e. “End Date”) is the Friday of the week preceding the Underlying futures contracts Expiration Date. For example, the CME E-mini Russell 2000 Index September 2017 Futures has an Expiration Date of September 15, 2017. The last day on which the CME E-mini Russell 2000 Index September 2017 Futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant CME E-mini Russell 2000 Index Futures contracts will be the Friday of the preceding week. Therefore, the End Date for using CME E-mini Russell 2000 Index September 2017 Futures will be September 8, 2017 and the Start Date for the next delivery month, CME E-mini Russell 2000 Index December 2017 Futures, will be September 9, 2017.

(c) **SOURCE AGENCY** – The Source Agency is Nadex.

(d) **TYPE** – The Type of Contract is a Binary 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 Binary Contracts are initially issued. For the US SmallCap 2000 Binary Contract, the Payout Criteria for the Contracts will be set as follows:

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<sup>1</sup> Russell 2000<sup>®</sup> is a registered mark of Frank Russell Company.

<sup>2</sup> CME<sup>®</sup> is a registered mark of the Chicago Mercantile Exchange. Nadex is not affiliated with the Chicago Mercantile Exchange (“CME”), nor its affiliates, and CME does not sponsor or endorse Nadex or its products in any way. In particular, the Nadex US SmallCap 2000 Contracts are not sponsored, endorsed, sold or promoted by CME.

(i) WEEKLY US SMALLCAP 2000 BINARY CONTRACTS

- (1) EXPIRATION TIME – 4:15PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 6.
- (3) NUMBER OF STRIKE LEVELS LISTED - Thirteen (13) strike levels will be listed for the Weekly US SmallCap 2000 Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “W” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest one (1). Six (6) strike levels will be generated above Binary Contract W at an interval of 6, and six (6) strike levels will be generated below Binary Contract W at an interval of 6 (e.g.  $W - 6$ ;  $W$ ;  $W + 6$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY US SMALLCAP 2000 BINARY CONTRACTS

- (1) EXPIRATION TIME – 4:15PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 2.
- (3) NUMBER OF STRIKE LEVELS LISTED - Twenty-one (21) strike levels will be listed for the Daily US SmallCap 2000 Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “X” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest one (1). Ten (10) strike levels will be generated above Binary Contract X at an interval of 2, and ten (10) strike levels will be generated below Binary Contract X at an interval of 2 (e.g.  $X - 2$ ;  $X$ ;  $X + 2$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) INTRADAY US SMALLCAP 2000 2-HOUR BINARY CONTRACTS

- (1) EXPIRATION TIME – 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM, 4:00PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 1.4.

- (3) NUMBER OF STRIKE LEVELS LISTED - Fifteen (15) strike levels will be listed for each Intraday US SmallCap 2000 2-Hour Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Y” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in .10. Seven (7) strike levels will be generated above Binary Contract Y at an interval of 1.4, and seven (7) strike levels will be generated below Binary Contract Y at an interval of 1.4 (e.g.  $Y - 1.4$ ; Y;  $Y + 1.4$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(iv) INTRADAY US SMALLCAP 2000 20-MINUTE BINARY

CONTRACTS

- (1) EXPIRATION TIME – 10:00AM, 10:20AM, 10:40AM, 11:00AM, 11:20AM, 2:40PM, 3:00PM, 3:20PM, 3:40PM 4:00PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.7.
- (3) NUMBER OF STRIKE LEVELS LISTED – Fifteen (15) strike levels will be listed for each Intraday US SmallCap 2000 20-Minute Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in .10. Seven (7) strike levels will be generated above Binary Contract Z at an interval of 0.7, and seven (7) strike levels will be generated below Binary Contract Z at an interval of 0.7 (e.g.  $Z - 0.7$ ; Z;  $Z + 0.7$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(v) INTRADAY US SMALLCAP 2000 20-MINUTE BINARY

CONTRACTS

- (1) EXPIRATION TIME – 11:40AM, 12:00PM, 12:20PM, 12:40PM, 1:00PM, 1:20PM, 1:40PM, 2:00PM, 2:20PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be ~~0.5~~0.6.
- (3) NUMBER OF STRIKE LEVELS LISTED - Fifteen (15) strike levels will be listed for each Intraday US SmallCap 2000 20-Minute Binary Contract Series.
- (4) STRIKE LEVELS GENERATED - Strike levels will be generated such that Binary Contract “Z” is valued ‘at-the-money’ in relation to the Underlying market as determined by the Source Agency, immediately before the issuance

of these Contracts, and shall be measured in U.S. cents rounded to the nearest value ending in .10. Seven (7) strike levels will be generated above Binary Contract Z at an interval of  $0.50.6.$ , and seven (7) strike levels will be generated below Binary Contract Z at an interval of  $0.50.6.$  (e.g.  $Z - 0.50.6.$ ;  $Z$ ;  $Z + 0.50.6.$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(vi) Nadex may list additional US SmallCap 2000 Binary 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 the US SmallCap 2000 Binary Contracts shall be \$0.25.

(h) POSITION LIMIT – The Position Limits for the US SmallCap 2000 Binary Contracts shall be 2,500 Contracts.

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

(j) SETTLEMENT DATE – The Settlement Date in a Series is the same date as the Expiration Date.

(k) EXPIRATION DATE – The Expiration Date of the Contract will be the date on which the 500 Expiration Value is released by the Source Agency.

(l) SETTLEMENT VALUE – The Settlement Value is the amount paid to the holder of the in-the-money Contract on the Settlement Date. The Settlement Value of an in-the-money US SmallCap 2000 Binary Contract is \$100.

(m) EXPIRATION VALUE – The Expiration Value is the level of US SmallCap 2000 as calculated by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all RUFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the US SmallCap 2000 Binary Contract, provided at least twenty-five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of RUFC trade prices and the lowest twenty (20) percent of RUFC trade prices from the data set<sup>3</sup>, and using the remaining RUFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining RUFC trade prices in the data set, rounded to one decimal point past the precision of the underlying market. In the event the time it takes to collect at least twenty-five (25) SPFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the US SmallCap 2000 Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) RUFC trade prices just prior to the close

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<sup>3</sup> If 20% of the data set would result in a non-integer number of trade prices, the number of trade prices to be removed from the set will be rounded down. For example, if the number of trade prices collected during the last 10 seconds prior to the close of trading was 31, 20% of the data set would be 6.2 trade prices. As 6.2 is a non-integer number, the value will be rounded down, and the 6 highest and 6 lowest trade prices will be removed from the data set.

of trading of the US SmallCap 2000 Binary Contract removing the highest five (5) RUFC trade prices and the lowest five (5) RUFC trade prices, and using the remaining fifteen (15) RUFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) RUFC trade prices, rounded to one decimal point past the precision of the underlying market.

(n) CONTINGENCIES – If no daily settlement price of the relevant RUFC is announced by the Source Agency, the Settlement Date will be delayed until such daily settlement price for that Series is released and publicly available.

RULES 12.62 – 12.78 [UNCHANGED]

*End of Rulebook*