

Note: Proposed new language is underlined. Proposed deletions are enclosed in [brackets].

Rules of BATS Exchange, Inc.

CHAPTER XI. TRADING RULES

Rule 11.9. Orders and Modifiers

(No changes.)

(a) – (e) (No changes.)

(f) *[Member] Match Trade Prevention (“[M]MTP”) Modifiers.* Any incoming order designated with an [M]MTP modifier will be prevented from executing against a resting opposite side order also designated with an [M]MTP modifier and originating from the same market participant identifier (“MPID”), Exchange Member identifier or Exchange Sponsored Participant identifier (any such identifier, a “Unique Identifier”). Subject to the exception contained in paragraph (3) below, the [M]MTP modifier on the incoming order controls the interaction between two orders marked with [M]MTP modifiers.

(1) [M]MTP Cancel Newest (“MCN”). An incoming order marked with the “MCN” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. The incoming order marked with the MCN modifier will be cancelled back to the originating User(s). The resting order marked with an [M]MTP modifier will remain on the BATS Book.

(2) [M]MTP Cancel Oldest (“MCO”). An incoming order marked with the “MCO” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. The resting order marked with the [M]MTP modifier will be cancelled back to the originating User(s). The incoming order marked with the MCO modifier will remain on the BATS Book.

(3) [M]MTP Decrement and Cancel (“MDC”). An incoming order marked with the “MDC” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. If both orders are equivalent in size, both orders will be cancelled back to the originating User(s). If the orders are not equivalent in size, the equivalent size will be cancelled back to the originating User(s) and the larger order will be decremented by the size of the smaller order, with the balance remaining on the BATS Book[; provided, however, that]. Notwithstanding the foregoing, unless a User instructs the Exchange not to do so, both orders will be cancelled back to the originating User(s) if the resting order is marked with any [M]MTP modifier other than MDC[,] and the incoming order is smaller in size than the resting order [then both orders will be cancelled back to the originating User(s)].

(4) [M]MTP Cancel Both (“MCB”). An incoming order marked with the “MCB” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. The entire size of both orders will be cancelled back to the originating User(s).

CHAPTER XXI. TRADING SYSTEMS

Rule 21.1. Definitions

The following definitions apply to Chapter XXI for the trading of options listed on BATS Options.

(a) – (f) (No changes.)

(g) [Member] Match Trade Prevention (“[M]MTP”) Modifiers. Any incoming order designated with an [M]MTP modifier will be prevented from executing against a resting opposite side order also designated with an [M]MTP modifier and originating from the same market participant identifier (“MPID”), Exchange Member identifier or Exchange Sponsored Participant identifier (any such identifier, a “Unique Identifier”). Subject to the exception contained in paragraph (3) below, the [M]MTP modifier on the incoming order controls the interaction between two orders marked with [M]MTP modifiers.

(1) [M]MTP Cancel Newest (“MCN”). An incoming order marked with the “MCN” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. The incoming order marked with the MCN modifier will be cancelled back to the originating User(s). The resting order marked with an [M]MTP modifier will remain on the BATS Options Book

(2) [M]MTP Cancel Oldest (“MCO”). An incoming order marked with the “MCO” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. The resting order marked with the [M]MTP modifier will be cancelled back to the originating User(s). The incoming order marked with the MCO modifier will remain on the BATS Options Book.

(3) [M]MTP Decrement and Cancel (“MDC”). An incoming order marked with the “MDC” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. If both orders are equivalent in size, both orders will be cancelled back to the originating User(s). If the orders are not equivalent in size, the equivalent size will be cancelled back to the originating User(s) and the larger order will be decremented by the size of the smaller order, with the balance remaining on the BATS Options Book[; provided, however, that]. Notwithstanding the foregoing, unless a User instructs the Exchange not to do so, both orders will be cancelled back to the originating User(s) if the resting order is marked with any [M]MTP modifier other than MDC[,] and the incoming order is smaller in size than the resting order [then both orders will be cancelled back to the originating User(s)].

(4) [M]MTP Cancel Both (“MCB”). An incoming order marked with the “MCB” modifier will not execute against opposite side resting interest marked with any [M]MTP modifier originating from the same Unique Identifier. The entire size of both orders will be cancelled back to the originating User(s).