



# **DREAM EXCHANGE USER MANUAL**

VERSION 1.0

Updated: [ ]

## Table of Contents

<i>Introduction .....</i>	<i>3</i>
<i>Trading System .....</i>	<i>3</i>
<i>Data Centers and Co-Location .....</i>	<i>4</i>
<i>Connectivity and Access .....</i>	<i>4</i>
<i>Risk Controls .....</i>	<i>5</i>
<i>Hours of Trading and Market Sessions .....</i>	<i>5</i>
<i>Order Types and Modifiers .....</i>	<i>6</i>
<i>Order Handling .....</i>	<i>8</i>
<i>Market Orders .....</i>	<i>9</i>
<i>Limit Orders .....</i>	<i>11</i>
<i>Pegged Orders .....</i>	<i>13</i>
<i>Priority of Orders .....</i>	<i>14</i>
<i>Routing to Away Markets .....</i>	<i>15</i>
<i>Data Products .....</i>	<i>15</i>
<i>Protocol Implementation .....</i>	<i>16</i>
<i>Contact Dream Exchange .....</i>	<i>16</i>
<i>Revision History .....</i>	<i>17</i>

## **Introduction**

This document provides information about Dream Exchange Holdings, Inc. (“DreamEx,” the “System,” or the “Exchange”) and its third party service provider(s), acting as the outbound routing broker for the Exchange.

This Dream Exchange User Manual summarizes various operations and rules of the Exchange. The rules of the Dream Exchange (the “Rules”) are available at [www.DreamEx.com](http://www.DreamEx.com). In the event of a conflict between the User Manual and the information set forth in the official Rules, the Rules shall prevail. Information contained in this document is subject to change at any time.

## **Trading System**

The Exchange is a fully automated electronic limit order book for orders to buy and sell National Market System (“NMS”) securities with a continuous matching function. The Exchange also offers routing functionality through third party services providers with connectivity to all venues displaying Protected Quotations, as defined by Regulation NMS. Members of the Exchange and their Sponsored Participants (collectively, “Users”) connect to the System via FIX and/or binary order entry protocols in order to electronically send orders to buy and sell securities traded on the Exchange. Users may also send orders through a Service Bureau.

The Exchange was built with a focus on performance, reliability and security. The System is distributed across a network of servers to maximize throughput and determinism, minimize latency and bottlenecks, provide high availability and fault tolerance, and allow for simplified scalability. Additional servers can be added to easily expand system functionality and capacity as required in accordance with the DreamEx Capacity Management Plan. Further, security has been architected and designed into the System as a primary concern to effectively manage access, authorization and authentication to Exchange services.

At the core of the System is the matching engine complex, which compares the limit price of an incoming order with the price of resting (i.e., booked) Limit or Pegged orders on the DreamEx Book and the price of other markets’ displayed quotes. If the order is immediately marketable against the DreamEx Book, and there is interest available on the DreamEx Book at a price equal to or better than the consolidated quote, an immediate match is made and communicated back to Users. If another market is displaying a better quote, the order will be handled depending on the User’s instructions (e.g., forwarded to the other market to attempt to fill the order, posted to the DreamEx Book, canceled). The priority of how orders are ranked on the DreamEx Book is discussed in more detail below and described in Rule 11.9 of the Rules.

Users or their clearing firms have the ability to create and provision FIX Drop Copy sessions on the DreamEx User Portal. Sessions can be configured to filter information by MPID(s) and/or Account(s) and provisioned to include order information in addition to trade information.

## **Data Centers and Co-Location**

DreamEx's primary trading platform is located in a third-party data center facility in New Jersey. It is accessible to Members, Sponsored Participants, Service Bureaus, Data Recipients (collectively "Participants") and Extranet Providers.

DreamEx's secondary data center is located in a third-party data center facility in Chicago, IL. Connectivity to the DreamEx's secondary data center, while not a mandatory requirement for all Participants, is recommended to minimize service disruption in the event of an issue at the primary trading platform data center.

DreamEx offers co-location services in both the primary and secondary data centers. This provides participants with the fairest and fastest access to Exchange services, reduced network complexity, and flexible power and connectivity options. Connectivity to the Exchange in the primary data center for both order entry and market data dissemination is equalized for all co-located participants in the New Jersey location. Participants will be able to connect to order entry systems and receive market data in both the primary and secondary data centers.

DreamEx provides redundant physical network connectivity in both the primary and secondary data centers. This diverse set of network connections, the "A" and "B" feeds (located at both the primary and secondary data center), provide high availability and fault tolerance to all co-located participants. To achieve this resiliency, DreamEx requires participants to connect to both the "A" and "B" feeds.

All data centers the Exchange uses provide a high level of security and availability through redundant and reliable environmental control systems (redundant power supplies, on-site backup generators, cooling systems, *etc.*). Data center personnel are available 24/7 to maintain and service the System.

## **Connectivity and Access**

DreamEx supports the following connectivity methods in both its primary and secondary data centers:

- Co-Location Cross-Connect: Participants may request a cross-connect from the Participant's point-of-presence to DreamEx.
- Extranet Providers: Participants may connect to DreamEx via an approved Extranet Provider.

- Private-Line Ethernet: Participants may connect via telecommunications carriers providing a circuit extension from a location outside the Exchange's primary or secondary data center.

Participants are responsible for choosing and implementing connectivity to the primary and secondary data center.

For more detailed information and instructions on how to connect to DreamEx, please refer to the [DreamEx Connectivity Manual](#).

Users are permitted to electronically access the order entry facilities of the Exchange, using the FIX ASCII and binary protocols, with a common schema used for both. Message framing and encoding is also standardized and unified across protocols. DXO SBE (DreamEx Orders), the native binary protocol for order entry, is an application layer message standard used to facilitate the electronic communication of information between the Exchange and its participants. DXO allows participants to submit, modify, and cancel orders, receive acknowledgements and execution reports, and be notified of exchange trading status. Refer to the [DXO SBE Protocol Specification](#) for more details. The Exchange also supports order entry via the FIX Classic protocol. Please refer to the [DXO FIX Protocol Specification](#) for more details.

## **Risk Controls**

Both the DXO FIX and DXO SBE order entry facilities contain an integrated pre-trade risk management service that processes all incoming order information against a mandatory set of risk controls designed to help prevent erroneous orders from passing through to the matching engine for execution. These controls are dynamically configurable by Exchange participants and can be assigned to an individual session, i.e., a single FIX or DXO SBE session, or an aggregated set of sessions. Refer to the [DreamEx Risk Management Specification](#) for a list of risk controls and detailed information on how to configure and apply these controls.

DreamEx supports the canceling of an order via any active Participant session, DXO FIX or DXO SBE, regardless of the session that the original order was transmitted on. Additionally, this flexibility allows the Exchange to offer a batch cancel function, via any active session, which can be used by a Participant to cancel all or a subset of its orders in one or more symbols with a single command to the Exchange. Participants can use this facility as a "purge port" or for other mass cancel type functions.

## **Hours of Trading and Market Sessions**

Orders may be entered into the System during Exchange operating hours (from 6:00 a.m. until 7:00 p.m. Central Time). The Exchange will not accept orders prior to the start of the

Pre-Market Session at 6:00 a.m. Central Time.

Session	Start and End Time (all times are Central Time)
Pre-Market Session	6:00 a.m. to 8:30 a.m.
Market Session	8:30 a.m. to 3:00 p.m.
Post-Market Session	3:00 p.m. to 7:00 p.m.

## Order Types and Modifiers

As summarized in the table below, DreamEx accepts the following order types: Market orders, Limit orders, and Pegged orders (including Midpoint Peg and Primary Peg). Midpoint Peg orders may be submitted with or without a limit price. Primary Peg orders may be submitted with or without an offset or a limit price. All orders, irrespective of type, may be submitted in round lots, mixed lots, or odd lots. By design, orders are limited to a maximum of 1,000,000 shares or a value of \$30,000,000.00 by default.

Several Time-in-Force (TIF) instructions are available that determine the period(s) of time during which an order is available for potential execution:

- Immediate-Or-Cancel (IOC): An order with this Time-In-Force instruction will be executed in whole or in part upon entry, otherwise the order will be canceled.
- Fill-Or-Kill (FOK): An order with this Time-In-Force instruction will be executed in whole (i.e., entire size), otherwise the order will be canceled. Note, FOK orders are not routable.
- Day: An order with this Time-In-Force instruction is eligible for execution during the Pre-Market Session and the Market Session. DAY orders remaining on the DreamEx Book at the end of the Market Session will be canceled.
- Good-Til-Time (GTT): An order with this Time-In-Force instruction will expire at the earlier of a specified expiration time or end of the Post-Market Session. GTT orders remaining on the DreamEx Book at the end of the Post-Market Session will be canceled.
- Regular Hours Only (RHO): An order with this Time-In-Force instruction is only executable between the hours of 8:30am and 3:00pm CT (Regular Trading Hours). RHO orders remaining on the DreamEx Book at the end of the Market Session will be canceled.

Order types may be designated with a variety of modifiers such as Intermarket Sweep Orders (ISOs), Reserve Quantity (with Fixed or Random Replenishment), Display/Non-Display, Minimum Execution Quantity (only executes against a single order), Post Only, Book Only, Re-Pricing (Price Sliding to comply with Rule 610(d) of Reg NMS, Rule 201 of Reg SHO, and applicable Limit Up-Limit Down (“LULD”) price bands). Additional details on these modifiers are set forth below and in the Exchange Book.

- Intermarket Sweep Orders (ISO): An order that allows DreamEx to execute at its BBO regardless of prices at other market centers without violating the Reg NMS order protection rule. It is the responsibility of the User entering the order to comply with the requirements of Reg NMS relating to ISOs.
- Reserve Quantity: An order with a portion of the size that is displayed and a reserve portion of the size that is not displayed. Both Fixed Replenishment and Random Replenishment are supported.
- Display/Non-Display: Designates whether an order shall be displayed or not displayed on the DreamEx Book.
- Minimum Quantity: Designates a minimum share amount required for each execution that must match against a single order to execute (on entry or while resting on the DreamEx Book).
- Post Only: Designates that the order is to be posted on the DreamEx Book to add liquidity only and cannot be routed to another trading venue.
- Book Only: Designates that the order is to be executed only on the DreamEx Book and cannot be routed to another trading venue.
- Re-Price: Designates that an order that would otherwise violate the Rule 611 Reg NMS order protection rule where orders would lock or cross the NBBO, Reg SHO Rule 201 when an order marked short is priced at the NBB during a SSCB ("Short Sale Circuit Breaker"), or LULD where buy (sell) interest would be above (below) the upper (lower) price band be re-priced to a compliant price.

Order Type	Trading Hours	Time-In-Force	Size	Routing/Posting	Display	Reserve	ISO	Re-Pricing
<b>Market</b>	8:30 a.m. through 3:00 p.m. CT	IOC, FOK, Day, RHO	Odd/Round/Mixed Lot, Min Quantity	Route, Book Only	N/A	N/A	N/A	N/A
<b>Limit</b>	6:00 a.m. through 7:00 p.m. CT	IOC, FOK, Day, GTT, RHO	Odd/Round/Mixed Lot, Min Quantity	Route, Book Only, Post Only	Display, Non-Display	Random and Fixed Replenish	ISO	Display Price Sliding
<b>Pegged (Midpoint, Primary)</b>	6:00 a.m. through 7:00 p.m. CT	IOC, FOK, Day, GTT, RHO	Odd/Round/Mixed Lot, Min Quantity	Book Only, Post Only	Non-Display	N/A	N/A	N/A

Refer to Chapter 11 of the Exchange Rules for detailed information regarding order types, modifiers and TIF instructions.

## Order Handling

During operating hours, DreamEx will accept incoming Market and Pegged orders when a valid NBBO is available and cancel such orders otherwise. Limit orders will be accepted with or without a valid NBBO. The following sections describe the order handling behavior for the different order types, instructions, and modifiers for each of the three trading sessions.

Refer to Chapter 11 of the Exchange Rules for detailed information regarding order handling.



## Market Orders

TIF	Modifiers	Pre-Market	Market	Post-Market
IOC	ISO	x	x	x
	Reserve	x	x	x
	Display	x	✓(1)	x
	MinQty	x	✓	x
	PostOnly	x	x	x
	BookOnly	x	✓	x
	Reprice	x	x	x
FOK	ISO	x	x	x
	Reserve	x	x	x
	Display	x	✓(1)	x
	MinQty	x	x	x
	PostOnly	x	x	x
	BookOnly	x	✓	x
	Reprice	x	x	x
DAY	ISO	x	x	x
	Reserve	x	x	x
	Display	x	✓(1)	x
	MinQty	x	x	x
	PostOnly	x	x	x
	BookOnly	x	✓	x
	Reprice	x	x	x
RHO	ISO	x	x	x

IOC	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	x	x	x	x	x	x
Display	x	x	✓	✓	x	✓	x
MinQty	x	x	✓	✓	x	✓	x
PostOnly	x	x	x	x	x	x	x
BookOnly	x	x	✓	✓	x	✓	x
Reprice	x	x	x	x	x	x	x

FOK DAY RHO	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	x	x	x	x	x	x
Display	x	x	✓	x	x	✓	x
MinQty	x	x	x	x	x	x	x
PostOnly	x	x	x	x	x	x	x
BookOnly	x	x	✓	x	x	✓	x
Reprice	x	x	x	x	x	x	x

	Reserve	x	x	x
	Display	x	✓(1)	x
	MinQty	x	x	x
	PostOnly	x	x	x
	BookOnly	x	✓	x
	Reprice	x	x	x
GTT	ISO	x	x	x
	Reserve	x	x	x
	Display	x	x	x
	MinQty	x	x	x
	PostOnly	x	x	x
	BookOnly	x	x	x
	Reprice	x	x	x

✓	Supported
⊙	Conditional
x	Illegal

(1) This modifier is accepted and ignored.

## Limit Orders

TIF	Modifiers	Pre-Market	Market	Post-Market
IOC	ISO	✓	✓	✓
	Reserve	x	x	x
	Display	✓(1)	✓(1)	✓(1)
	MinQty	✓(1)	✓(1)	✓(1)
	PostOnly	x	x	x
	BookOnly	✓	✓	✓
	Reprice	x	x	x
FOK	ISO	x	x	x
	Reserve	x	x	x
	Display	✓(1)	✓(1)	✓(1)
	MinQty	x	x	x
	PostOnly	x	x	x
	BookOnly	✓	✓	✓
	Reprice	x	x	x
DAY	ISO	✓	✓	x
	Reserve	✓(3)	✓(3)	x
	Display	✓(1)	✓(1)	x
	MinQty	✓(1)(3)	✓(1)(3)	x
	PostOnly	✓	✓	x
	BookOnly	✓	✓	x
	Reprice	✓(2)	✓(2)	x
RHO	ISO	x	x	x
	Reserve	x	✓(3)	x
	Display	x	✓(1)	x
	MinQty	x	✓(1)(3)	x
	PostOnly	x	✓	x

IOC	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	✓	x	✓	✓	x	✓	x
Reserve	x	x	x	x	x	x	x
Display	✓	x	✓	⊗	x	✓	x
MinQty	✓	x	⊗	✓	x	✓	x
PostOnly	x	x	x	x	x	x	x
BookOnly	✓	x	✓	✓	x	✓	x
Reprice	x	x	x	x	x	x	x

FOK	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	x	x	x	x	x	x
Display	x	x	✓	x	x	✓	x
MinQty	x	x	x	x	x	x	x
PostOnly	x	x	x	x	x	x	x
BookOnly	x	x	✓	x	x	✓	x
Reprice	x	x	x	x	x	x	x

RHO	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	✓	✓	x	✓	✓	✓
Display	x	✓	✓	⊗	✓	✓	✓
MinQty	x	x	⊗	✓	✓	✓	x
PostOnly	x	✓	✓	✓	✓	✓	✓
BookOnly	x	✓	✓	✓	✓	✓	✓
Reprice	x	✓	✓	x	✓	✓	✓

	BookOnly	x	✓	x
	Reprice	x	✓(2)	x
GTT	ISO	✓	✓	✓
	Reserve	✓(3)	✓(3)	✓(3)
	Display	✓(1)	✓(1)	✓(1)
	MinQty	✓(1)(3)	✓(1)(3)	✓(1)(3)
	PostOnly	✓	✓	✓
	BookOnly	✓	✓	✓
	Reprice	✓(2)	✓(2)	✓(2)

DAY GTT	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	✓	✓	✓	x	✓	✓	x
Reserve	✓	✓	✓	x	✓	✓	✓
Display	✓	✓	⊗	✓	✓	✓	✓
MinQty	x	x	⊗	✓	✓	✓	x
PostOnly	✓	✓	✓	✓	✓	✓	✓
BookOnly	✓	✓	✓	✓	✓	✓	✓
Reprice	x	✓	✓	x	✓	✓	✓

- (1) Limit orders can be displayed or non-displayed. If set to displayed, the MinQty modifier is illegal and the order will be rejected.
- (2) Orders with this modifier must be displayed to enable Display Price Sliding for Reg-NMS. This modifier is also used to enable Repricing for Reg-SHO and LULD whether displayed or not.
- (3) The MinQty and Reserve modifiers are mutually exclusive. If both are set, the order is rejected.

## Pegged Orders

TIF	Modifiers	Pre-Market	Market	Post-Market
IOC	ISO	x	x	x
	Reserve	x	x	x
	Display	✓(1)	✓(1)	✓(1)
	MinQty	✓	✓	✓
	PostOnly	x	x	x
	BookOnly	✓(2)	✓(2)	✓(2)
	Reprice	x	x	x
FOK	ISO	x	x	x
	Reserve	x	x	x
	Display	✓(1)	✓(1)	✓(1)
	MinQty	x	x	x
	PostOnly	x	x	x
	BookOnly	✓(2)	✓(2)	✓(2)
	Reprice	x	x	x
DAY	ISO	x	x	x
	Reserve	x	x	x
	Display	✓(1)	✓(1)	x
	MinQty	✓	✓	x
	PostOnly	✓	✓	x
	BookOnly	✓(2)	✓(2)	x
	Reprice	x	x	x
RHO	ISO	x	x	x

IOC	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	x	x	x	x	x	x
Display	x	x	⊗	⊗	x	⊗	x
MinQty	x	x	⊗	✓	x	✓	x
PostOnly	x	x	x	x	x	x	x
BookOnly	x	x	⊗	✓	x	✓	x
Reprice	x	x	x	x	x	x	x

FOK	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	x	x	x	x	x	x
Display	x	x	⊗	x	x	⊗	x
MinQty	x	x	x	x	x	x	x
PostOnly	x	x	x	x	x	x	x
BookOnly	x	x	⊗	x	x	✓	x
Reprice	x	x	x	x	x	x	x

	Reserve	x	x	x
	Display	x	✓(1)	x
	MinQty	x	✓	x
	PostOnly	x	✓	x
	BookOnly	x	✓(2)	x
	Reprice	x	x	x
GTT	ISO	x	x	x
	Reserve	x	x	x
	Display	✓(1)	✓(1)	✓(1)
	MinQty	✓	✓	✓
	PostOnly	✓	✓	✓
	BookOnly	✓(2)	✓(2)	✓(2)
	Reprice	x	x	x

DAY RHO GTT	ISO	Reserve	Display	MinQty	PostOnly	BookOnly	Reprice
ISO	x	x	x	x	x	x	x
Reserve	x	x	x	x	x	x	x
Display	x	x	⊗	⊗	⊗	⊗	x
MinQty	x	x	⊗	✓	✓	✓	x
PostOnly	x	x	⊗	✓	✓	✓	x
BookOnly	x	x	⊗	✓	✓	✓	x
Reprice	x	x	x	x	x	x	x

- (1) Pegged Orders are non-displayed and are rejected for invalid modifier if submitted as displayed.
- (2) Pegged Orders are not routable. This modifier is accepted, but is not necessary for this behavior.

## Priority of Orders

Orders are ranked and maintained in the DreamEx Book based on the Price/Time priority as follows:

- Price. The highest-priced order to buy (lowest-priced order to sell) has priority over all other orders to buy (sell) in all cases.
- Time. The following priority rules apply:
  - A. Except as provided in (B) and (C) below, the System ranks equally priced trading interest within the System in time priority in the following order:
    1. The portion of a Limit Order with a Displayed instruction;
    2. Limit Orders with a Non-Displayed instruction;
    3. Primary Pegged Orders;
    4. Midpoint Pegged Orders; and
    5. Reserve Quantity of Limit Orders.

- B. At the Midpoint of the NBBO. The System ranks trading interest priced at the midpoint of the NBBO within the System in time priority in the following order:
  - 1. Limit Orders to which the Display-Price Sliding instruction has been applied;
  - 2. Limit Orders with a Non-Displayed instruction;
  - 3. Primary Pegged Orders;
  - 4. Midpoint Pegged Orders; and
  - 5. Reserve Quantity of Limit Orders.
- C. Where buy (sell) orders are using instructions that cause them to be re-ranked by the System upon clearance of a Locking Quotation, the System re-ranks and displays such orders at the Locking Price in time priority in the following order:
  - 1. Limit Orders to which the ISO instruction has been applied that also contain a TIF instruction of Day when such orders establish a new NBBO at the Locked Price; and
  - 2. Limit Orders with the Display-Price Sliding instruction.
- D. For purposes of (A) and (B) above, orders re-ranked subject to the Re-Pricing instruction to comply with Rule 201 of Regulation SHO maintain the same priority as Limit Orders at that price.

## **Routing to Away Markets**

Users have the option to use a third party service provider(s) to route away orders to markets other than the Exchange for protected quotation execution. Book Only and Post Only orders are not routed to other markets. The Exchange's third party service provider's proprietary process is used to determine the System routing table, which determines the order in which the System routes orders to specific trading venues. The third party service providers will be required to perform a variety of automated risk checks, including erroneous and duplicate orders checks, before routing to other markets, in compliance with Rule 15c3-5. A combination of direct exchange feeds and CQS/UQDF data feeds from the Securities Information Processors are used for the handling, execution and routing of orders.

## **Data Products**

As described in the DreamEx Rules, the Exchange offers several DXOIR (DreamEx Order Information Record) data products:

- DXOIR Depth (Depth of Book and Last Sale Feed)
- DXOIR Top (Top of Book Quote)
- DXOIR Last Sale (Last Sale Feed)
- DXOIR Historical Data (Prior day versions of DXOIR Depth, Top, and Last Sale)

The Exchange's real-time market data is electronically available directly from DreamEx through the use of APIs defined in the Exchange's specifications or via a range of market data vendors. Additional information about data products, agreements and specifications are available on the Exchange's website, [www.DreamEx.com](http://www.DreamEx.com).

## Protocol Implementation

The DreamEx protocols DXO and DXOIR are a precise implementation of MEMX MEMO and MEMIOR respectively and follow MEMX protocol version numbers.

## Contact Dream Exchange

Website:	<a href="http://www.DreamEx.com">www.DreamEx.com</a>
Main Telephone Number:	(312) 235-6752
Client Relationship Services:	<a href="mailto:MemberServices@DreamEx.com">MemberServices@DreamEx.com</a>
Trading Services:	[TBD]
Technical Operations Center:	[TBD]
Regulation/Compliance:	<a href="mailto:Legal@DreamEx.com">Legal@DreamEx.com</a>
Mailing Address:	2340 S. River Road, Suite 402 Des Plaines, IL 60018



## REVISION HISTORY

Version	Date	Change
1.0	February 14, 2025	Initial Document