

**EXHIBIT A**

<b>Rule</b>	<b>Asset</b>	<b>Duration/Close Time</b>	<b>Action</b>	<b>Effective Date</b>
12.7	Silver Binary Contracts	Intraday; 10:00AM, 11:00AM, 12:00PM, 1:00PM ET close time	Correct typo, 'gold' to 'silver'	3/22/2018

## **EXHIBIT B**

### Amendment of Rule 12.7

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

RULES 1.1 – 12.6 [UNCHANGED]

#### RULE 12.7 SILVER BINARY CONTRACTS

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

(b) **UNDERLYING** – The Underlying for this Class of Contracts is the price, cents per troy ounce (in US Currency), of Silver obtained from the Silver Futures Contracts (“SFC”) traded on the COMEX Division of the New York Mercantile Exchange (“NYMEX”<sup>1</sup>). The SFC trade prices that will be used for the Underlying will be taken from the March, May, July, September, or December SFC delivery months (each a “SFC Delivery Month”). The Start and End Date for which Nadex will use a specific delivery month as the Underlying will be set based on the Settlement date of the Underlying futures contract. 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 third to last business day of the month preceding the month of the Underlying futures contracts Expiration Date. For example, the Comex Silver March 2014 futures have an Expiration Date of March 27, 2014. The last day on which the Silver March 2014 futures prices will be used as the Underlying for Nadex contracts and to calculate the Expiration Value on the Expiration Date for the relevant Silver contracts will be the third to last business day of the preceding month, February. Therefore, the End Date for using Comex Silver March 2014 futures will be February 26, 2014 and the Start Date for the next delivery month, Comex Silver May 2014 futures, will be February 27, 2014.<sup>2</sup>

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

(d) **TYPE** – The Type of Contract is a Binary Contract.

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<sup>8</sup> *Supra, at fn 4.*

<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 which Nadex will use the Comex Silver March 2014 Underlying futures to determine the settlement value is February 26, 2014. February 26, 2014 is a Wednesday, however, and any Nadex weekly contracts listed for this roll week and expiring on Friday, February 28, 2014, will be listed using the Comex Silver May 2014 futures as its Underlying, as May 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 Comex Silver May 2014 futures will be Monday, February 24, 2014 for any Nadex weekly contracts listed on this date.

(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 Silver Binary Contract, the Payout Criteria for the Contracts will be set as follows:

(i) WEEKLY SILVER BINARY CONTRACTS

- (1) EXPIRATION TIME – 1:25PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.25.
- (3) NUMBER OF STRIKE LEVELS LISTED - Thirteen (13) strike levels will be listed for each Weekly Silver 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 value ending in either 0.25 or 0.75 as reported by the Source Agency. Six (6) strike levels will be generated above Binary Contract W at an interval of 0.25, and six (6) strike levels will be generated below Binary Contract W at an interval of 0.25 (e.g.  $W - 0.25$ ;  $W$ ;  $W + 0.25$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(ii) DAILY SILVER BINARY CONTRACTS

- (1) EXPIRATION TIME – 1:25PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.05.
- (3) NUMBER OF STRIKE LEVELS LISTED – Fifteen (15) strike levels will be listed for each Daily Silver 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 0.1 as reported by the Source Agency. Seven (7) strike levels will be generated above Binary Contract Y at an interval of 0.05, and seven (7) strike levels will be generated below Binary Contract Y at an interval of 0.05 (e.g.  $Y - 0.05$ ;  $Y$ ;  $Y + 0.05$ ). The Contract will have a Payout Criterion of greater than the strike level value.

(iii) INTRADAY SILVER BINARY CONTRACTS

- (1) EXPIRATION TIME – 10:00AM, 11:00AM, 12:00PM, 1:00PM ET CLOSE
- (2) STRIKE INTERVAL WIDTH – The interval width between each strike level shall be 0.03.
- (3) NUMBER OF STRIKE LEVELS LISTED - Nine (9) strike levels will be listed for each Intraday ~~Gold~~Silver 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 0.01 as reported by the Source Agency. Four (4) strike levels will be generated above Binary Contract Z at an interval of 0.03, and four (4) strike levels will be generated below Binary Contract Z at an interval of 0.03 (e.g. Z – 0.03; Z; Z + 0.03). The Contract will have a Payout Criterion of greater than the strike level value.

(iv) Nadex may list additional Silver Binary Contract 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 Silver Binary Contracts shall be \$0.25.

(h) POSITION LIMIT – The Position Limits for Silver Binary Contracts shall be 2,000 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 will be the same date as the Expiration Date.

(k) EXPIRATION DATE – The Expiration Date of the Contract will be the date on which the Silver 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 Settlement Date. The Settlement Value of an in the money Silver Binary Contract is \$100.

(m) EXPIRATION VALUE – The Expiration Value is the price or value of Silver released by the Source Agency on the Expiration Date. The Expiration Value is calculated by the Source Agency by taking all SFC trade prices occurring in the ten (10) seconds leading up to the close of trading of the Silver 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 SFC trade prices and the lowest twenty (20) percent of SFC trade prices from the data set<sup>3</sup>, and using the remaining SFC trade prices to calculate the Expiration Value. The calculation used is a simple average of the remaining SFC 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) SFC trade prices exceeds the ten (10) seconds just prior to the close of trading of the Silver Binary Contract, the Expiration Value is calculated by the Source Agency by taking the last twenty-five (25) SFC trade prices just prior to the close of trading of the Silver Binary Contract removing the highest five (5) SFC trade prices and the lowest five (5) SFC trade prices, and using the remaining fifteen (15) SFC trade prices to calculate the Expiration Value. The calculation used is a simple average of all fifteen (15) SFC trade prices, rounded to one decimal point past the precision of the underlying market.

(o) 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. If there are less than 250 SFC trade prices available during a single trading day prior to the issuance of a new Silver Contract Nadex may switch to the next available SFC Delivery Month that provides at least 250 SFC trade prices.

RULES 12.8 – 12.78 [UNCHANGED]

*[End Rulebook]*

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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.