



## PDQ LIQUIDITY SEEKER AGREEMENT

This PDQ Liquidity Seeker Agreement (“Agreement”) is entered into as of the date set forth on the signature page hereto (the “Effective Date”) by and between **PDQ ATS, Inc.**, a Connecticut corporation (“PDQ”), and \_\_\_\_\_, a \_\_\_\_\_ [corporation/LLC/LP] (the “Liquidity Seeker”). The parties agree as follows:

1. Definitions. The following definitions shall apply throughout this Agreement:

(a) “FINRA” means the U.S. Financial Industry Regulatory Authority.

(b) “Market” means any securities exchange, alternative trading system (including the PDQ System), listed futures exchange, or electronic communications network to which Liquidity Seeker’s securities orders may be electronically routed.

(c) “PDQ System” means the PDQ alternative trading system consisting of proprietary software, computer hardware facilities and related technology and know-how by which LPP’s are exposed to order notifications and/or symbol-only notifications, and securities orders are crossed with contra orders and printed to a Trade Reporting Facility or routed through PDQ facilities to a Market for execution, and in the process such orders are exposed to potential liquidity providers on an anonymous basis.

(d) “PDQ System Documentation” means the PDQ ATS Liquidity Seekers Guide and any other PDQ System documentation provided by PDQ to Liquidity Seeker, as such documentation may be revised, updated, enhanced and modified by PDQ from time to time.

(e) “Representatives” of any person or entity means the affiliates, directors, officers, employees, contractors and agents of such person or entity.

(f) “SEC” means the U.S. Securities and Exchange Commission.

(g) “TRF” means the FINRA/NYSE Trade Reporting Facility or such other trade reporting facility as PDQ may utilize from time to time.

2. Term and Termination. This Agreement shall be effective upon the Effective Date and shall remain in effect until terminated by either party, with or without cause, upon 30 days’ prior written notice to the other party, except that in the event of a breach of this

Agreement by Liquidity Seeker, PDQ may terminate this Agreement immediately. The parties’ respective rights and obligations relating to transactions incurred prior to termination of this Agreement shall survive such termination.

3. Use of PDQ System.

(a) Subject to the terms and conditions of this Agreement, PDQ grants to Liquidity Seeker a personal, limited, revocable, non-exclusive, non-assignable and non-sublicenseable license to use the PDQ System pursuant to the terms of this Agreement. Liquidity Seeker shall not obscure, alter or attempt to hide any copyright or other identifying information on or in any component of the PDQ System. Liquidity Seeker is bound by, and will comply with, the various legends, disclaimers, terms and conditions and restrictions displayed on or linked to the PDQ System.

(b) From time to time, Liquidity Seeker may send securities orders to the PDQ System that Liquidity Seeker desires to be routed to a Market for execution. PDQ does not provide Liquidity Seeker with any graphical interface to interact with the PDQ System; Liquidity Seeker’s orders are transmitted to the PDQ System via a FIX connection. Whenever Liquidity Seeker transmits a securities order to the PDQ System, the Liquidity Seeker agrees to have such order handled in the manner in which the PDQ System has been designed including:

(i) Liquidity Seeker authorizes PDQ to pause the Liquidity Seeker’s order, as described in the PDQ System Documentation, within the PDQ System and to cross such order with other orders within the PDQ System, print the trade to the TRF, and select the TRF to which orders executed within the PDQ System shall be printed. All orders submitted to the PDQ System must have a properly issued, registered and valid Market Participant Identifier (“MPID”).

(ii) Liquidity Seeker authorizes PDQ to send the Liquidity Seeker’s order to any other Market on behalf of the Liquidity Seeker, provided that Liquidity Seeker shall have the opportunity to select a Market from among the options available within the PDQ System. When orders are to be routed out of the PDQ System, they will be routed out either (1) under the MPID of the PDQ ATS, (2) using the MPID of PDQ’s clearing firm, (3) using the Liquidity Seeker’s MPID or (4) using the MPID of Liquidity Seeker’s clearing firm, in each case at the sole discretion of the Liquidity Seeker. In the case of

routing handled pursuant to clause (3) or (4) of this paragraph, PDQ acts as a Service Bureau Provider only, and merely transmits the order to the Market without the intervention of PDQ's MPID. Whenever Liquidity Seeker transmits a securities order to the PDQ System in this manner, the Liquidity Seeker is hereby agreeing to have such order handled in the manner in which the PDQ System has been designed, as described in the PDQ System Documentation. In that regard, Liquidity Seeker agrees that the PDQ System is acting as a passive service bureau in routing Liquidity Seeker's orders under Liquidity Seeker's MPID or the MPID of Liquidity Seeker's Clearing Firm. In the event Liquidity Seeker desires to route orders out of the PDQ System under the MPID of Liquidity Seeker's clearing firm, Liquidity Seeker will be required to obtain the prior approval of PDQ.

(iii) Liquidity Seeker authorizes PDQ to show the order to the algorithms residing on the PDQ System or which may interface with the PDQ System from time to time, provided that the Liquidity Seeker's identity shall not be disclosed at any time in any manner in association with the order being exposed to the algorithms.

(c) Liquidity Seeker agrees that it is Liquidity Seeker's obligation, in connection with each of its securities transactions effected with the PDQ System, to ensure the timely delivery of the subject securities and/or funds as well as any required remittance of interest, dividend payments and/or other distributions. Liquidity Seeker will promptly notify PDQ in writing of any material change in or to Liquidity Seeker's clearing arrangements. PDQ retains the right to break any trade without liability to Liquidity Seeker or its customers if, in PDQ's sole and reasonable discretion, such action is warranted including reasons relating to legal, operational or regulatory concerns, and PDQ agrees to notify Liquidity Seeker of any such action as soon as commercially practicable.

(d) Liquidity Seeker acknowledges that the PDQ System is acting as a passive order routing and execution system. Liquidity Seeker agrees that PDQ will not make any independent best execution determination, as that term is customarily applied and as those duties are customarily recognized under federal and state laws, rules and regulations that govern such duty and/or any rules or regulations of any applicable self-regulatory organizations.

(e) By using the PDQ System, Liquidity Seeker agrees that PDQ may use order data within the PDQ System for any and all legitimate business purposes related to PDQ's operation of the PDQ System, including the processing of orders, trade reporting, and the clearing and settling of transactions executed by the PDQ System.

(f) Liquidity Seeker shall thoroughly test all software, interfaces, telecommunications and other connections between Liquidity Seeker's equipment and systems to the PDQ System before using the PDQ System for any live trading. Liquidity Seeker is solely responsible for providing and maintaining, at its own cost and expense, all necessary electronic communications with the PDQ System, including wiring, computer hardware, software, communication line access, and networking devices. Liquidity Seeker will be solely responsible for any losses, damages or costs that Liquidity Seeker may incur as a result of errors made by, or the failure of any software, equipment, telecommunications lines or third party or proprietary systems that Liquidity Seeker uses to access the PDQ System.

(g) PDQ is providing the PDQ System to Liquidity Seeker only for its internal use as provided herein, and only for the purposes and subject to the terms of this Agreement. Liquidity Seeker shall not sell, lease or otherwise provide access to the PDQ System to any third party, nor act as a service bureau or otherwise use the PDQ System on behalf of any third party, provided that Liquidity Seeker shall be permitted to use the PDQ System on behalf of Liquidity Seeker's customers, although Liquidity Seeker's customers shall not be permitted to have direct access to the PDQ System unless the customer is a party to a PDQ Sponsored Participant Agreement - Liquidity Seeker.

(h) Liquidity Seeker acknowledges that all proprietary and intellectual property rights in and to the PDQ System and the PDQ System Documentation, and the data captured by or transmitted through the PDQ System, are owned by PDQ and its affiliates and that Liquidity Seeker receives no intellectual property rights or other rights therein except those specifically set forth in this Agreement. Liquidity Seeker will not violate, jeopardize or impair the proprietary or intellectual property rights of PDQ in the PDQ System or the PDQ System Documentation, and shall comply with PDQ's reasonable requests to protect PDQ's contractual, statutory and common law rights therein. If Liquidity Seeker becomes aware of any violation or threatened violation of PDQ's proprietary or intellectual property rights in the PDQ System or the PDQ System Documentation, Liquidity Seeker will notify PDQ in writing.

(i) Liquidity Seeker shall limit access to the PDQ System to its Representatives who need such access to perform their duties for Liquidity Seeker. Liquidity Seeker may access the PDQ System only through one or more passwords or other access methods ("Access Methods"). Liquidity Seeker is solely responsible for ensuring that its Access Methods are known to and used by only those users that Liquidity Seeker authorizes. Liquidity Seeker shall be responsible for the actions of any persons, authorized or unauthorized, who gain access

to the PDQ System through Liquidity Seeker. Liquidity Seeker will immediately notify PDQ of any unauthorized use of the PDQ System. Liquidity Seeker will be: (i) solely responsible for all acts or omissions of any person using the PDQ System through Liquidity Seeker; and (ii) bound to clear and settle all transactions executed and effected on behalf of Liquidity Seeker resulting from interaction with the PDQ System through Liquidity Seeker.

(j) If Liquidity Seeker's Access Methods have been lost, stolen or compromised, Liquidity Seeker will promptly notify PDQ. Upon receipt of this notice, PDQ will terminate Liquidity Seeker's Access Methods provided that Liquidity Seeker will remain responsible for any actions taken through the use of Liquidity Seeker's Access Methods before they are terminated by PDQ. In PDQ's sole discretion, PDQ may terminate, revoke, suspend, modify, or change any or all of Liquidity Seeker's Access Methods at any time with or without prior notice; however, PDQ shall endeavor to provide prior notice to the extent practicable.

(k) Liquidity Seeker acknowledges and agrees that PDQ provides no tax, legal or investment advice of any kind, nor does PDQ provide Liquidity Seeker or its customers any advice or offer any opinion with respect to the nature, potential value, or suitability of any particular securities transaction or investment strategy. Any investment decisions Liquidity Seeker makes will be based solely on Liquidity Seeker's own evaluation of its and its customers' financial circumstances and investment objectives.

(l) Liquidity Seeker (i) agrees to the terms of the PDQ Clearly Erroneous Trade Policy (set forth on the PDQ website), as may be amended from time to time, and (ii) shall comply with such policy in each event Liquidity Seeker desires to dispute a trade resulting from an erroneous order executed via the PDQ System.

(m) Liquidity Seeker agrees to the terms of the PDQ Anti-Money Laundering Policy (set forth on the PDQ website), as may be amended from time to time to comply with applicable law.

4. Confidentiality. Without the prior written consent of the other party, neither party will (i) use the name of the other party (or its Representatives) or any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof in advertising, publicity, or otherwise; (ii) represent (directly or indirectly) that any product or any service provided by the party has been approved or endorsed by the other; or (iii) except as required by legal, regulatory or self-regulatory process, disclose the terms of this Agreement to any third party, including disclosure by Liquidity Seeker of the rebates, commissions, fees, costs and expenses. PDQ will not disclose the identity of

Liquidity Seeker, or Liquidity Seeker's order or transaction-related information, to any third parties in connection with Liquidity Seeker's activities within the PDQ System except as required by court order or a regulatory or self-regulatory agency, or to facilitate the clearance and settlement of a trade, or with written permission of Liquidity Seeker. Liquidity Seeker will not use for any purpose other than the purposes contemplated hereunder, nor disclose to third parties, the PDQ System or the PDQ System Documentation.

#### 5. Representations, Warranties and Covenants.

(a) Liquidity Seeker represents and warrants to and covenants with PDQ that Liquidity Seeker: (i) is and will be, during the term of this Agreement, in compliance with all applicable laws, rules and regulations and the policies and practices of the SEC, FINRA, securities exchanges, clearinghouses, alternative trading systems, and self-regulatory organizations, the PDQ System Documentation, and this Agreement, as may be amended from time to time; (ii) has full authority to enter into this Agreement; (iii) has all consents, rights, authority, and has taken all actions necessary, to use the PDQ System for execution of transactions on behalf of its customers; (iv) is duly registered with the SEC as a broker-dealer and, at all times it utilizes the PDQ System, will remain a registered broker-dealer; (v) is a member of FINRA and/or another governing self-regulatory organization, and at all times that it utilizes the PDQ System, will remain a member of FINRA and/or another governing self-regulatory organization; (vi) is in compliance with the SEC's net capital rule, has maintained net capital compliance for at least six months immediately preceding its application with PDQ, and will immediately cease using the PDQ System in the event of any apparent net capital violation; (vii) has the duty to supervise its Representatives' trading activities including monitoring of short sale transactions, margin transactions, market-on-close transactions and limit-on-close transactions, and compliance with all rules and regulations governing same.

(b) PDQ represents and warrants to Liquidity Seeker that it has: (i) all rights, authority and licenses to provide the PDQ System to Liquidity Seeker as set forth herein; and (ii) full authority to enter into this Agreement.

(c) EXCEPT AS SET FORTH IN SECTION 5(b), LIQUIDITY SEEKER'S USE OF THE PDQ SYSTEM IS AT LIQUIDITY SEEKER'S SOLE RISK, AND THE PDQ SYSTEM AND ANY SERVICES PROVIDED HEREUNDER ARE PROVIDED "AS IS" AND "AS AVAILABLE" AND WITHOUT WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, OR ANY IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING, OR COURSE OF PERFORMANCE, OR THE IMPLIED

WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. PDQ MAKES NO REPRESENTATION OR WARRANTY THAT THE PDQ SYSTEM, ANY SERVICES PROVIDED HEREUNDER, OR ANY ORDERS, INFORMATION, REPORTS, MATERIALS OR SERVICES OBTAINED FROM OR GENERATED BY THE PDQ SYSTEM, WILL MEET LIQUIDITY SEEKER'S REQUIREMENTS OR BE UNINTERRUPTED, TIMELY, SECURE, COMPLETE, ACCURATE OR FREE FROM ERROR OR DEFECT. PDQ MAKES NO REPRESENTATIONS, WARRANTIES OR GUARANTEES AS TO THE COMPUTER EQUIPMENT USED OR PROVIDED BY PDQ, INCLUDING, WITHOUT LIMITATION, THE FAULT TOLERANCE OF THE SYSTEM.

6. Orders and Cancellations. Liquidity Seeker agrees that it cannot rely upon any instruction having been received by a target Market unless and until Liquidity Seeker receives an order acknowledgment in proper form from such Market. Liquidity Seeker agrees that routing an order to the PDQ System, including market orders, does not guarantee execution of the order and Liquidity Seeker agrees that Liquidity Seeker will not hold PDQ responsible for any order that is not executed. Liquidity Seeker agrees that PDQ shall not be deemed to have received any order electronically transmitted by Liquidity Seeker unless PDQ has actual knowledge of such order and returns an "order acknowledgment" to Liquidity Seeker. Consistent with applicable regulatory requirements and best execution principles, Liquidity Seeker agrees that, if Liquidity Seeker does not specify the Market, then PDQ may use its discretion in selecting the Market to which Liquidity Seeker's orders are transmitted, and that PDQ shall not be liable to Liquidity Seeker in any way for such selection. Order cancellation requests are not guaranteed and a Liquidity Seeker order will be cancelled only if Liquidity Seeker's request is received in the relevant Market and matched with Liquidity Seeker's order before the order is executed. Liquidity Seeker agrees it shall not assume that an order is cancelled or executed unless Liquidity Seeker has received a confirmation to that effect from the relevant Market. Liquidity Seeker acknowledges that reports are occasionally late, and that Liquidity Seeker's orders, cancellations, and executions may be affected by such late reports even though previously unreported to Liquidity Seeker or reported to Liquidity Seeker as being cancelled, expired or executed. Liquidity Seeker agrees that any reporting, posting, or confirmation errors, including errors in execution prices, will be corrected to reflect what actually occurred in the marketplace.

7. Fees and Charges. Liquidity Seeker shall pay to PDQ all of the fees and charges in the amounts and at the times set forth in Schedule 1. PDQ may change the fees set forth in Schedule 1 on 48 hours prior notice to Liquidity Seeker. Liquidity Seeker will also remit to

PDQ any Nasdaq, NYSE or other applicable exchange charges or regulatory fees that may be incurred by PDQ on its behalf. Liquidity Seeker shall pay the amount specified in an invoice within 30 days of receipt (the "Due Date"). All amounts not paid by the Due Date shall accrue interest from the Due Date at the lower of the highest lawful rate or 1.5% per month. In the event of collection enforcement, Liquidity Seeker shall be liable for any costs associated with such collection, including attorneys' fees, court costs and collection agency fees. Liquidity Seeker agrees that, upon five days' prior written notice, PDQ may deactivate Liquidity Seeker's access to the PDQ System if Liquidity Seeker shall have failed to pay any fees owed to PDQ as of the applicable Due Date. Liquidity Seeker shall pay all applicable federal, state and local fees and taxes (except income taxes of PDQ and its affiliates) relating to Liquidity Seeker's use of the PDQ System and Liquidity Seeker's securities trading activities.

8. Limitation of Liability.

(a) EXCEPT IN THE EVENT OF (I) GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (II) A VIOLATION OF THE CONFIDENTIALITY PROVISIONS HEREIN, OR (III) A VIOLATION BY LIQUIDITY SEEKER OF THE INTELLECTUAL PROPERTY RIGHTS OF PDQ, NEITHER PARTY NOR ITS REPRESENTATIVES SHALL BE LIABLE TO THE OTHER PARTY OR ITS CUSTOMERS FOR ANY INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL, OR INCIDENTAL LOSS OR DAMAGE OF ANY NATURE ARISING OUT OF OR RELATING TO THE FURNISHING, PERFORMANCE, MAINTENANCE, OR USE OF, OR INABILITY TO USE, THE PDQ SYSTEM REGARDLESS OF THE FORM OF ACTION (INCLUDING NEGLIGENCE OR STRICT LIABILITY), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) EXCEPT IN THE EVENT OF PDQ'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, PDQ AND ITS REPRESENTATIVES SHALL HAVE NO RESPONSIBILITY OR LIABILITY FOR (I) ANY ERROR BY LIQUIDITY SEEKER IN INPUTTING ANY DATA OR ORDER INTO THE PDQ SYSTEM, (II) REJECTION OF ANY ORDER BY THE PDQ SYSTEM, (III) THE ACTS OR OMISSIONS OF ANY THIRD PARTIES, OR (IV) ANY ERROR BY ANY OTHER CAUSE OUTSIDE PDQ'S DIRECT CONTROL. NEITHER LIQUIDITY SEEKER NOR ITS CUSTOMERS WILL HAVE ANY CLAIM AGAINST PDQ FOR ORDERS SUBMITTED TO THE PDQ SYSTEM WHICH FAIL TO EXECUTE OR EXECUTE AT A PRICE OR PRICES THAT DIFFER FROM HOW THE ORDER WOULD HAVE EXECUTED IF SUCH

ORDER HAD NOT BEEN DIRECTED THROUGH THE PDQ SYSTEM, REGARDLESS OF THE CAUSE OR THE THEORY OF LIABILITY.

(c) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, LIQUIDITY SEEKER AGREES THAT PDQ'S AND ITS REPRESENTATIVES' AGGREGATE LIABILITY ARISING OUT OF ANY KIND OF LEGAL CLAIM (WHETHER IN CONTRACT, TORT, OR OTHERWISE) OR IN ANY WAY CONNECTED TO LIQUIDITY SEEKER'S USE OF THE PDQ SYSTEM WILL NOT EXCEED THE FEES PAID BY LIQUIDITY SEEKER TO PDQ DURING THE THREE (3) MONTHS IMMEDIATELY PRECEDING THE ACT GIVING RISE TO THE CLAIM, EXCEPT IN THE EVENT OF PDQ'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AND EXCEPT THAT THE FOREGOING SHALL NOT LIMIT PDQ'S INDEMNIFICATION OBLIGATION UNDER SECTION 9(b).

9. Indemnification.

(a) Liquidity Seeker shall defend, hold harmless and indemnify PDQ and its Representatives from and against any expenses, costs, damages, claims, demands, proceedings, actions and liabilities (including reasonable attorney's fees) resulting from, in connection with, or arising out of, Liquidity Seeker's use of, or inability to use, the PDQ System, or any information or data produced by PDQ in connection with the PDQ System, including: (i) any breaches of the security of the PDQ System (including any access or entry into any of PDQ's other systems not covered by this Agreement); (ii) any losses claimed by Liquidity Seeker's customers, including claims that a trade was not suitable for or not authorized by such customer; and (iii) any claims caused directly or indirectly by Liquidity Seeker, except to the extent caused by PDQ's gross negligence or willful misconduct.

(b) PDQ shall defend, hold harmless and indemnify Liquidity Seeker and its Representatives from and against any expenses, costs, damages, claims, demands, proceedings, actions and liabilities (including reasonable attorney's fees) resulting from, in connection with, or arising out of, in connection with, or arising out of any third party claim that the PDQ System infringes any copyright, patent, trademark, trade secret or other intellectual property right.

10. Notices. All notices required or permitted to be given hereunder shall be in writing and delivered to the party at its address specified on the signature page of this Agreement or to any other address which a party designates in writing after the date of this Agreement, and shall be effective upon receipt.

11. General.

(a) Client acknowledges that it entered into this Agreement without inducement by any representation or warranty not set forth in this Agreement. This Agreement contains the entire agreement of the parties with respect to its subject matter and supersedes all existing and all other oral, written or other communications between the parties concerning this subject matter. This Agreement may be modified only by a subsequent writing signed by both parties.

(b) Neither party may assign the Agreement without the other party's prior written consent. However, PDQ may assign this Agreement to any entity (i) controlling, controlled by, or under common control with PDQ, or (ii) which succeeds to all or substantially all of PDQ's assets and business.

(c) If any provision of this Agreement (or any portion thereof) is invalid, illegal or unenforceable, the validity, legality or enforceability of the remainder of this Agreement will not be affected or impaired.

(d) Where any form of the word "including" appears in this Agreement, it will be interpreted as if followed by the phrase "without limitation".

(e) The headings in this Agreement are intended for convenience of reference and will not affect interpretation.

(f) Each party acknowledges that a breach of any provision of Sections 3 or 4 of this Agreement will cause the other irreparable injury and damage. Therefore, injunctive relief may be sought in addition to any other rights and remedies which may be available to the party at law or in equity.

(g) Liquidity Seeker agrees to cooperate with any reasonable request PDQ may make in order to respond to any inquiries made by exchanges or other regulatory, self-regulatory or governmental authorities in connection with the PDQ System.

(h) This Agreement is deemed entered into in New York, New York and will be governed and construed in all respects by the laws of the State of New York. Any litigation or other dispute resolution between the parties relating to this Agreement will take place only in New York County, New York. The parties consent to personal jurisdiction of and venue in the state and federal courts within that county.

(i) Sections 2, 4, 7, 8 and 9 will survive the termination of this Agreement.



Accepted and agreed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**PDQ:**

**PDQ ATS, INC.**  
2624 Patriot Boulevard  
Glenview, IL 60026  
FAX: 224-521-2720

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**Liquidity Seeker:**

\_\_\_\_\_  
Address: \_\_\_\_\_

FAX: \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_