

Blue Ocean Capital Management, LLC

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This brochure provides information about the qualifications and business practices of Blue Ocean Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (732) 746-1622 or hall@blueoceancm.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Blue Ocean Capital Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new rule specifies mandatory sections and organization.

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To receive a copy of the brochure supplements (Form ADV Part 2B), please contact Blue Ocean by telephone at : (732) 746-1622 or by e-mail at: hall@blueoceancm.com.

1. Advisory Business

Blue Ocean Capital Management, LLC (“Blue Ocean”) was founded on December 7, 2006. The Principal Owner is Steven Charles Hall.

Steve Hall is the co-founder and Managing Partner of Blue Ocean. He has managed Blue Ocean since its inception. Steve received his B.S. Business Administration with a concentration in Finance and Economics from the University of Florida.

Blue Ocean provides investment supervisory services through separately managed accounts. Blue Ocean also provides sub-advisory services to a hedge fund.

Investment supervisory services are tailored to the individual needs of clients. Clients may impose restrictions on investing in certain securities or types of securities.

Blue Ocean does not participate in wrap fee programs.

As of January 1, 2012, Blue Ocean manages \$6.7 million in client assets, all of which is managed on a discretionary basis.

2. Fees and Compensation

Blue Ocean receives compensation for investment advisory services as a percentage of assets under management (i.e. asset-based fees) and as a percentage of capital gains (i.e. performance-based fees).

The following is the fee schedule for non-qualified investors:

Asset-Based Fee	Performance-Based Fee	Client Type
2%	0%	Advisory Clients (non-qualified)

Clients are billed on a quarterly basis for fees incurred. Blue Ocean does not deduct fees from clients’ assets.

Clients are not required to pay fees in advance.

Neither Blue Ocean nor supervised persons accepts compensation for the sale of securities or other investment products.

All brokerage commissions, stock transfer fees, and other similar charges incurred in connection with transactions for the account are in addition to the investment management fees paid to Blue Ocean.

3. Performance-Based Fees and Side-By-Side Management

Blue Ocean accepts performance-based fees (i.e. fees based on a share of capital gains or on capital appreciation of the assets of a client). Blue Ocean does manage both accounts that are charged a performance-based fee and accounts that are charged an asset-based fee.

Managing both types of accounts creates a conflict of interest, as supervised persons have an incentive to favor accounts for which Blue Ocean receives a performance-based fee. However, Blue Ocean addresses these conflicts by allocating securities evenly across accounts. Furthermore, accounts are managed according to risk-tolerance and client preference rather than fee structure.

4. Types of Clients

Blue Ocean generally provides investment advisory services to individuals, trusts, investment companies, and hedge funds. Blue Ocean does not have any requirements, such as minimum account value, for opening or maintaining an account.

5. Methods of Analysis, Investment Strategies, and Risk of Loss

Blue Ocean generally invests in exchange-listed equities, options contracts, and mutual fund shares. Blue Ocean specializes in investing in closed-end funds and exchange traded funds. In general, it is important to recognize that investing in securities involves risk of loss that clients should be prepared to bear.

Blue Ocean uses technical and fundamental analysis in evaluating securities to invest in. Blue Ocean implements strategies that involve long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing. Each of these strategies involves different levels of risk. Blue Ocean may implement a strategy involving frequent trading in client accounts. Clients should be aware that frequent trading in client accounts can increase transaction costs and taxes.

As with all exchange-listed equities, there is an inherent risk of capital loss associated with all closed-end funds. Additional risks in closed-end funds include, but are not limited to: interest rate risk, leverage risk that increases the volatility of funds, and valuation risk associated with the funds' net asset values (NAVs).

6. Disciplinary Information

Blue Ocean has not been the subject of legal or disciplinary actions.

7. Other Financial Industry Activities and Affiliations

Steve Hall, who is the principal of Blue Ocean, is also the principal of Rhino Asset Management, LLC, an investment advisor registered with the State of New Jersey.

8. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Blue Ocean or its supervised persons may trade for their own account in securities that are recommended to Blue Ocean's clients. Blue Ocean, supervised persons of Blue Ocean, and relatives of the Blue Ocean are treated in a like manner as other clients through the use of an objective, non-discretionary allocation system. Blue Ocean maintains a file, updated quarterly, of all securities transactions involving all supervised persons. This file is reviewed by the compliance officer. If the possibility of a conflict of interest occurs, the clients' interest will prevail.

To avoid any potential conflicts of interest involving personal trades, Blue Ocean has adopted a Code of Ethics and Securities Compliance Policy, which include formal insider trading policies and procedures. Blue Ocean's Securities Compliance Policy requires, among other things, that Employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of Advisor above one's own personal interests;
- Adhere to the fundamental standard that one should not take inappropriate advantage of one's position;
- Avoid any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with this policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to act in a professional and ethical manner that will reflect credit on oneself and the profession;
- Promote the integrity of and uphold the rules governing capital markets;
- Maintain and improve one's professional competence and strive to maintain and improve the competence of other investment professionals;
- Comply with applicable provisions of the federal securities laws.

Blue Ocean's Securities Compliance Policy also requires Employees to: 1) report personal securities transactions on at least a quarterly basis, and 2) provide Blue Ocean with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such Employees have a direct or indirect beneficial interest.

A copy of the Blue Ocean's Code of Ethics and Securities Compliance Policy shall be provided to any client or prospective client upon request.

9. Brokerage Practices

When a Client has given Blue Ocean broker discretion, there is no restriction on the brokers that Blue Ocean may select to execute client transactions. In selecting brokers for transactions for clients, Blue Ocean selects brokers first on their capability to obtain the best combination of price and execution. Other factors that are considered when selecting brokers include: promptness in reporting completed trades; other transactions costs; efficiency of "batch trading" capability; quality of web site provided to Blue Ocean for trading; quality of web site provided to the client for monitoring; timeliness and accuracy of information provided to Blue Ocean and client for tax preparation; margin interest loan rate; variety of account types and retirement plans offered; and quality of customer support.

Blue Ocean does not have any soft dollar arrangements and is not compensated by any brokerage for client referrals.

10. Review of Accounts

Client accounts are reviewed by Blue Ocean's supervised persons on, at least, a weekly basis.

Blue Ocean will review client accounts at the clients' request.

Clients can access monthly statements from the brokerage website. Blue Ocean provides clients with quarterly profit and loss reports with invoices.

11. Client Referrals and Other Compensation

Blue Ocean does not receive economic benefits for investment advice or advisory services from persons that are not clients.

Blue Ocean has an agreement to compensate HedgeCo Securities in the event HedgeCo Securities refers clients to Blue Ocean. Blue Ocean will compensate HedgeCo Securities with 20% of fees generated from services provided to these referred clients.

12. Custody

Blue Ocean does not have custody of client funds or securities.

13. Investment Discretion

Blue Ocean accepts discretionary authority to manage securities accounts on behalf of clients. When a client agrees to discretionary management, Blue Ocean will be responsible for selecting the amount of securities to be bought and sold. The only limitations on the investment authority will be those limitations imposed in writing by the client. Clients may place any limitation on Blue Ocean's discretionary authority. Clients may decide frequency of trading, type of security, holding period, etc. Clients must submit all contracts, execution of power of attorney, and receive all Blue Ocean's required documents before discretionary authority is assumed.

14. Voting Client Securities

Blue has written proxy voting policies and procedures as required by Rule 206(4)-6 under the Investment Advisers Act of 1940

The client retains the sole right and obligation to vote any proxies solicited by or with respect to securities held in their account, including any shares of mutual funds. Blue Ocean shall have no right or obligation to take any action or render any advice relating to the voting of such proxies.

Blue Ocean's complete proxy voting policy and procedures are memorialized in writing and are available for the clients' review. Clients may contact Blue Ocean with any questions regarding the Proxy Policy and Procedures.

15. Financial Information

Blue Ocean does not require or solicit prepayment of fees.

Blue Ocean has discretionary authority over client accounts. There are no foreseeable financial conditions that will likely impair Blue Ocean's ability to meet contractual commitments to clients.

Blue Ocean has not been the subject of a bankruptcy petition at any time during the past ten years.