DORMAN TRADING, LLC
FCM Risk Disclosure April 2024

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Introduction

The Commodity Futures Trading Commission ("CFTC") requires each Futures Commission Merchant ("FCM"), including Dorman Trading, LLC ("Dorman"), to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities ("funds") with the FCM. Except as otherwise noted below, the information set out is as of March 31, 2024. Dorman will update this information annually and as necessary to take account of any material changes to its business operations, financial condition or other factors that Dorman believes may be material to a customer's decision to do business with Dorman. Nonetheless, Dorman's business activities and financial data are not static and will change in non-material ways frequently in any 12-month period.

Dorman and Its Principals

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Chicago Mercantile Exchange, Inc. is Dorman's Designated Self-Regulatory Organization ("DSRO").

The following individuals are registered Principals of Dorman:

Thomas P. Gallagher

Thomas P. Gallagher is the Chief Executive Officer of Dorman Trading. Mr. Gallagher is one of the principal founders of Miami International Holdings, Inc. ("MIH") and has served as the Chairman of the Board of Directors of MIH and the MIAX Exchanges since 2008. Mr. Gallagher has been serving as the Chief Executive Officer of MIH and the MIAX Exchanges since 2012. He was a founding partner of the law firm Gallagher, Briody & Butler, a corporate and securities law firm located in Princeton, New Jersey, and was associated with of the firm until joining the Company full time in December 2012. Mr. Gallagher works primarily out of MIH's principal executive office in Princeton, New Jersey.

Mr. Gallagher has been a director of MGEX since October 2019, becoming Chairman of the MGEX Board of Directors in June 2021. Mr. Gallagher has also been a member of the BSX Council since July 2019, becoming Chairman of the BSX Council in February 2020. Mr. Gallagher is also the Chairman and Chief Executive Officer of the following subsidiaries of MIH: MIAX Technologies since May 2010; MIAX Products since January 2019; MIAX Global since June 2015; and Dorman Trading since October 2022. He is also the Chairman of MIAX Futures since February 2008 and LedgerX since June 2023. From 2005 to 2014, Mr. Gallagher served on the Board of Trustees of The Hun School of Princeton, and is currently a Trustee Emeritus**.**

Daniel P. Dorman

Serves as Senior Vice President and Chief Operating Officer of Dorman Trading. Daniel has been with Dorman for over 17 years and holds an undergraduate Economics degree from Cornell University, as well as a law degree from Chicago-Kent College of Law. Mr. Dorman works primarily out of Dorman's Chicago, IL office.

Robert Sheeren
Serves as Chief Financial Officer of Dorman Trading. Robert has been with Dorman for over 30 years and holds a Bachelor of Arts from St. Xavier University. Mr. Sheeren works primarily out of Dorman's Chicago, IL office.

Michael Higgins
Serves as Chief Compliance Officer and Anti-Money Laundering Compliance Officer of Dorman Trading. Michael has worked in a Compliance role at multiple FCMs. Michael has been in the futures industry for over 25 years and in a Compliance role for over 12. Mr. Higgins works primarily out of Dorman's Chicago, IL office.

Miami International Holdings, Inc.
In addition to Dorman, MIH owns Miami International Securities Exchange, LLC (MIAX®), MIAX PEARL, LLC (MIAX Pearl®), MIAX Emerald, LLC (MIAX Emerald®), MIAX Sapphire, LLC (MIAX Sapphire®), LedgerX LLC, Minneapolis Grain Exchange, LLC (MGEX™), and The Bermuda Stock Exchange (BSX™).

Dorman Business

Dorman has relationships with approximately 35 Introducing Brokers, including 1 Guaranteed Introducing Broker. Dorman also maintains omnibus relationships for U.S. registered non-clearing FCMs.

Dorman's assets and capital are currently dedicated to its business as an FCM. At this time, Dorman does not engage in any proprietary trading or participate in any other business activities or product lines.

The firm has no unsecured lines of credit.

FCM Customer Business

Dorman's customers fall into the following categories: self-directed retail customers, retail managed accounts, professional traders, institutional traders, execution groups and omnibus accounts of U.S. registered non-clearing FCMs. The largest category of customer is self-directed retail and a significant number of those accounts are introduced to Dorman through Introducing Brokers.

Dorman customers trade on the following Exchanges: CME Group (CME, CBOT, NYMEX, and COMEX), MGEX, ICE Futures US, ICE Europe, ICE Endex, Eurex, CBOE Futures Exchange, Euronext and Coinbase Derivatives.

Dorman is a full clearing member of CME Group (CME, CBOT, NYMEX and COMEX). Dorman is a full clearing member of ICE Clear U.S. and ICE Futures U.S. Dorman is a Disclosed Client Market Participant ("DCMP") of Eurex. In February 2023, Dorman became a full clearing member of MGEX.

Dorman uses the following as carrying brokers for access to the other Exchanges: ADM Investor Services Inc. (U.S. Registered FCM), and ADM Investor Services International Limited (an FCA regulated entity) and Wedbush Securities Inc. (U.S. Registered FCM).

The firm provides no financing for customer transactions involving illiquid products.

Aggregate notional value by asset class of all non-hedged, principal OTC transactions the firm has entered in to is zero; there are no non-hedge principal OTC positions.

Permitted Depositories and Counterparties

Pursuant to CFTC Reg 1.11(e)(3)(i)(A) the Firm evaluates banks holding Segregated Funds based on the

following criteria:

- Capitalization;
- Creditworthiness;
- Operational reliability;
- Access to liquidity;
- Availability of deposit insurance; and
- Regulatory supervision of the depository

The Firm selects bank counterparties that present a very low likelihood of default. The Firm bases new and on-going bank relationship based on: Money, Mechanics, and Management.

- Money: For bank accounts expected to maintain balances larger than the FDIC maximum insurance cap (currently $250,000) the Firm will only utilize large banks that are also an approved settlement bank at a CFTC registered Designated Clearing Organization ("DCO").
- Mechanics: The bank must have operational capabilities sufficient for the Firm to efficiently and compliantly operate its FCM, including Business Continuity/Disaster Recovery;
- Management: The Firm must have a direct and open relationship with senior account managers, and acceptable experience with the level of services provided and the customer service.

Pursuant to CFTC Reg 1.11(e)(3)(i)(F) the Firm assesses the appropriateness of specific investments of Segregated Funds in permitted investments in accordance with CFTC Reg 1.25. The Firm takes into consideration the market, credit, counterparty, operational, and liquidity risks associated with such investments, and assess whether such investments are consistent with the objectives of preserving principal and maintaining liquidity.

Acceptance criteria are established for the Firm's Investment of Segregated Funds. The criteria are designed to provide a baseline at which the Firm would be comfortable accepting and using the collateral to margin customers' trading activities.

Risk Tolerance Limits are established to determine the size of investment of Customer Segregated Funds the Firm is willing to accept based on liquidity needs and marketability of the financial instruments.

The Firm's investment criteria for Segregated Funds is each investment must be readily marketable and highly liquid. The Firm's Risk Tolerance Limit for investments of Segregated Funds is very low. As such, the Firm only invests in:

- U.S. Government Treasuries less than one year ("USTB")[per 1.25(a)(1)(i)]; and
- CME Group Collateral Management Programs (IEF Programs) [per 1.25(a)(1)(vii) and 1.25(c)].
- CME Group cash.
- BMO Bank N.A.

Material Risks

A material risk to customers depositing funds at any entity is the possibility of losing a portion of their deposit. In order to ensure that it is in compliance with its regulatory capital requirements and that it has sufficient liquidity to meet its ongoing business obligations. These material risks include:

- Creditworthiness – Dorman does not have any long-term debt and has no immediate or long-term plans to acquire any debt of this nature.

- Leverage – As of March 31, 2024, Dorman's balance sheet leverage is 1.46%.
- Capital – As of March 31, 2024, Dorman's excess net capital is $13,982,412. Dorman may from time to time receive capital from the parent company (Miami International Holdings, Inc.).
- Liquidity - Dorman holds the vast majority of its assets in cash and U.S. Treasury Bills, securities guaranteed as to principal and interest. The maturity of all investments is less than twelve months.
- Principal Liabilities – Dorman's principal liability is customer equity for accounts trading on U.S. exchanges.
- Other Lines of Business - Dorman's primary focus is on clearing customer business in futures and options on futures and has no immediate or long-term plans to make material changes thereto. Any material change to Dorman's business model could impact the firm's creditworthiness, capital and liquidity.
- Affiliate Risk - Dorman does not feel that there are material risks to our customers created by any affiliate relationships or activities. Dorman does not invest any customer segregated funds in an affiliated entity. As required by our status as a clearing member, Dorman maintains a $500,000 security deposit with MGEX, a Dorman affiliate.
- Significant Liabilities – Dorman's significant liability is to its customers; Dorman does not have any other significant liabilities, contingent or otherwise.

Material Complaints or Actions

In the normal course of business, Dorman may be named from time to time as a respondent in legal proceedings arising out of its business as an FCM and clearing member. Dorman may also be involved from time to time in investigations and proceedings by governmental and/or regulatory agencies or self-regulatory organizations, which may result in adverse judgments, fines or penalties. As of the date of this document, Dorman does not have any material actions pending nor were there any enforcement complaints or actions filed against the firm during the last three years.

Customer Funds Segregation Overview

Customer Accounts. FCMs may maintain up to three different types of accounts for customers, depending on the products a customer trades:

(i) a **Customer Segregated Account** for customers that trade futures and options on futures listed on US futures exchanges;

(ii) a **30.7 Account** for customers that trade futures and options on futures listed on foreign boards of trade; and

(iii) a **Cleared Swaps Customer Account** for customers trading swaps that are cleared on a DCO registered with the CFTC.

The requirement to maintain these separate accounts reflects the different risks posed by the different products. Cash, securities and other collateral (collectively, **Customer Funds**) required to be held in one type of account, *e.g.*, the Customer Segregated Account, may not be commingled with funds required to be held in another type of account, *e.g.*, the 30.7 Account, except as the CFTC may permit by order. For example, the CFTC has issued orders authorizing ICE Clear Europe Limited, which is registered with the CFTC as a DCO, and its FCM clearing members: (i) to hold in Cleared Swaps Customer Accounts Customer Funds used to margin both (a) Cleared Swaps and (b) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such Cleared Swaps and foreign

futures and foreign options; and (ii) to hold in Customer Segregated Accounts Customer Funds used to margin both (c) futures and options on futures traded on ICE Futures US and (d) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such transactions.

Customer Segregated Account. Funds that customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on futures exchanges located in the U.S., *i.e.*, designated contract markets, are held in a **Customer Segregated Account** in accordance with section 4d(a)(2) of the Commodity Exchange Act and CFTC Rule 1.20. **Customer Segregated Funds** held in the Customer Segregated Account may not be used to meet the obligations of the FCM or any other person, including another customer.

All Customer Segregated Funds may be commingled in a single account, *i.e.*, a customer omnibus account, and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside of the U.S. that has in excess of $1 billion of regulatory capital; (iii) an FCM; or (iv) a DCO. Such commingled accounts must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's customers. Unless a customer provides instructions to the contrary, an FCM may hold Customer Segregated Funds only: (i) in the US; (ii) in a money center country; or (iii) in the country of origin of the currency.

An FCM must hold sufficient U.S. dollars in the U.S. to meet all U.S. dollar obligations and sufficient funds in each other currency to meet obligations in such currency. Notwithstanding the foregoing, assets denominated in a currency may be held to meet obligations denominated in another currency (other than the U.S. dollar) as follows: (i) U.S. dollars may be held in the U.S. or in money center countries to meet obligations denominated in any other currency; and (ii) funds in money center currencies may be held in the U.S. or in money center countries to meet obligations denominated in currencies other than the U.S. dollar.

30.7 Account. Funds that **30.7 Customers** deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on foreign boards of trade, *i.e.*, **30.7 Customer Funds**, and sometimes referred to as the **foreign futures and foreign options secured amount**, are held in a **30.7 Account** in accordance with CFTC Rule 30.7.

Funds required to be held in the 30.7 Account for or on behalf of 30.7 Customers may be commingled in an omnibus account and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside the U.S. that has in excess of $1 billion in regulatory capital; (iii) an FCM; (iv) a DCO; (v) the clearing organization of any foreign board of trade; (vi) a foreign broker; or (vii) such clearing organization's or foreign broker's designated depositories. Such commingled accounts must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's 30.7 Customers. As explained below, CFTC Rule 30.7 restricts the amount of such funds that may be held outside of the U.S.

Customers trading on foreign markets assume additional risks. Laws or regulations will vary depending on the foreign jurisdiction in which the transaction occurs, and funds held in a 30.7 Account outside of the U.S. may not receive the same level of protection as Customer Segregated Funds. If the foreign broker carrying 30.7 Customer positions fails, the broker will be liquidated in accordance with the laws of the jurisdiction in which it is organized, which laws may differ significantly from the U.S. Bankruptcy Code. Return of 30.7 Customer Funds to the U.S. will be delayed and likely will be subject to the costs of administration of the failed foreign broker in accordance with the law of the applicable

jurisdiction, as well as possible other intervening foreign brokers, if multiple foreign brokers were used to process the U.S. customers' transactions on foreign markets.

If the foreign broker does not fail but the 30.7 Customers' U.S. FCM fails, the foreign broker may want to assure that appropriate authorization has been obtained before returning the 30.7 Customer Funds to the FCM's trustee, which may delay their return. If both the foreign broker and the U.S. FCM were to fail, potential differences between the trustee for the U.S. FCM and the administrator for the foreign broker, each with independent fiduciary obligations under applicable law, may result in significant delays and additional administrative expenses. Use of other intervening foreign brokers by the U.S. FCM to process the trades of 30.7 Customers on foreign markets may cause additional delays and administrative expenses.

To reduce the potential risk to 30.7 Customer Funds held outside of the U.S., CFTC Rule 30.7 generally provides that an FCM may not deposit or hold 30.7 Customer Funds in permitted accounts outside of the U.S. except as necessary to meet margin requirements, including prefunding margin requirements, established by rule, regulation, or order of the relevant foreign boards of trade or foreign clearing organizations, or to meet margin calls issued by foreign brokers carrying the 30.7 Customers' positions. The rule further provides, however, that, in order to avoid the daily transfer of funds from accounts in the U.S., an FCM may maintain in accounts located outside of the U.S. an additional amount of up to 20 percent of the total amount of funds necessary to meet margin and prefunding margin requirements to avoid daily transfers of funds.

Cleared Swaps Customer Account. Funds deposited with an FCM, or otherwise required to be held for the benefit of customers, to margin swaps cleared through a registered DCO, *i.e.*, **Cleared Swaps Customer Collateral**, are held in a **Cleared Swaps Customer Account** in accordance with the provisions of section 4d(f) of the Act and Part 22 of the CFTC's rules. Cleared Swaps Customer Accounts are sometimes referred to as LSOC Accounts. LSOC is an acronym for "legally separated, operationally commingled." Funds required to be held in a Cleared Swaps Customer Account may be commingled in an omnibus account and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside of the U.S. that has in excess of $1 billion of regulatory capital; (iii) a DCO; or (iv) another FCM. Such commingled accounts must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's Cleared Swaps Customers.

Investment of Customer Funds. Section 4d(a)(2) of the Act authorizes FCMs to invest Customer Segregated Funds in obligations of the United States, in general obligations of any State or of any political subdivision thereof, and in obligations fully guaranteed as to principal and interest by the United States. Section 4d(f) authorizes FCMs to invest Cleared Swaps Customer Collateral in similar instruments.

CFTC Rule 1.25 authorizes FCMs to invest Customer Segregated Funds, Cleared Swaps Customer Collateral and 30.7 Customer Funds in instruments of a similar nature. CFTC rules further provide that the FCM may retain all gains earned and is responsible for investment losses incurred in connection with the investment of Customer Funds. However, the FCM and customer may agree that the FCM will pay the customer interest on the funds deposited.

Permitted investments include:

(i) Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);
(ii) General obligations of any State or of any political subdivision thereof (municipal securities);

(iii) Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations);
(iv) Certificates of deposit issued by a bank (certificates of deposit) as defined in section 3(a)(6) of the Securities Exchange Act of 1934, or a domestic branch of a foreign bank that carries deposits insured by the Federal Deposit Insurance Corporation;
(v) Commercial paper fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (commercial paper);
(vi) Corporate notes or bonds fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (corporate notes or bonds); and
(vii) Interests in money market mutual funds.

The duration of the securities in which an FCM invests Customer Funds cannot exceed, on average, two years.

An FCM may also engage in repurchase and reverse repurchase transactions with non-affiliated registered broker-dealers, provided such transactions are made on a delivery versus payment basis and involve only permitted investments. All funds or securities received in repurchase and reverse repurchase transactions with Customer Funds must be held in the appropriate Customer Account, *i.e.*, Customer Segregated Account, 30.7 Account or Cleared Swaps Customer Account. Further, in accordance with the provisions of CFTC Rule 1.25, all such funds or collateral must be received in the appropriate Customer Account on a delivery versus payment basis in immediately available funds.

No SIPC Protection- It is important to understand that the funds you deposit with Dorman for trading futures and options on futures contracts on either U.S. or foreign markets or cleared swaps are not protected by the Securities Investor Protection Corporation.
Further, CFTC rules require Dorman to hold funds deposited to margin futures and options on futures contracts traded on U.S. designated contract markets in Customer Segregated Accounts. Similarly, Dorman must hold funds deposited to margin cleared swaps and futures and options on futures contracts traded on foreign boards of trade in a Cleared Swaps Customer Account or a 30.7 Account, respectively. In computing its Customer Funds requirements under relevant CFTC rules, Dorman may only consider those Customer Funds actually held in the applicable Customer Accounts and may not apply free funds in an account under identical ownership but of a different classification or account type (*e.g.*, securities, Customer Segregated, 30.7) to an account's margin deficiency. In order to be used for margin purposes, the funds must actually transfer to the identically-owned under margined account.

Filing a Complaint

A customer that wishes to file a complaint about Dorman or one of its employees with the CFTC can contact the Division of Enforcement either electronically at https://forms.cftc.gov/Forms/Complaint/Screen1 or by calling the Division of Enforcement toll-free at 866-FON-CFTC (866-366-2382).

A customer that may file a complaint about Dorman or one of its employees with the National Futures Association ("NFA") electronically at http://www.nfa.futures.org/basicnet/Complaint.aspx or by calling NFA directly at 800-621-3570.

A customer that wishes to file a complaint about Dorman or one of its employees with CME Group

electronically at: http://www.cmegroup.com/market-regulation/file-complaint.html or by calling the CME at 312-341-7970.

Relevant Financial Data

Copies of Dorman's recent audited financials are available on the Dorman website, at https://www.dormantrading.com/about-us/financial-data/

The following financial data is as-of March 31, 2024:

Net Capital -	$20,880,831
Adjusted Net Capital -	$18,303,628
Excess Net Capital -	$13,982,412

1 customer comprise 50% of Dorman's total segregated funds held for customers and 3 customers comprise 50% of Dorman's total secured funds held for customers.

Dorman has not written off any customer receivable balances as uncollectible during the past 12-month period.

Additional financial information on all FCMs is also available on the CFTC's website at: http://www.cftc.gov/MarketReports/FinancialDataforFCMs/index.htm.

Customers should be aware that the National Futures Association ("NFA**"**) publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM's most recent month-end adjusted net capital, required net capital, and excess net capital. (Information for a twelve- month period is available.) In addition, NFA publishes twice-monthly a Customer Segregated Funds report, which shows for each FCM: (i) total funds held in Customer Segregated Accounts; (ii) total funds required to be held in Customer Segregated Accounts; and (iii) excess segregated funds, *i.e.*, the FCM's Residual Interest. This report also shows the percentage of Customer Segregated Funds that are held in cash and each of the permitted investments under CFTC Rule 1.25. Finally, the report indicates whether the FCM held any Customer Segregated Funds during that month at a depository that is an affiliate of the FCM.

The report shows the most recent semi-monthly information, but the public will also have the ability to see information for the most recent twelve-month period. A 30.7 Customer Funds report and a Customer Cleared Swaps Collateral report provides the same information with respect to the 30.7 Account and the Cleared Swaps Customer Account.

The above financial information reports can be found by conducting a search for a specific FCM in NFA's BASIC system (http://www.nfa.futures.org/basicnet/) and then clicking on "View Financial Information" on the FCM's BASIC Details page.

Summary of Dorman's Risk Practices and Controls

Dorman has a Risk Management Unit ("RMU") that monitors and addresses the following risks: market, credit, segregation, affiliate, capital & liquidity and operational & technology. The RMU adheres to a risk management program mandated by the CFTC to properly protect customer and firm funds as well as maintaining sound business practices and controls. The RMU reports directly to Senior Management.