# 24X NATIONAL EXCHANGE LLC
# USER MANUAL

## Introduction

The 24X Equities Exchange ("**24X Equities**" or the "**Exchange**") created this User Manual to assist Members[1] and Users of its Exchange in understanding the operation of the Exchange. The User Manual discusses and summarizes various 24X Equities Rules. In the event of a conflict between the User Manual and the Rules set forth in the official Rulebook, the Rulebook will prevail.

24X Equities is the first fully electronic exchange in the United States that allows trading of securities with unlisted trading privileges ("**UTP**") 24 hours per day 7 days per week. 24X Equities operates a fully automated electronic equities trading platform for the purpose of buying and selling securities with a continuous, automated matching function price/time allocation model and a Maker/Taker fee structure. Traders who use this market gain access to open and direct markets, and they benefit from speedy electronic execution of trades across multiple US market centers.

## 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 a third party execution service with connectivity to all venues displaying "Protected Quotations," as defined by Regulation NMS. Members of the Exchange and their Sponsored Participants connect to the System via FIX order entry protocols in order to electronically send orders to buy and sell securities traded on the Exchange.

The Exchange was built with a focus on performance, reliability and security. The Exchange's trading system (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.

The System operates on the basis of price/time priority. This means that orders are executed based on best price, and if multiple orders are at the same price, an order with an earlier timestamp has first priority. The matching engine compares the limit price of an incoming order with the price of resting (i.e., booked) Limit or Pegged orders on the Exchange's order book (the "**24X Book**") and the price of other markets' displayed quotes. If the order is immediately marketable against the 24X Book at a price equal to or better than the consolidated quote, an immediate match is made and communicated back to the Users. If another market is displaying a better quote, the order will be handled based on the User's instructions; routed to the other market to attempt to fill the order, posted to the 24X Book or canceled.

Users or their clearing firms may request drop copies of their executions via standard FIX Drop ports that send trade information and include Execution Reports and Trade Cancel/Correct messages.

## Data Centers and Co-Location

The primary trading platform for 24X Equities is located in the Equinix provider of data center services infrastructure in its New York (NY4) location. The Exchange also willl utilize a second data center located in Chicago (CH4) for purposes of disaster recovery. The System is accessible to Members, Sponsored Participants, Service Bureaus, Data Recipients (collectively "**Access Persons**") and Extranet Providers.

24X Equities offers co-location services in NY4. This provides participants with the fairest and fastest access to Exchange services, reduced network complexity, and flexible power and connectivity options.

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[1] Any term that is capitalized herein but not otherwise defined has the meaning set forth for such term in the Rulebook of 24X Equities (the "**Rules**" or the "**Rulebook**").

Access Persons will be able to connect to order entry systems and receive market data in the primary facilities in the NY4 data center.

The Equinix data centers are Tier 3 compliant and 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

24X Equities supports the following connectivity methods in its primary data center:

- Co-Location Cross-Connect: Access Persons may request a cross-connect from the Access Person's point-of-presence to 24X Equities.
- Extranet Providers: Access Persons may connect to 24X Equities via an approved Extranet Provider.
- Private-Line Ethernet: Access Persons may connect via telecommunications carriers providing a circuit extension from a location outside the Exchange's primary data center.

Users will electronically access the order entry facilities of the Exchange using specified FIX protocol.

## Risk Controls

The FIX 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 Clearing Firms and other Members and Sponsored Participants and can be assigned to an individual session.

- The **"Gross Credit Risk Limit"** is a pre-established maximum daily dollar amount for purchases and sales across all symbols, where both buy and sell orders are counted as positive values. For purposes of calculating the Gross Credit Risk Limit, unexecuted orders in the 24X Book, orders routed on arrival and executed orders are included.

  The Member (or a firm clearing on its behalf (a **"Clearing Firm"**)) setting the limit would be required to indicate one of the following actions that the Exchange would take if such limit is breached:

  - **"Block Only**." the Exchange would reject new orders and order instructions but would not cancel any unexecuted orders in the 24X Book. The Exchange would continue to accept instructions from the Member to cancel one or more orders in full but would not take any automated action to cancel orders.
  - **"Cancel and Block**." if this option is selected, in addition to the Block actions described in the previous sentence, the Exchange would also cancel all unexecuted orders in the 24X Book.

  24X Equities supports the canceling of an order via any active User session regardless of the session that the original order was transmitted on. Additionally, this flexibility allows the Exchange to offer a bulk cancel function, via any active session, which can be used by a User to cancel all or a subset of its orders in one or more symbols with a single command to the Exchange.

- **"Limit order price collars"** on 24X Equities prevent a User from entering orders which violate certain thresholds in relation to the NBBO at the time of entry. If the limit price goes beyond the percentage threshold for the price range of the NBBO, that order will be rejected back to the User without going live on the matching engine order book. The purpose of this logic is to prevent erroneous or overly aggressive limit prices from causing potentially erroneous trades.

Example: Under the limit order price check and using the security price of $20.00, stock buy orders which are 10% above the prevailing NBBO ask price will be automatically rejected by 24X Equities as will stock sell orders which are 10% below the prevailing NBBO bid price. If there is no NBBO present, the order is checked vs last sale. If neither of the above are available, the prior day's official closing price identified by the primary listing exchange. If a reference price cannot be determined, limit order price protection will not be applied.

The following settings are implemented and can be changed upon notification to the Members.

| Price of security | Percentage check – Core Market Session | Percentage check – Pre-Market Session, Post-Market Session and 24X Market Session |
|---|---|---|
| $0.01 to $25.00 | 10% | 20% |
| $25.01 to $50.00 | 5% | 10% |
| $50.01 and higher | 3% | 5% |

**Price Tick Size Check:** All orders and order modification requests will be checked against the valid price increments in the security upon entry into the System. The pricing of $0.01 if those bids, offers, or orders are priced equal to or greater than $1.00 per share; or $0.0001 if those bids, offers, or orders are priced less than $1.00 per share;

## Hours of Trading and Market Sessions:

Session Start and End Time (all times are Eastern Time)

24X Market Session   (i) 8:00 p.m. to 4:00 a.m. each U.S. business day (start of day),

(ii) any time that falls on a Saturday or a Sunday Eastern Time,

(iii) any time that falls on one of the following U.S. holidays: New Year's Day, Martin Luther King Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day Eastern Time, or such other U.S. holiday(s) as published by the Exchange from time to time, and

(iv) any other days or times as published by the Exchange from time to time.

Pre-Market Session:   4:00 p.m. to 9:30 a.m. each U.S. business day

Core Market Session:   9:30 a.m. to 4:00 p.m. each U.S. business day

Post-Market Session:   4:00 p.m. to 8:00 p.m. each U.S. business day (end of day)

All live orders are cancelled at 7:59:59 p.m. each U.S. business day in transition from the end of the trading day to the beginning of the new trading session at 8:00 p.m.

## Order Types and Modifiers

24X Equities accepts the following order types:

- Market Orders
- Limit Orders
- Pegged Orders
- Midpoint Peg
- Primary Peg with Offsets

Orders may be submitted in round lots, mixed lots, or odd lots. Minimum odd lot is 1/1000$^{th}$ of a share.

**Order type modifiers:**

- Intermarket Sweep Orders (ISOs)
- Reserve Quantity
- Non-Displayed
- Minimum Execution Quantity
- Post Only
- Book Only
- Self-Trade Prevention ("**STP**")

**Time-in-Force ("TIF") instructions available**

- Day: Order designated for execution only during the Core Market Session.
- Immediate-Or-Cancel (IOC).
- Fill-Or-Kill (FOK): An IOC order where the entire size must be filled.
- Extended Hours (Day+): Available for all trading sessions starting with the beginning of the 24X Market Session and, if not executed, expires at the end of the next Post-Market Session.

**Order Types and Modifiers definitions:**

- Market Orders: An order to buy or sell a stated quantity of a security that is to be executed at or better than the NBBO at the time the order reaches the 24X Book. Market orders are never displayable. Market orders do not trade through Protected Quotations, any unexecuted portion of a market order will be canceled if all liquidity on the Exchange at or better than the best priced Protected Quotation is exhausted.

    o 24X Equities accepts market orders designated as routable. Any portion of a routable market order that cannot be executed on the Exchange at or better than the best priced Protected Quotation will be eligible for routing to away trading centers. A routable market order will trade at increasingly aggressive prices, fully satisfying all Protected Quotations, until the order is fully filled or reaches the limit up-limit down (LULD) price band.

- Limit Orders: An order to buy or sell a stated quantity of a security at a specified price or better. For buy limit orders, the order will be executed only at the limit price or a lower, while for sell limit orders, the order will be executed only at the limit price or a higher. Limit orders may be designated as routable or as Intermarket Sweep Order (ISO).

- Pegged Orders: A Pegged Order to buy (sell) with a displayed price that is pegged to the NBBO. A Pegged Order to buy (sell) will be rejected on arrival, or cancelled when resting, if there is no NBBO against which to peg. A Pegged Order may include an offset value up to two decimals. Pegged orders are only supported during the Core Market Session of 9:30 a.m. - 4:00 p.m.

- Midpoint Peg: A Limit Order that is not displayed and does not route, with a working price at the midpoint of the NBBO. Mid-Point Orders are only supported during the Core Market Session of 9:30 a.m. - 4:00 p.m. Mid-Point Orders may be designated with a "minimum trade size". The minimum order size of one round lot will be allowed.

- Primary Peg with Offsets: A Pegged Order to buy (sell) with a displayed price that is pegged to the NBBO with a non-displayed price that is a positive (buy) or negative (sell) offset. Pegged orders are only supported during the Core Market Session of 9:30 a.m. - 4:00 p.m.

- Retail Order: An agency or riskless principal order that originates from a natural person and is submitted to 24X Equities by a qualified and certified ROM. The order cannot originate from a trading algorithm or any other computer methodology. Retail Orders can be Market Orders, Limit Orders or Pegged Orders and such orders can be executed during the Core Market Session. However, only Retail Orders that are Limit Orders are accepted outside of the Core Market Session.

- Retail Market Maker Improvement Order: A non-displayed order entered by a Retail Market Maker priced better than the BBO when entered. May be entered at price increments of .001.

Members may use the following modifiers:

- Intermarket Sweep Orders (ISO): A Limit Order that does not route and meets the requirements of Rule 600(b)(38) of Regulation NMS.

  - IOC-Immediate or Cancel- An ISO designated IOC will be immediately traded with contra-side interest in the 24X Book up to its full size and limit price and the quantity. The balance of the unfilled quantity will be cancelled back to the member.

  - Day or Day+ ISO- An ISO designated Day or Day+, if marketable on arrival, will be immediately traded with contra-side interest in the 24X Book up to its full size and limit price. Any untraded quantity of a Day or Day+ ISO will be displayed at its limit price and may lock or cross a protected quotation that was displayed at the time of arrival.

- Reserve Quantity: A Limit Order with a quantity of the size displayed and with a reserve quantity of the size ("**reserve interest**") that is not displayed. Both the display quantity and the reserve interest of an arriving marketable Reserve Order are eligible to trade with resting interest in the 24X Book or route to away markets.

  The display quantity of a Reserve Order must be entered in round lots. The displayed portion of a Reserve Order will be replenished following any execution. Each time a Reserve Order is replenished from reserve interest, a new working time is assigned to the replenished quantity of the Reserve Order.

- Non-Displayed: Orders are hidden from the marketplace. All incoming order flow can interact with hidden orders until the hidden size is exhausted at the specified price.

- Minimum Execution Quantity: Minimum Quantity (Min.Qty.) functionality allows users to request a minimum share amount on each execution. Orders with Minimum Quantity instructions will always be with non-displayed orders and instructions are not eligible for routing.

- Post Only: Order types give market participants control over how their orders interact with contra-side liquidity. A Post Only "PO" is an order that is rejected if it is marketable against the NBBO on arrival. A PO Order is eligible to interact solely with interest on 24X Equities, will not route, and will cancel if it locks or crosses the NBBO.

- Book Only: An order instruction stating that an order will be matched against an order on the 24X Book or posted to the 24X Book but will not route to an away trading center.

- STP Modifier: Any incoming order to buy (sell) designated with an STP modifier will be prevented from trading with a resting order to sell (buy) also designated with an STP modifier and from the same 24X member ID. The STP modifier on the incoming order controls the interaction between two orders marked with STP modifiers. The STP modifier may instruct the System to take one of the following actions:

  - Cancel newest order

- o Cancel oldest order

- o Cancel both orders

Orders will be accepted for any such security, whether submitted by a Member on a proprietary or agency basis, in any size limited to a maximum of 1,000,000 shares or $30,000,000.00, whichever is higher. Orders may be submitted in round lots, mixed lots, or odd lots.

## Orders Permitted in Each Session

Pre-Market Session. Unless otherwise specified all orders, **except** for <u>market orders, pegged orders, Midpoint peg orders and Primary Peg with Offsets</u> that are designated for the Pre-Market Session are eligible to participate in the Pre-Market Session.

Core Market Session. Unless otherwise specified, all orders and modifiers that are designated for the Core Market Session are eligible to participate in the Core Market Session.

Post-Market Session. Unless otherwise specified all orders, **except** for <u>market orders, pegged orders, Midpoint peg orders and Primary Peg with Offsets</u> that are designated for the Post-Market Session are eligible to participate in the Post-Market Session.

<u>Market orders, Pegged orders, Midpoint peg orders and Primary Peg with Offsets</u> are not eligible for execution outside of the Core Market Session (9:30 a.m. to 4:00 p.m. ET).

Extended hours trading involves material trading risks, including the possibility of lower liquidity, high volatility, changing prices, unlinked markets, an exaggerated effect from news announcements, wider spreads and any other relevant risk. Additional trading risks in extended hours sessions include the possibility that one or more relevant financial market infrastructure company is closed as well as the absence of an updated underlying index value or intraday indicative value.

## Order Entry Price and Size Increments

The minimum quotation increment for quotations of $1.00 or above in all Equity Securities shall be $0.01. The minimum quotation increment in the System for quotations below $1.00 in Equity Securities shall be $0.0001 or any other increment established by the SEC for any security which has been granted an exemption from the minimum price increments requirements of SEC Rule 612(a) or 612(b) of Regulation NMS. The minimum price increment for orders for securities traded on the Exchange will be determined from time to time by the 24X Equities Board, consistent with any SEC rules or regulations adopted in this regard.

The unit of trading in stocks is one share. 100 shares constitute a "round lot," unless specified by the primary listing market to be fewer than 100 shares. Any amount less than a round lot shall constitute an "odd lot," and any amount greater than a round lot that is not a multiple of a round lot shall constitute a "mixed lot".

## Opening Process and Transition to Continuous Trading, 9:30 a.m. ET

All symbols are non-auction eligible on 24X Equities. Orders designated for the Core Market Session, after 9:30:00 am Eastern Time, the Exchange will process orders in time sequence, beginning with the order with the oldest timestamp, and will be placed on the 24X Book, routed, cancelled, or executed in accordance with the terms of the order.

A new quote will be published only if different from the last-published quote.

## Order Ranking and Display

The System will display to Users and other market participants all nonmarketable Limit Orders in the 24X Book order process (the "**Order Process**"). The System will also disseminate current consolidated quotations/last sale information.

## Ranking

Orders of Users shall be ranked and maintained in the Order Process according to price-time priority, such that within each price level, all orders shall be organized by the time of entry in the following manner.

(A) Limit Orders, with no other conditions, shall be ranked based on the specified limit price and the time of original order entry.

(B) The displayed portion of Limit Orders with a Reserve Quantity (not the reserve size) shall be ranked at the specified limit price and the time of order entry. If the displayed portion of the order is decremented such that 99 shares or fewer are displayed, the displayed portion of the order shall be refreshed for the displayed amount; or the entire reserve amount, if the remaining reserve amount is smaller than the displayed amount, from the reserve portion and shall be submitted and ranked at the specified limit price and the new time that the displayed portion of the order was refreshed.

## Size Modification

In the event that the size of an order has been modified, such order retains priority if such modification involves a decrease in the size of the order. In the event that the size of the order has been increased and/or the price has been changed, the order will be treated as a new order and will receive a new time priority.

## Display

All orders at all price levels in the Order Process that are not marked as non-displayed shall be displayed to all Users and other market participants on an anonymous basis.

## Quote Dissemination

The best-ranked displayed order(s) to buy and the best ranked displayed order(s) to sell in the 24X Book and the aggregate displayed size of such orders associated with such prices shall be collected and made available to quotation vendors for dissemination pursuant to the requirements of SEC Rule 11Ac1-1 under the Exchange Act.

If non-marketable odd-lot sized orders can be aggregated to equal at least a round lot, such odd-lot sized orders will be displayed as the best ranked displayed orders to sell (buy) at the least aggressive price at which such odd-lot sized orders can be aggregated to equal at least a round lot.

## Order Execution

Like-priced orders, bids and offers will be matched for execution by following steps provided, however, for an execution to occur in any Order Process, the price must be equal to or better than the protected best bid and offer (PBBO), in the case of a Limit Order, a Pegged Order or a Market Order. If such an order is not executable within those parameters, it will be routed to away markets.

(1) An incoming marketable order shall first attempt to be matched for execution against orders in the Displayed Order Process at the display price of the resting order for the total amount of stock available at that price or for the size of the incoming order, whichever is smaller. If the incoming marketable order has not been executed in its entirety, the remaining part of the order shall be booked in the Order Process.

(2) An incoming order that is not marketable will enter the Order Process.

(3) If the incoming order is an ISO, then the order will be executed at prices that would satisfy the ISO's limit price without regard to whether the transaction would occur at a price outside the Protected Quotation.

(4) If any change in any Protected Quotation or NBBO (as applicable) or other available away trading interest would cause a potential match between the away order and an order in the Order Process, an order shall be routed to that market center or market participant.

**Routing to away markets**

If the order designation is as a routable order, the Exchange will utilize available Protected Quotations in the routing determination either in its entirety or as component orders, to another market center or market participant as an ISO.

While an order remains outside the Exchange, it will have no time standing, relative to other orders received from Users at the same price which may be executed against the 24X Book.

Orders can only be routed away from the Exchange during the Pre-Market, Core and Post-Market Sessions.

**Regulation SHO Plan (Reg SHO)**

An order that includes a Short Sale instruction when a Short Sale Circuit Breaker pursuant to Rule 201 of Regulation SHO is in effect is not eligible for routing by the Exchange. If an order is ineligible for routing due to a Short Sale Circuit Breaker being in effect and such order is a Market Order or contains a Time in-Force of IOC, then the order will be cancelled. For any other order ineligible for routing due to a Short Sale Circuit Breaker being in effect, the Exchange will post the unfilled balance of the order to the 24X Book and subject it to the Re-Pricing Instructions to Comply with Rule 201 of Regulation SHO, as described in Rule 11.6(j)(2), unless the User has elected the order Cancel Back as described in Rule 11.6(a).

**Data Feeds**

The Exchange uses the following data feeds for the handling, execution of orders, as well as for surveillance necessary to monitor compliance with applicable securities laws and Exchange rules.

| Market Center | Primary Source | Secondary Source |
|---|---|---|
| Cboe BYX | Direct Feed | CQS/UQDF |
| Cboe BZX | Direct Feed | CQS/UQDF |
| Cboe EDGA | Direct Feed | CQS/UQDF |
| Cboe EDGX | Direct Feed | CQS/UQDF |
| FINRA ADF | Direct Feed | n/a |
| IEX | Direct Feed | CQS/UQDF |
| Nasdaq | Direct Feed | CQS/UQDF |
| Nasdaq BX | Direct Feed | CQS/UQDF |
| NYSE | Direct Feed | CQS/UQDF |
| NYSE American | Direct Feed | CQS/UQDF |
| NYSE Arca | Direct Feed | CQS/UQDF |
| NYSE Chicago | Direct Feed | CQS/UQDF |
| NYSE National | Direct Feed | CQS/UQDF |

| LTSE | Direct Feed | CQS/UQDF |
| MEMX | Direct Feed | CQS/UQDF |
| MIAX | Direct Feed | CQS/UQDF |

## Market Data Products

24X Equities offers several data products:

- Depth of Book and Last Sale Feed
- Top of Book Quote and Last Sale Feed
- Last Sale (Last Sale Feed)
- Midpoint Reference
- Retail Market Maker Interest - while not explicitly displayed on external or internal quote feeds, the Exchange's real-time market data will provide indications of RMM interest in relevant securities: (Tag value to be determined) B indicates RMM interest on the bid, O indicates RMM interest of the offer and A indicates RMM interest on both the bid and the offer.

The Exchange's real-time market data is electronically available directly from 24X Equities through the use of APIs defined in the specifications or via market data vendors.

## Trading Halts and Re-Opening Process

The System will automatically halt trading when trading in an NMS security is halted, suspended or paused on the security's primary listing exchange. All live orders in the halted, suspended or paused security will be cancelled from the 24X Book.

### Re-Opening After a Halt

While an Equity Security is subject to a halt, suspension, or pause in trading, the Exchange **will not accept** orders for queuing prior to the resumption of trading in the security on the listed exchange.

## Limit Up-Limit Down (LULD) Functionality

In order to address extraordinary market volatility in individual securities, the securities markets have implemented a Limit Up-Limit Down mechanism that will prevent trades in certain stocks from occurring outside of specified price bands.

Trades for individual exchange-listed or National Market System (NMS) stocks will be prohibited from occurring at a set percentage higher or lower than the average security price in the preceding five minutes during certain market hours.

| Securities included | Trading hours | Average security price | Price band percentage | Price band percentage during market open/close* |
|---|---|---|---|---|
| All NMS stocks, excluding rights and warrants (Tier 2) | 9:30 a.m. ET – 4:00 p.m. ET | More than $3.00 | 10%** | 20% |
| | | $0.75 and up to and including $3.00 | 20% | 40% |
| | | Less than $0.75 | Lesser of $0.15 or 75% | $0.30 or 150% (upper band only) |

\* Price band percentages will generally be doubled at the market open (9:30 a.m. ET – 9:45 a.m. ET) and at the market close (3:35 p.m. ET – 4:00 p.m. ET) to accommodate more typical trading patterns during those time periods.
\*\* Tier 1 securities (stocks in the S&P 500 Index, Russell 1000 Index and certain ETPs) priced over $3.00 utilize a 5% price band.

## Market Wide Circuit Breaker (MWCB)

A trigger of a Level 1, Level 2 or Level 3 Market Wide Circuit Breaker is treated by the System as a regulatory trading halt on the primary listing market for every security.

## MWCB Plan Details

- If a Level 1 Market Decline or a Level 2 Market Decline occurs after 9:30 a.m. and up to and including 3:25 p.m., or in the case of an early scheduled close, 12:25 p.m., 24X Equities shall halt trading in all stocks for 15 minutes after a Level 1 or Level 2 Market Decline.

- 24X Equities shall halt trading based on a Level 1 or Level 2 Market Decline only once per trading day 24X Equities will not halt trading if a Level 1 Market Decline or a Level 2 Market Decline occurs after 3:25 p.m., or in the case of an early scheduled close, 12:25 p.m.

- If a Level 3 Market Decline occurs at any time during the trading day, 24X Equities shall halt trading in all stocks until the primary listing market opens the next trading day.

- If a primary listing market halts trading in all stocks, 24X Equities will halt trading in all stocks until trading has resumed on the primary listing market or notice has been received from the primary listing market that trading may resume. If the primary listing market does not reopen a security within 15 minutes following the end of the 15-minute halt period, 24X Equities may resume trading in that security.

## Schedule of Fees

The Exchange will provide Members with the notice of all relevant fees, assessments, and charges of the Exchange. Notices may be made available to Members on the Exchange's website or by any other method deemed reasonable by the Exchange. General information on Section 31 fees is available at https://www.sec.gov/fast-answers/answerssec31htm.html.

Such fees, assessments, and charges may include membership dues, transaction fees, communication and technology fees, regulatory charges, and other fees and charges as the Exchange may determine. All such dues, fees, and charges shall be equitably allocated among Members, issuers, and other persons using the Exchange's facilities.

## "24X Market Session" – 8 p.m. to 4 a.m., Weekends and other non-Business Days

**Eligible Order Types and Modifiers:**

- Limit Orders: An order to buy or sell a stated quantity of a security at a specified price or better. For buy limit orders, the order will be executed only at the limit price or a lower, while for sell limit orders, the order will be executed only at the limit price or a higher.

- Reserve Quantity: A Limit Order with a quantity of the size displayed and with a reserve quantity of the size ("**reserve interest**") that is not displayed. Both the display quantity and the reserve interest of an arriving marketable Reserve Order are eligible to trade with resting interest in the 24X Book. The display quantity of a Reserve Order must be entered in round lots. The displayed portion of a Reserve Order will be replenished following any execution. Each time a Reserve Order is replenished from reserve interest, a new working time is assigned to the replenished quantity of the Reserve Order.

- Retail Order: An agency or riskless principal order that originates from a natural person and is submitted to 24X Equities by a qualified and certified ROM. The order cannot originate from a trading algorithm or any other computer methodology. Retail Orders can be Market Orders, Limit Orders or Pegged Orders and such orders can be executed during the Core Market Session. However, only Retail Orders that are Limit Orders are accepted outside of the Core Market Session.

- Retail Market Maker Improvement Order: A non-displayed order entered by a Retail Market Maker priced better than the BBO when entered. May be entered at price increments of .001.

- Non-Displayed: Orders are hidden from the marketplace. All incoming order flow can interact with hidden orders until the hidden size is exhausted at the specified price.

- Minimum Execution Quantity: Minimum Quantity (Min.Qty.) functionality allows users to request a minimum share amount on each execution. Orders with Minimum Quantity instructions will always be with non-displayed orders and instructions are not eligible for routing.

- Post Only: Order types give market participants control over how their orders interact with contra-side liquidity. A Post Only "PO" is an order that is rejected if it is marketable against the NBBO on arrival. A PO Order is eligible to interact solely with interest on 24X Equities, will not route, and will cancel if it locks or crosses the NBBO.

- Book Only: An order instruction stating that an order will be matched against an order on the 24X Book or posted to the 24X Book but will not route to an away trading center.

- Intermarket Sweep Orders (ISO): A Limit Order that does not route and meets the requirements of Rule 600(b)(38) of Regulation NMS.

  - IOC-Immediate or Cancel- An ISO designated IOC will be immediately traded with contra-side interest in the 24X Book up to its full size and limit price and the quantity. The balance of the unfilled quantity will be cancelled back to the member.

  - Day+ ISO- An ISO designated Day+, if marketable on arrival, will be immediately traded with contra-side interest in the 24X Book up to its full size and limit price. Any untraded quantity of a Day+ ISO will be displayed at its limit price and may lock or cross a protected quotation that was displayed at the time of arrival.

- STP Modifier: Any incoming order to buy (sell) designated with an STP modifier will be prevented from trading with a resting order to sell (buy) also designated with an STP modifier and from the same 24X member ID. The STP modifier on the incoming order controls the interaction between

two orders marked with STP modifiers. The STP modifier may instruct the System to take one of the following actions:

- Cancel newest order

- Cancel oldest order

- Cancel both orders

Orders may be submitted in round lots, mixed lots, or odd lots. Minimum odd lot is 1/1000$^{th}$ of a share.

**Ineligible Order Types and Modifiers:**

- Market Orders

- Pegged Orders

- Primary Peg with Offsets

**Time-in-Force (TIF) instructions available:**

- Extended Hours (Day+): Available for all trading sessions starting with the beginning of the 24X Market Session and, if not executed, expires at the end of the next Post-Market Session.

- Immediate-Or-Cancel: (IOC).

- Fill-Or-Kill (FOK): An IOC order where the entire size must be filled

**Price Band Order Collars:**

The first Reference Price for the 24X Market Session is either the last sale prior to 8 p.m. or the primary market's closing price or the primary market's previous day's closing price/last sale when opening on a quote. The specified price bands are set at a percentage level above and below the average reference price of a security over the preceding five-minute period. If no eligible trades have occurred in the prior five minutes, the previous Reference Price remains in effect. The Reference Price is updated every 30 seconds only if a new Reference price would be least 1% away from the current Reference Price.

The **Price Bands** are calculated by multiplying the current Reference Price by the applicable Percentage Parameter and then adding or subtracting that value from the Reference Price and rounded to the nearest penny.

The recommended percentage parameter is calculated using the greater of numerical guidelines for clearly erroneous executions or a specified value established by the Exchange.

Price Band = (Reference Price)+/- ((Reference Price)x (Percentage Parameter))

| Price of security | Percentage check – Core Market Session | Percentage check – Pre-Market Session, Post-Market Session and 24X Market Session |
|---|---|---|
| $0.01 to $25.00 | 10% | 20% |
| $25.01 to $50.00 | 5% | 10% |
| $50.01 and higher | 3% | 5% |

Example: Symbol "ABC" has a previous closing price/last sale of $25. The percentage parameter is applied to security ABC and would therefore have price bands that are 20% greater ($30.00) and lower ($20.00) than that of the previous closing price/last sale.

The bands would be as follows:

Upper Band              $30.00

Reference/Mid-point     $25.00

Lower Band              $20.00

If the limit price upon order entry is beyond the percentage threshold established for the price range of the stock, that order will be represented on the 24X Book at the Price Band limit price. The purpose of this logic is to prevent erroneous or overly aggressive limit prices from causing potentially erroneous trades and excessive volatility.

In the event an issue has news creating value outside of the bands, and no execution has taken place to recalculate the Price Bands upwards/downwards, the exchange will use the following methodology:

- Orders received by three (3) separate and distinct Members.
- Orders are priced at the upward/downward band.
- Orders from the separate and distinct members are live on the 24X Book.
- Orders are at minimum of 100 shares displayed.
- After 30 seconds a new Reference Price using the upward/downward band level would be calculated and Price Bands updated.
- The live orders on the 24X Book will receive a new timestamp and will be assigned a working and displayed price at the most aggressive permissible price.

Using the prior bands example in symbol "ABC", the three (3) separate and distinct Member's orders priced at the upper band of $30.00, the Price Bands would be recalculated to the following;

Upper Band              $33.00

Reference/Mid-point     $30.00

Lower Band              $27.00

*Note that as the price of the stock is now in the $25.01 to $50.00 category, the percentage calculation is 10%.