



August 26, 2022

Via CFTC Portal Submissions

Mr. Christopher Kirkpatrick  
Secretary of the Commission  
Office of the Secretariat  
Commodity Futures Trading Commission  
3 Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington D.C. 20581

**RE: Rule Certification: Nadex Delists Germany 40 Variable Payout and Binary Contracts - 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” or the “Exchange”) hereby submits to the Commission its intent to delist all of its Germany 40 Variable Payout and Binary Contracts. Specifically, Nadex will be delisting the following contracts:

**RULE 12.50 GERMANY 40 VARIABLE PAYOUT CONTRACTS  
RULE 12.51 GERMANY 40 BINARY CONTRACTS**

As §40.6(a) exempts the delisting of a product from the 10-day review period, Nadex will delist the aforementioned contracts effective at the close of business on trade date Friday, August 26, 2022.

As of the close of business on August 26, 2022, all Germany 40 Variable Payout and Binary Contracts will have expired and no open positions or working orders will exist in the Nadex market.

Amendments to the Rulebook to remove the relevant contract specifications have been outlined in Exhibit A. Specific amendments are set forth in Exhibit B. Any deletions are stricken out while the amendments and/or additions are underlined.

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No. 20220826(2)

Nadex hereby certifies that the additions contained herein comply with the Act, as amended, and the Commission Regulations adopted thereunder. No substantive opposing views were expressed to Nadex with respect to any of these actions. Nadex hereby certifies that notice of these events 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](mailto:jaime.walsh@nadex.com).

Sincerely,



Jaime M. Walsh  
Head of Legal

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**EXHIBIT A**

<b>Rule</b>	<b>Asset</b>	<b>Duration/Close Time</b>	<b>Action</b>	<b>Effective Date</b>
12.50	Germany 40 Variable Payout Contracts	All Contracts	Delist contracts	COB August 26, 2022
12.51	Germany 40 Binary Contracts	All Contracts	Delist contracts	COB August 26, 2022

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## **EXHIBIT B**

### Amendment of Rules 12.50 - 12.51

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

RULES 1.1 – 12.49 [UNCHANGED]

RULES 12.50 – 12.53 [RESERVED]

~~RULE 12.50 GERMANY 40 VARIABLE PAYOUT CONTRACTS~~

(a) ~~SCOPE—These Rules shall apply to the Class of Contracts referred to as the Germany 40 Variable Payout Contracts issued by Nadex.~~

(b) ~~UNDERLYING—The Underlying for this Class of Contracts is the price (in Euro Currency) of the DAX<sup>®</sup> Futures contracts (“DFC”) traded on the Eurex<sup>®</sup> exchange (Eurex).<sup>1</sup> The DFC trade prices that will be used for the Underlying will be taken from four (4) DFC delivery months: March, June, September, or December (each a “DFC 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 Monday of the week of the Underlying futures contracts Expiration Date. For example, the Eurex DAX March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the DAX March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant DAX contracts will be the Monday of the week of the Eurex DAX March 2012 futures contracts Expiration Date (i.e. March 16, 2012). Therefore, the End Date for using Eurex DAX March 2012 futures will be March 12, 2012 and the Start Date for the next delivery month, Eurex DAX June 2012 futures, will be March 13, 2012<sup>2</sup>.~~

(c) ~~SOURCE AGENCY—The Source Agency is Nadex.~~

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<sup>1</sup>-Eurex<sup>®</sup> and DAX<sup>®</sup> are registered marks of Deutsche Börse AG. Nadex is not affiliated with the Eurex or Deutsche Börse AG, and neither Eurex nor its affiliates sponsor or endorse Nadex or its products in any way. In particular, the Nadex Germany 40 Variable Payout Contracts are not sponsored, endorsed, sold or promoted by Eurex or Deutsche Börse AG.

<sup>2</sup>-Weekly contracts listed on a Monday during a week containing an Underlying futures rollover date will be listed using the Underlying futures month scheduled to be used to determine the settlement value on the day the contract expires. For example, the End Date for the Eurex DAX March 2012 Underlying futures is March 12, 2012. March 12, 2012 is a Monday, however, and any Nadex weekly contracts listed on this date and expiring on Friday, March 16, 2012, will be listed using the Eurex DAX June 2012 futures as its Underlying, as June is the futures month scheduled to be used to determine the Settlement Value of the Nadex weekly contract on its expiration date. Therefore, the Start Date for the Eurex DAX June 2012 futures will be Monday, March 12, 2012 for any Nadex weekly contracts listed on this date.

~~(d) TYPE—The Type of Contract is a Variable Payout Contract.~~

~~(e) PAYOUT CRITERION—The Payout Criterion for each Contract will be set by Nadex at the time the Variable Payout Contracts are initially issued. For the Germany 40 Variable Payout Contract, the Payout Criteria for the Contracts will be set as follows:~~

~~(i) DAILY GERMANY 40 CALL SPREAD VARIABLE PAYOUT CONTRACTS, 4:00 PM ET CLOSE—At the commencement of trading in a Daily Germany 40 Call Spread Variable Payout Contract, referred to as a ‘Call Spread’, Nadex shall list one (1) Call Spread Contract, which conforms to the Payout Criteria listed below:~~

~~(1) DAILY GERMANY 40 CALL SPREAD CONTRACT~~

~~—————(aa) CEILING—The Ceiling shall be  $X + 200$ .~~

~~—————(bb) FLOOR—The Floor shall be  $X - 200$ .~~

~~(cc) DOLLAR MULTIPLIER—The Dollar Multiplier shall be 1.~~

~~(2) In each case, “X” equals the last DFC trade price, as reported by the Source Agency, rounded to the nearest 100.~~

~~(ii) DAILY GERMANY 40 CALL SPREAD CONTRACTS, 4:00 PM ET CLOSE—Nadex shall list a set of three (3) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:~~

~~(1) CONTRACT 1: The Ceiling shall be  $X$ ; The Floor shall be  $X - 200$ .~~

~~(2) CONTRACT 2: The Ceiling shall be  $X + 100$ ; The Floor shall be  $X - 100$ .~~

~~(3) CONTRACT 3: The Ceiling shall be  $X + 200$ ; The Floor shall be  $X$ .~~

~~(4) DOLLAR MULTIPLIER—The Dollar Multiplier shall be 1.~~

~~(5) In each case, “X” equals the last DFC price, as reported by the Source Agency, rounded to the nearest 100.~~

~~(iii) INTRADAY GERMANY 40 CALL SPREAD CONTRACTS, 8AM ET to 4:00 PM ET CLOSE—Nadex shall list a set of three (3) Call Spread Contracts with overlapping ranges, which conform to the Payout Criteria listed below:~~

~~(1) CONTRACT 1: The Ceiling shall be  $X$ ; The Floor shall be  $X - 150$ .~~

~~(2) CONTRACT 2: The Ceiling shall be  $X + 75$ ; The Floor shall be  $X - 75$ .~~

~~(3) CONTRACT 3: The Ceiling shall be  $X + 150$ ; The Floor shall be  $X$ .~~

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~~(4) DOLLAR MULTIPLIER—The Dollar Multiplier shall be 1.~~

~~(5) In each case, “X” equals the last DFC price, as reported by the Source Agency, rounded to the nearest 25.~~

~~(iv) INTRADAY 2 HOUR GERMANY 40 CALL SPREAD CONTRACTS, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM and 4:00PM ET CLOSE—Nadex shall list a set of three (3) Call Spread Contracts that open 2 hours prior to the stated closing time(s) above with overlapping ranges, which conform to the Payout Criteria listed below:~~

~~(1) CONTRACT 1: The Ceiling shall be X; The Floor shall be X—50.~~

~~(2) CONTRACT 2: The Ceiling shall be X + 25; The Floor shall be X—25.~~

~~(3) CONTRACT 3: The Ceiling shall be X + 50; The Floor shall be X.~~

~~(4) DOLLAR MULTIPLIER—The Dollar Multiplier shall be 1.~~

~~(5) In each case, “X” equals the last DFC price, as reported by the Source Agency, rounded to the nearest 25.~~

~~(6) The Intraday 2 Hour Germany 40 Call Spread Contracts, 5:00AM, 6:00AM, 7:00AM, 8:00AM, 9:00AM, 10:00AM, 11:00AM, 12:00PM, 1:00PM, 2:00PM, 3:00PM and 4:00PM ET Close, will not be listed on the three Business Days immediately following the End Date of the Underlying.~~

~~—————(v) Nadex may list additional Call Spread Contracts with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.~~

~~(f) MINIMUM TICK—The Minimum Tick size for Germany 40 Call Spread Contracts shall be 1.~~

~~(g) POSITION LIMIT—The Position Limits for Germany 40 Call Spread Contracts shall be 250 Contracts per Class.~~

~~(h) MARKET MAKER ALTERNATIVE POSITION LIMIT—The Position Limit for the Germany 40 Call Spread Variable Payout Contracts for contracted Market Makers shall be 500 Contracts per strike level.~~

~~(i) LAST TRADING DATE—The Last Trading Date of the Contract is the same date as the Settlement Date.~~

~~(j) SETTLEMENT DATE—The Settlement Date of the Contract shall be the same date as the Expiration Date.~~

~~(k) EXPIRATION DATE—The Expiration Date of the Contract shall be the date on which the Germany 40 Expiration Value is released by the Source Agency.~~

~~(l) SETTLEMENT VALUE—The Settlement Value is the amount paid to the holder of either a Short or Long Variable Payout Contract on Settlement Date. The Settlement Value of a Variable Payout Contract is determined as described in the definition for Long and Short Variable Payout Contracts.~~

~~(m) EXPIRATION VALUE—The Expiration Value is the price or value of Germany 40 released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all DFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Germany 40 Call Spread Contract, provided at least twenty five (25) trade prices are captured during the ten (10) second period, removing the highest twenty (20) percent of DFC trade prices and the lowest twenty (20) percent of DFC trade prices from the data set<sup>3</sup>; and using the remaining DFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining DFC 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) DFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Germany 40 Call Spread Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty five (25) DFC trade prices just prior to the close of trading of the Germany 40 Call Spread Contract removing the highest five (5) DFC trade prices and the lowest five (5) DFC trade prices, and using the remaining fifteen (15) DFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) DFC trade prices, rounded to one decimal point past the precision of the underlying market.~~

~~(n) CONTINGENCIES—If no level is actually announced on the Expiration Date due to a delay, postponement or otherwise in such release announcement by the Source Agency, the Settlement Date will be delayed until the Underlying number is released for that Series.~~

#### ~~RULE 12.51 GERMANY 40 BINARY CONTRACTS~~

~~(a) SCOPE—These Rules shall apply to the Class of Contracts referred to as the Germany 40 Binary Contracts issued by Nadex.~~

~~(b) UNDERLYING—The Underlying for this Class of Binary Contracts is the price (in Euro Currency) of the DAX<sup>®</sup> Futures contracts (“DFC”) traded on the Eurex<sup>®</sup> exchange (Eurex).<sup>4</sup> The DFC trade prices that will be used for the Underlying will be taken from four (4) DFC~~

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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.

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~~delivery months: March, June, September, or December (each a “DFC 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 Monday of the week of the Underlying futures contracts Expiration Date. For example, the Eurex DAX March 2012 futures have an Expiration Date of March 16, 2012. The last day on which the DAX March 2012 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant DAX contracts will be the Monday of the week of the Eurex DAX March 2012 futures contracts Expiration Date (i.e. March 16, 2012). Therefore, the End Date for using Eurex DAX March 2012 futures will be March 12, 2012 and the Start Date for the next delivery month, Eurex DAX June 2012 futures, will be March 13, 2012<sup>5</sup>.~~

~~(c) SOURCE AGENCY—The Source Agency is Nadex.~~

~~(d) TYPE—The type of Contract is a Binary Contract.~~

~~(e) PAYOUT CRITERION—The Payout Criterion for each Contract will be set by Nadex at the time the Binary Contracts are initially issued. For the Germany 40 Binary Contract, the Payout Criteria for the Contracts will be set as follows:~~

~~(i) WEEKLY GERMANY 40 BINARY CONTRACTS~~

~~(1) EXPIRATION TIME—4:00 PM ET CLOSE~~

~~(2) STRIKE INTERVAL WIDTH—The interval width between each strike level shall be 50.~~

~~(3) NUMBER OF STRIKE LEVELS LISTED—Thirteen (13) strike levels will be listed for each Weekly Germany 40 Future 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 value ending in 25 or 75 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract X at an interval of 50, and six (6) strike levels will be generated below Binary Contract X at an interval of~~

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<sup>5</sup>Weekly contracts listed on a Monday during a week containing an Underlying futures rollover date will be listed using the Underlying futures month scheduled to be used to determine the settlement value on the day the contract expires. For example, the End Date for the Eurex DAX March 2012 Underlying futures is March 12, 2012. March 12, 2012 is a Monday, however, and any Nadex weekly contracts listed on this date and expiring on Friday, March 16, 2012, will be listed using the Eurex DAX June 2012 futures as its Underlying, as June is the futures month scheduled to be used to determine the Settlement Value of the Nadex weekly contract on its expiration date. Therefore, the Start Date for the Eurex DAX June 2012 futures will be Monday, March 12, 2012 for any Nadex weekly contracts listed on this date.



~~— 50 (e.g.  $X - 50$ ;  $X$ ;  $X + 50$ ). The Contract will have a Payout Criterion of  
— greater than the strike level value.~~

~~————— (ii) DAILY GERMANY 40 BINARY CONTRACTS~~

~~(1) EXPIRATION TIME — 4:00 PM ET CLOSE~~

~~(2) STRIKE INTERVAL WIDTH — The interval width between each strike level  
— shall be 20.~~

~~(3) NUMBER OF STRIKE LEVELS LISTED — Twenty one (21) strike levels  
— will be listed for each Daily Germany 40 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 20 as reported by the Source Agency. Ten (10) strike levels  
— will be generated above Binary Contract Y at an interval of 20, and ten (10)  
— strike levels will be generated below Binary Contract Y at an interval of 20  
— (e.g.  $Y - 20$ ;  $Y$ ;  $Y + 20$ ). The Contract will have a Payout Criterion of greater  
— than the strike level value.~~

~~————— (iii) INTRADAY GERMANY 40 BINARY CONTRACTS~~

~~(1) EXPIRATION TIME — 5 AM, 6 AM, 7 AM, 8 AM, 9AM, 10 AM, 11 AM,  
— 12 PM, 1 PM, 2 PM, 3 PM, 4 PM ET CLOSE~~

~~(2) EXCEPTIONS — No Intraday Germany 40 Binary Contract will be listed on  
— the three Business Days immediately following the End Date of the Underlying.~~

~~(3) STRIKE INTERVAL WIDTH — The interval width between each strike level  
— shall be 20.~~

~~(4) NUMBER OF STRIKE LEVELS LISTED — Nine (9) strike levels  
— will be listed for each Intraday Germany Binary Contract Series.~~

~~(5) 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 1 as reported by the Source Agency. Four (4) strike levels  
— will be generated above Binary Contract Z at an interval of 20, and four (4)  
— strike levels will be generated below Binary Contract Z at an interval of 20  
— (e.g.  $Z - 20$ ;  $Z$ ;  $Z + 20$ ). The Contract will have a Payout Criterion of greater  
— than the strike level value.~~

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~~(iv) Nadex may list additional Germany 40 Binary Contract with different ranges of Payout Criteria on a discretionary basis in accordance with the CEA and Commission Regulations.~~

~~(f) MINIMUM TICK—The Minimum Tick size for the Germany 40 Binary Contract shall be \$0.25.~~

~~(g) POSITION LIMIT—The Position Limits for the Germany 40 Binary Contracts shall be 2,500 Contracts per Class.~~

~~(h) MARKET MAKER ALTERNATIVE POSITION LIMIT—The Position Limit for the Germany 40 Binary Contracts for contracted Market Makers shall be 5,000 Contracts per strike level.~~

~~(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 for which the relevant DFC daily settlement price 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 Germany 40 Binary Contract is \$100.~~

~~(m) EXPIRATION VALUE—The Expiration Value is the price or value of Germany 40 released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all DFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Germany 40 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 DFC trade prices and the lowest twenty (20) percent of DFC trade prices from the data set<sup>6</sup>, and using the remaining DFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining DFC 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) DFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Germany 40 Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty five (25) DFC trade prices just prior to the close of trading of the Germany 40~~

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<sup>6</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.

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

~~(n) CONTINGENCIES—If no daily settlement price of the relevant DFC 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 12.54 – 12.65 [UNCHANGED]

*End of Rulebook.*

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