

**EXHIBIT A**

Rule	Rule Heading	Action	Effective Date
3.1	Trading Members – Applications, Classifications, and Privileges	Amend language in 3.1(d)(v) to more clearly reflect the additional obligations of Direct Trading Members connecting to the Exchange via FIX connection.	12/01/2011
N/A	Fee Schedule	Amend Fee Schedule to include provisions regarding the FIX connection fee/recertification fee and rebate of connection fee/recertification fee	12/01/2011

## EXHIBIT B

### **Amendment of Rule 3.1**

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

RULE 1.1 – 2.9 [Unchanged]

#### **RULE 3.1 TRADING MEMBERS - APPLICATIONS, CLASSIFICATIONS, AND PRIVILEGES**

- (a) To be eligible to become a Trading Member:
- (i) An applicant who is an individual, must:
    - 1) reside in the United States;
    - 2) provide Nadex with a valid Social Security Number;
    - 3) have an account or accounts in the Trading Member's name with a Financial Institution that the Trading Member will use to fund its Nadex account at the Nadex settlement bank and to receive funds from its Nadex account; and
    - 4) certify that
      - (i) the applicant is old enough to enter into a legally enforceable contract;
      - (ii) the applicant has read and understands the Nadex Risk Disclosure Statement and Membership Agreement;
      - (iii) the applicant agrees to be bound by these Rules; and
      - (iv) the applicant will trade only for itself and will not trade as an intermediary for any other person or entity.
  - (ii) An applicant that is an entity must
    - (1) be organized in the United States;
    - (2) provide Nadex with a valid Taxpayer Identification Number;

(3) have an account or accounts in the Trading Member's name with a Financial Institution that the Trading Member will use to fund its Nadex account at the Nadex settlement bank and to receive funds from its Nadex account;

(4) designate Authorized Trader(s) to trade its account and agree that such Authorized Trader(s) will trade only for it and will not trade for him/herself or as an intermediary for any other entity or person;

(5) designate at least one officer who is responsible for supervising all activities of its employees relating to transactions effected on Nadex or subject to Nadex Rules and provide any information Nadex may request regarding such officer(s);

(6) agree to be bound by these Rules; and

(7) certify that

(i) the applicant is validly organized, in good standing, in the United States;

(ii) the applicant is authorized by its governing body and, if relevant, documents of organization, to trade commodities, futures and options contracts, and

(iii) the applicant has read and understands the Nadex Risk Disclosure Statement and Membership Agreement.

(b) In order to become a Trading Member, an applicant who is an individual must complete and submit the Nadex on-line membership application, provide Nadex with any other information Nadex may request, and fund its Nadex account by transferring to the customer segregated funds account at Nadex's settlement bank an initial deposit of no less than \$100 in funds from its account at a Financial Institution. An applicant who is an entity must complete an Account Certification, Membership Agreement, and W-9, which collectively shall constitute the membership application, provide Nadex with any other information Nadex may request, and fund its Nadex account by transferring to the customer segregated funds account at Nadex's settlement bank an initial deposit of no less than \$100 in funds from its account at a Financial Institution.

(c) Submission of a membership application to Nadex constitutes the applicant's agreement to be bound by these Rules and other policies of Nadex.

(d) If an application is approved by Nadex and the Nadex settlement bank confirms to Nadex that the applicant has deposited with it the funds required in paragraph (b) of this Rule, the applicant will be a Trading Member of Nadex and will have the following privileges, which Nadex may revoke, amend, or expand in accordance with, or by amending, these Rules:

(i) to maintain a Nadex account;

(ii) to buy Contracts on the Market using the funds in its Nadex account;

(iii) to sell Contracts on the Market using the funds in its Nadex account;

(iv) to view “real-time” the same best bids to buy and offers to sell the Contracts traded on the Market as are available to all other Members;

(v) to receive access to the Market via the FIX Gateway ~~at your request~~, provided the Trading member executes a Nadex Fix Connection Agreement, agrees to pay any and all trading and other fees or charges incurred for such access and ~~must comply~~ complies with any requirements or restrictions established by Nadex in connection with such access ~~the amount of messaging traffic generated by such trading Member~~;

(vi) to view the current trading volume and open interest for the Contracts traded on the Market; and

(vii) to view all non-secure parts of the Nadex website, including these Rules, and descriptions of Contracts traded on the Market as well as all secure parts of the Nadex website outlined above in Rule 3.1(d)(i) – (vi).

(e)Nadex may in its sole discretion approve, deny, or condition any Member application as Nadex deems necessary or appropriate.

(f)A Trading Member that is an individual, may not maintain and/or trade more than one Nadex account. The Authorized Trader(s) of a Trading Member that is an entity, may not maintain a separate Nadex account and/or trade any Nadex account other than that entity’s account.

RULE 3.2 – 12.78 [Unchanged]

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## EXHIBIT C

### Nadex Fee Schedule Registered On or Before August 17, 2011

#### **Direct Trading Members**

- Membership Fee:
  - Nadex does not charge a Membership fee to join the Exchange.
- Initial Deposit:
  - Direct Trading Members are required to make an initial deposit of at least \$100; no minimum balance is required thereafter.
- Transaction Fees:
  - Direct Trading Members incur an Exchange trading fee of \$1.00 per contract per side for each trade executed on Nadex; on orders of 7 contracts or more, trading fees in connection with the execution of that order are capped at \$7.00.
  - Direct Trading Members incur an Exchange settlement fee of \$1.00 per contract per side for each contract that settles in-the-money (note that positions that settle with a payout of less than \$1.00 are not charged a settlement fee).
  - Nadex charges no fee for contracts that settle out-of-the-money.
  - Nadex charges no fee for orders placed, cancelled or amended.
- API Connection:
  - Direct Trading Members connecting via API incur a FIX connection fee of \$500. This connection fee is due prior to connection to the User Acceptance Testing (“UAT”) environment.
  - If the API connection of a Direct Trading Member is terminated and that Direct Trading Member seeks to reconnect via API, the member will be required to pay a recertification fee of \$500 and recertify the connection.
  - The \$500 FIX connection fee (or recertification fee) is eligible to be rebated in the amount of Transaction Fees incurred by the Direct Trading Member connecting via API (after any volume-based rebates) from the date of connection (or reconnection) to the Nadex production environment through the first full calendar month following such connection (or reconnection). This rebate shall not exceed the amount of the relevant FIX connection fee (or recertification fee).
- API Transaction Fees:
  - Direct Trading Members connecting via API incur an Exchange trading fee of \$1.50 per contract per side for each trade executed on Nadex.
  - Direct Trading Members connecting via API incur an Exchange settlement fee of \$1.00 per contract per side for each contract that settles in-the-money (note that positions that settle with a payout of less than \$1.00 are not charged a settlement fee).
  - Nadex charges Direct Trading Members connecting via API no fee for contracts that settle out-of-the-money.
  - Nadex charges Direct Trading Members connecting via API no fee for orders placed, cancelled or amended.

- Nadex provides a volume-based rebate of transaction fees to Direct Trading Members connecting via API based on the number of Bull Spread Contracts traded during any one-month period (first trading day of a calendar month through the last trading day of that month) according to the following schedule:
  - 5,000 or fewer Bull Spread lots traded in a one-month period = no rebate for that month;
  - 5,001 to 10,000 Bull Spread lots traded in a one-month period = 33% rebate on the Direct Trading Member's total fees (trade fees plus settlement fees) for Bull Spreads traded during that month;
  - More than 10,000 Bull Spread lots traded in a one-month period = 50% rebate on the Direct Trading Member's total fees (trade fees plus settlement fees) for Bull Spreads traded during that month.
- Nadex does not provide a volume-based rebate of transaction fees to Direct Trading Members connecting via API for Binary Contracts traded.

### **FCM Members**

- Membership Fee:
  - Nadex does not charge a FCM Membership fee to join the Exchange.
- Minimum Balance:
  - FCM Members are required to make an initial deposit of at least \$100,000 and to maintain a minimum balance of uncommitted funds of \$50,000.
- Transaction Fees:
  - Nadex charges FCM Members an Exchange trading fee of \$0.35 per contract per side for each trade executed on Nadex.
  - Nadex charges its FCM Members an Exchange settlement fee of \$0.35 per contract per side for each contract that settles in-the-money (note that positions that settle with a payout of less than \$0.35 are not charged a settlement fee).
  - Nadex charges no fee for contracts that settle out-of-the-money.
  - Nadex charges no fee for orders placed, cancelled or amended

### **Market Makers**

- Membership Fee:
  - Nadex does not charge Market Makers a membership fee.
- Minimum Balance:
  - Market Makers are required to make an initial deposit of at least \$500,000 and to maintain a minimum balance of uncommitted funds of \$250,000 to collateralize the trades executed on Nadex.
- Transaction Fees:
  - Nadex charges its non-intermediated Market Makers an Exchange trading fee of \$0.50 per contract per side for each trade executed on Nadex.
  - Nadex charges its non-intermediated Market Makers an Exchange settlement fee of \$0.50 per contract per side for each contract that settles in-the-money (note that positions that settle with a payout of less than \$0.50 are not charged a settlement fee).
  - Nadex charges no fee for contracts that settle out-of-the-money.

- Nadex charges no fee for orders placed, cancelled or amended.

**System Providers**

- Nadex is interested in discussing partnership opportunities with systems providers.

Anyone interested in becoming a Nadex FCM Member or market maker or pursuing a partnership as a systems provider should contact us.

~~August 11, 2011~~ December 1, 2011

**Nadex Fee Schedule**  
**Registered On or After August 18, 2011\***

**Direct Trading Members**

- Membership Fee:
  - Nadex does not charge a Membership fee to join the Exchange.
- Initial Deposit:
  - Direct Trading Members are required to make an initial deposit of at least \$100; no minimum balance is required thereafter.
- Transaction Fees:
  - Direct Trading Members incur an Exchange trading fee per contract per side for each contract executed based on order size according to the following schedule:
    - \$0.90 for each lot traded from 1 up to and including 10 lots,
    - an additional \$0.60 for each lot traded from 11 up to and including 20 lots,
    - an additional \$0.40 for each lot traded from 21 up to and including 50 lots, and
    - an additional \$0.25 for each lot traded over 50 lots.
  - Direct Trading Members incur an Exchange settlement fee per contract per side for each contract that settles in-the-money based on the position size at expiration according to the following schedule:
    - \$0.90 for each lot settled in-the-money from 1 up to and including 10 lots,
    - an additional \$0.60 for each lot settled in-the-money from 11 up to and including 20 lots,
    - an additional \$0.40 for each lot settled in-the-money from 21 up to and including 50 lots, and
    - an additional \$0.25 for each lot settled in-the-money over 50 lots.
  - If the per-contract settlement payout is greater than \$0, but the total fee to be charged for the position exceeds the total settlement payout for that position, Nadex will reduce its fee to the amount of the total settlement payout for that position (that is, Nadex will not charge a settlement fee that exceeds a settlement payout).
  - Nadex charges no fee for contracts that settle out-of-the-money.
  - Nadex charges no fee for orders placed, cancelled or amended.
- API Connection
  - Direct Trading Members connecting via API incur a FIX connection fee of \$500. This connection fee is due prior to connection to the User Acceptance Testing (“UAT”) environment.
  - If the API connection of a Direct Trading Member is terminated and that Direct Trading Member seeks to reconnect via API, the member will be required to pay a recertification fee of \$500 and recertify the connection.
  - The \$500 FIX connection fee (or recertification fee) is eligible to be rebated in the amount of Transaction Fees incurred by the Direct Trading Member connecting via API (after any volume-based rebates) from the date of connection (or reconnection) to the Nadex production environment through the first full calendar month following such connection (or reconnection). This rebate shall not exceed the amount of the relevant FIX connection fee (or recertification fee).



- Automated Trading via API Connection:
  - Automated trading by Trading Members via API connection incurs an Exchange trading fee of \$1.50 per contract per side for each trade executed.
  - Settlements in connection with automated trading by Trading Members via API connection incur an Exchange settlement fee of \$1.00 per contract per side for each contract that settles in-the-money. If the per-contract payout is greater than \$0, but the total fee to be charged for the net position exceeds the total settlement payout for that position, Nadex will reduce its fee to the amount of the total settlement payout for that position (that is, Nadex will not charge a settlement fee that exceeds a settlement payout).
  - Settlements in connection with automated trading by Trading Members via API connection incur no fee for contracts that settle out-of-the-money.
  - The placement, cancellation or amendment of orders in connection with automated trading by Trading Members via API connection incurs no fee.
  - Nadex provides a volume-based rebate of transaction fees to Direct Trading Members connecting via API based on the number of Bull Spread Contracts traded during any one-month period (first trading day of a calendar month through the last trading day of that month) according to the following schedule:
    - 5,000 or fewer Bull Spread lots traded in a one-month period = no rebate for that month;
    - 5,001 to 10,000 Bull Spread lots traded in a one-month period = 33% rebate on the Direct Trading Member's total fees (trade fees plus settlement fees) for Bull Spreads traded during that month;
    - More than 10,000 Bull Spread lots traded in a one-month period = 50% rebate on the Direct Trading Member's total fees (trade fees plus settlement fees) for Bull Spreads traded during that month.
  - Nadex does not provide a volume-based rebate of transaction fees to Direct Trading Members connecting via API for Binary Contracts traded.

### **FCM Members**

- Membership Fee:
  - Nadex does not charge a FCM Membership fee to join the Exchange.
- Minimum Balance:
  - FCM Members are required to make an initial deposit of at least \$100,000 and to maintain a minimum balance of uncommitted funds of \$50,000.
- Transaction Fees:
  - FCM Members incur an Exchange trading fee per contract per side for each contract executed based on order size according to the following schedule:
    - \$0.35 for each lot traded from 1 up to and including 30 lots,
    - an additional \$0.30 for each lot traded from 31 up to and including 50 lots, and
    - an additional \$0.25 for each lot traded over 50 lots.
  - FCM Members incur an Exchange settlement fee per contract per side for each contract that settles in-the-money based on the position size at expiration according to the following schedule:
    - \$0.35 for each lot settled in-the-money from 1 up to and including 30 lots,

- an additional \$0.30 for each lot settled in-the-money from 31 up to and including 50 lots,
- an additional \$0.25 for each lot settled in-the-money over 50 lots.
- Nadex charges its FCM Members an Exchange settlement fee of \$0.35 per contract per side for each contract that settles in-the-money. If the per-contract settlement payout is greater than \$0, but the total fee to be charged for the position exceeds the total settlement payout for that position, Nadex will reduce its fee to the amount of the total settlement payout for that position (that is, Nadex will not charge a settlement fee that exceeds a settlement payout).
- Nadex charges no fee for contracts that settle out-of-the-money.
- Nadex charges no fee for orders placed, cancelled or amended.

### **Market Makers**

- Membership Fee:
  - Nadex does not charge Market Makers a membership fee.
- Minimum Balance:
  - Market Makers are required to make an initial deposit of at least \$500,000 and to maintain a minimum balance of uncommitted funds of \$250,000 to collateralize the trades executed on Nadex.
- Transaction Fees:
  - Nadex charges its non-intermediated Market Makers an Exchange trading fee of \$0.50 per contract per side for each trade executed on Nadex.
  - Nadex charges its non-intermediated Market Makers an Exchange settlement fee of \$0.50 per contract per side for each contract that settles in-the-money. If the per-contract settlement payout is greater than \$0, but the total fee to be charged for the position exceeds the total settlement payout for that position, Nadex will reduce its fee to the amount of the total settlement payout for that position (that is, Nadex will not charge a settlement fee that exceeds a settlement payout).
  - Nadex charges no fee for contracts that settle out-of-the-money.
  - Nadex charges no fee for orders placed, cancelled or amended.

### **System Providers**

- Nadex is interested in discussing relationships with systems providers.

Anyone interested in becoming a Nadex FCM Member or market maker or pursuing a relationship as a systems provider should contact us.

~~August 18, 2011~~ December 1, 2011

\*Members who have registered on or before August 17, 2011 may opt for the new fee schedule by contacting the Exchange.

**Nadex Fee Schedule Chart 1:  
Direct Members and FCM Members  
Registered On or Before August 17, 2011**

**TRADING FEES**

**Direct Member Exchange Trading Fees**

Lots Traded	Fees Per Side
Lots 1-7	\$1.00
Lots 7 and above	\$7.00 capped

**FCM Member Exchange Trading Fees**

Lots Traded	Fees Per Side
All lots traded	\$0.35

**Direct Trading Member Connecting via API Trading Fees**

Lots Traded	Fees Per Side
All lots traded	\$1.50

**SETTLEMENT FEES**

**Direct Member Settlement Fees\***

Lots Settled in-the-money	Fees Per Side
All lots settled in-the-money	\$1.00

**FCM Member Settlement Fees\***

Lots Settled in-the-money	Fees Per Side
All lots settled in-the-money	\$0.35

**Direct Trading Member Connecting via API Settlement Fees\***

Lots Settled in-the-money	Fees Per Side
All lots settled in-the-money	\$1.00

**REBATES**

**Direct Trading Member Connecting via API Rebates\*\***

Bull Spread Lots Traded per Calendar Month (first trading day of the month through last trading day of the month)	Rebate on total fees (trading fees plus settlement fees) for that month
Less than 5,000 Bull Spreads lots traded	0%
5,001 < Bull Spread Lots traded < 10,000	33%
More than 10,000 Bull Spread lots traded	50%

\* Note that positions that settle with a payout of less than \$1.00 for Direct Trading Members, and less than \$0.35 for FCM Members, are not charged a settlement fee.

\*\* There are no rebates to Direct Trading Members connecting via API for Binary Contracts traded.

**Nadex Fee Schedule Chart 2:  
Direct Members and FCM Members  
Registered On or After August 18, 2011\***

**TRADING FEES**

**Direct Member Exchange Trading Fees**

Lots Traded	Fees Per Side
Lots 1-10	\$0.90
Lots 11-20 (i.e. the next 10 contracts)	\$0.60
Lots 21-50 (i.e. the next 30 contracts)	\$0.40
Lots 51 and above	\$0.25

**FCM Member Exchange Trading Fees**

Lots Traded	Fees Per Side
Lots 1-30	\$0.35
Lots 31-50 (i.e. the next 20 contracts)	\$0.30
Lots 51 and above	\$0.25

**Direct Trading Member Connecting via API Trading Fees**

Lots Traded	Fees Per Side
All lots traded	\$1.50

**SETTLEMENT FEES**

**Direct Member Settlement Fees\*\***

Lots Settled in-the-money	Fees Per Side
Lots 1-10	\$0.90
Lots 11-20 (i.e. the next 10 contracts)	\$0.60
Lots 21-50 (i.e. the next 30 contracts)	\$0.40
Lots 51 and above	\$0.25

**FCM Member Settlement Fees\*\***

Lots Settled in-the-money	Fees Per Side
Lots 1-30	\$0.35
Lots 31-50 (i.e. the next 20 contracts)	\$0.30
Lots 51 and above	\$0.25

**Direct Trading Member Connecting via API Settlement Fees\*\***

Lots Settled in-the-money	Fees Per Side
All lots settled in-the-money	\$1.00

**REBATES**

**Direct Trading Member Connecting via API Rebates\*\*\***

Bull Spread Lots Traded per Calendar Month (first trading day of the month through last trading day of the month)	Rebate on total fees (trading fees plus settlement fees) for that month
Less than 5,000 Bull Spreads lots traded	0%
5,001 < Bull Spread Lots traded < 10,000	33%
More than 10,000 Bull Spread lots traded	50%

\*Members who have registered on or before August 17, 2011 may opt for the new fee schedule by contacting the Exchange.

\*\* If the per-contract settlement payout is greater than \$0, but the total fee to be charged for the position exceeds the total settlement payout for that position, Nadex will reduce its fee to the amount of the total settlement payout for that position (that is, Nadex will not charge a settlement fee that exceeds a settlement payout).

\*\*\* There are no rebates to Direct Trading Members connecting via API for Binary Contracts traded.