



## About Aqua ATS

Aqua is an electronic trading solution that facilitates block trades in NMS stocks. The central feature of Aqua is its unique “Go Fish” method of matching orders. With the “Go Fish” method, liquidity providers (either buy-side, Outsourced Buy-side Desks or Broker-Dealers) submit block-sized orders into Aqua, bidding or offering to buy or sell a particular equity security at a price to be determined based on a peg to the national best bid or offer (“NBBO”) at the time of execution—including either at the NBBO, at the midpoint of the NBBO, or at a spread inferior to the NBBO. Aqua only accepts orders priced by reference to the NBBO.

## Regulatory Disclosure Statement

The U.S. Securities and Exchange Commission (“SEC”), the Financial Industry Regulatory Authority, Inc. (“FINRA”), and other regulators have various rules and regulations that require broker-dealers to disclose certain policies and procedures including, but not limited to, client identification, business continuity, order routing and investor protection.

In accordance with these various regulatory requirements and industry best practices, and to give its clients transparency into the Firm’s policies and procedures, Aqua Securities L.P. (“AQUA” or the “Firm”) is providing the following regulatory disclosures to its clients.

### NEW ACCOUNT OPENING – VERIFYING YOUR IDENTITY

Federal laws and regulations require financial institutions to obtain and verify information that identifies each client who opens an account.

When opening an account, AQUA is required to obtain your name, address, tax information and other information and documentation that will be utilized to verify your identification. For accounts other than natural persons (e.g., a corporation, partnership or trust) AQUA will request identifying documents evidencing the existence of the entity, such as articles of incorporation, a government-issued business license, a partnership agreement or a trust agreement. AQUA may also request to see a valid government issued form of identification evidencing nationality or residence and bearing a photograph such as a driver’s license, passport or other identifying documents for the control persons or beneficiaries of the account.

As required by federal law, if AQUA is unable to verify your identity, AQUA will not be able to open an account or establish a relationship with you. AQUA reserves the right to request additional information or documentation at any time at its sole discretion material changes in account information should be forwarded in writing to AQUA’s Compliance Department at the address below.

### QUALITY OF EXECUTIONS - SEC RULE 605

The Securities and Exchange Commission (“SEC”) Rule 605 requires market centers that trade national market system securities to make available to the public monthly electronic reports that include uniform statistical measures of execution quality. The monthly execution quality statistics are compiled based on specified requirements under Rule 605 for “covered orders,” as defined under Regulation NMS Rule 600. The SEC requires that the disclosure of a market center’s order execution information be made available free and readily accessible to the public via a web site. Information regarding AQUA’s most recent monthly SEC Rule 605 quality of executions information is available at <http://disclosures.bxstech.com/aqua/>.

AQUA’s SEC Rule 605 reports from 2020 and earlier are available [here](#).

## ORDER ROUTING - SEC RULE 606

In accordance with SEC Rule 606, AQUA is required to disclose on a quarterly basis the top ten venues to which AQUA routed customer equity orders for NMS securities and the nature of any relationships with those venues. AQUA's most recent quarterly SEC Rule 606 order routing information is available at <http://disclosures.bxstech.com/aqua/>. A written copy of where your individual orders were routed for execution is available by contacting AQUA Trade Support at (212) 821-1100.

AQUA's SEC Rule 606 reports from 2020 are available [here](#).

## ORDER FLOW & DIRECTING OF ORDERS

AQUA Securities, L.P. does **not** receive payment or remuneration of any kind for directing order flow on any transaction.

## FEES

Aqua does not charge fees, charges or subscriptions for connectivity to or use of the Aqua system. Subscribers are charged commissions by their broker of record ("BOR") for shares executed in Aqua. For more information about the factors considered when setting fees for trades for which AQUA is BOR, and commission rates, please see Part III, Item 19 of the Form ATS-N, available here: <https://www.sec.gov/divisions/marketreg/form-ats-n-filings.htm>.

## ORDERS IN THE AQUA ATS

Aqua accepts five order types: limit, market, primary peg, midpoint peg, and market peg, all of which are handled and matched in strict price-time priority. Unless otherwise instructed, Aqua treats limit orders as midpoint pegs with limits and market orders as midpoint pegs, even if the order is submitted to Aqua as a market order.

Please refer to the Form ATS-N for a more complete description of the order types supported in the AQUA ATS, as well as the Manner of Operations, including routing outside of Aqua ATS: <https://www.sec.gov/divisions/marketreg/form-ats-n-filings.htm>.

## AQUA ATS HOURS OF OPERATION

Aqua ATS operates its matching process only during regular trading hours (i.e., 9:30 AM to 4:00 PM ET), Monday through Friday, subject to Nasdaq and FINRA holidays and early close schedules. Subscribers may submit orders to the ATS starting at 8 AM ET, but Notices are not generated and orders are not matched execution until 9:30 AM ET.

## FINRA BROKERCHECK

FINRA BrokerCheck is a free tool that assists investors by providing background and regulatory information on current and former FINRA member firms and registered representatives. This information can be obtained at [www.brokercheck.finra.org](http://www.brokercheck.finra.org) or by calling the FINRA BrokerCheck Hotline toll-free number at [1-800-289-9999](tel:1-800-289-9999). A copy of an investor brochure that includes information describing FINRA BrokerCheck can be obtained by calling the FINRA BrokerCheck Hotline number or accessing the FINRA website.

## INFORMATION ON SECURITIES INVESTOR PROTECTION CORPORATION ("SIPC")

SIPC was created by the Securities Investor Protection Act of 1970 ("SIPA"), and its primary purpose is to provide protection within the limits of the SIPA to securities clients of failed brokers or dealers who are members of the SIPC. AQUA is a member of the SIPC.

Information on SIPC and the SIPC Brochure is available at either [www.sipc.org](http://www.sipc.org), or by contacting SIPC at [\(202\) 371-8300](tel:202-371-8300), or by sending an email request to [asksipc@sipc.org](mailto:asksipc@sipc.org).

## SETTLEMENT OF SECURITIES TRANSACTIONS

When a customer buys a security, CF&Co. must receive payment from the customer no later than two (2) business days after the trade is executed. When a customer sells a security, the customer must deliver the security to CF&Co. no later than two (2) business days after the sale.

## PRIVACY POLICY NOTICE

Protecting your privacy is important to AquaSecurities, L.P. and our employees. We believe the confidentiality and protection of customer information is one of our most fundamental responsibilities. Whether you are an existing customer or are considering a relationship with us, you have an interest in how we collect, use, retain and secure non-public personal information. While information is critical to providing quality services, we recognize that one of our most important assets is our customers' trust.

If we change our privacy policies, a revised customer privacy notice will promptly be posted to our web site at [www.aquaequities.com](http://www.aquaequities.com). You agree to accept posting of a revised customer privacy notice electronically on the web site as actual notice to you. You should review the customer privacy notice periodically to remain informed of any changes. Any dispute between you and AQUA is subject to our customer agreement/terms and conditions and our general policies, terms, and procedures governing AQUA's customer and other accounts, including where applicable, arbitration of disputes and limitation of damages.

If you have any questions that this customer privacy notice does not address or if you wish to discuss AQUA's privacy policies in greater detail, please contact our Compliance Department at [ComplianceEqty@cantor.com](mailto:ComplianceEqty@cantor.com) or write us at Aqua Securities L.P., Attn: Compliance Department, 125 Park Avenue, New York, NY 10017.

## THE INFORMATION WE COLLECT

AQUA may collect non-public personal information about you from the following sources:

1. Information you provide to us on account opening documentation, applications, subscriptions or other forms;
2. Transactions with us, our affiliates, or others;
3. From non-affiliated third parties (e.g., credit reporting agencies and others).

## PARTIES TO WHOM WE MAY DISCLOSE INFORMATION

We do not disclose non-public personal information to third parties, except to those third parties that may assist us in servicing your account, to securities and banking regulators upon requests, to others pursuant to subpoena and as otherwise as permitted or required by law.

If you decide to close your account(s) or become an inactive customer, we will continue to adhere to the privacy policy and practices described in this notice, or subsequent notices, which may amend the policy stated herein.

This customer privacy notice is not intended to interfere with our ability to transfer all or part of our business and/or assets to either an affiliated or an un-affiliated third party at any time, and for any purpose, in accordance with applicable law, rule, and regulation.

## FORM ATS-N

Please refer to the Form ATS-N for a more complete description of the Aqua ATS: <https://www.sec.gov/divisions/marketreg/form-ats-n-filings.htm>.

## CONFIDENTIALITY AND SECURITY PROCEDURES

AQUA takes steps to safeguard customer information and restrict access to your personal and account information to those employees who need to know that information in order for us to provide products or services to you. We emphasize the importance of confidentiality through employee training, operating procedures, written policies and this privacy policy. We maintain physical, electronic, and procedural safeguards to guard your non-public personal information.

## KEY TERMS TO PRIVACY

**“Nonpublic Personal Information”** – Personally identifiable financial information that is provided by a customer or potential customer to a financial institution that results from a transaction with the customer or that is otherwise obtained by the financial institution in connection with providing a financial product or service.

**“Affiliate”** – Any entity that is part of the Aqua Securities, L.P. family by virtue of common ownership or control.

**“Non-Affiliated Third Party”** – Any entity that is not part of the Aqua Securities, L.P. family of companies.

## BUSINESS CONTINUITY PLAN

Our Business Continuity Plan information is available at <http://www.aquaequities.com>.

## COMPLAINTS

In accordance with SEC Rule 17a-3(a)(18)(ii), please be advised that any complaints may be directed to the above address, Attn: Compliance Department.

## QUESTIONS

Should you have any questions or require any additional information regarding this statement, please contact your client sales representative or the Compliance Department at **(212) 938-5000**.

**Aqua Securities L.P.**  
**199 Water Street**  
**New York, NY 10038**