



BLUE OCEAN

ATS

Blue Ocean ATS- Clearly Erroneous Policy

Subscribers are solely responsible for the accuracy and completeness of all orders submitted to the Blue Ocean ATS (“BOATS”) and all transactions executed on BOATS are binding on Subscribers. By participating on BOATS, each Subscriber agrees to comply with this policy. A transaction is “clearly erroneous” if there is an obvious error in any term, such as price, number of shares or other unit of trading, or identification of the security. Transactions determined to be clearly erroneous will be reversed from the consolidated tape.

Blue Ocean ATS will determine an execution to be clearly erroneous when the execution is outside of the stated reference price bands; BOATS will review if the price of the transaction is greater or less than the reference price by:

- i. 26% for NMS Stocks priced greater than \$50;
- ii. 30% for NMS Stocks priced greater than \$25 and up to and including \$50; and
- iii. 40% for NMS Stocks priced greater than \$0 and up to and including \$25

The 7:30 Reference Price is determined by referencing the price of the last trade reported to the SIP from a primary exchange in each symbol that occurred at/before 7:30PM EST. Blue Ocean ATS obtains and provides the reference price before each trading session.

If a Subscriber seeks to have Blue Ocean ATS review a transaction as potentially erroneous, it must notify BOATS within 30 minutes of the execution of the trade on the ATS by email and must provide BOATS a written statement regarding the reasons for disputing the trade via email. This written notice must be sent to: support@blueoceanats.com.

The written notice should contain the following information:

- i. Subscriber name;
- ii. Time(s) of the trade(s);
- iii. Security symbol(s);
- iv. Price(s);
- v. Quantity;
- vi. Whether or not Subscriber was on the buy side or sell side of the trade;
- vii. Reason review is being sought; and
- viii. Requested resolution (break trade or adjust price).

Requests are not considered to be valid until receipt thereof is acknowledged by authorized Blue Ocean ATS support staff. Trades will be investigated promptly and resolved as soon as reasonably practicable.

The Blue Ocean ATS Clearly Erroneous Policy is subject to change without notification.