

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

Rules of BATS Exchange, Inc.

CHAPTER XI. TRADING RULES

Rule 11.13. Order Execution

(No changes.)

(a) *Execution and Routing.*

(1) (No changes.)

(2) *Routing to Away Trading Centers.* Depending on the instructions set by the User when the incoming order was originally entered, if a market or marketable limit order has not been executed in its entirety pursuant to paragraph (a)(1) above, the order shall be eligible for additional processing under one or more of the [following] routing options listed under paragraph (a)(3) below.[:

(A) Routing of Market Orders. The System will designate market orders as IOCs and will cause such orders to be routed to one or more Trading Centers (as defined in Rule 2.11) for potential execution, per the entering User's instructions, in compliance with Rule 611 under Regulation NMS. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process, the System will process the balance of such order as follows. Depending on parameters set by the User when the incoming order was originally entered, the System will either: (i) process the unfilled balance of an order as a BATS Only Order pursuant to Rule 11.9(c)(4), or (ii) repeat the process described in paragraph (a)(1) above and this paragraph (a)(2)(A) by executing against the BATS Book and/or routing orders to other Trading Centers until the original, incoming order is executed in its entirety.

(B) Routing of Marketable Limit Orders.] The System will designate [limit] orders as IOCs and will cause such orders to be routed to one or more Trading Centers (as defined in Rule 2.11) for potential execution, per the entering User's instructions, in compliance with Rule 611 under Regulation NMS. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process [at or better than the initial price at which the order was routed], the System will process the balance of such order as follows. Depending on parameters set by the User when the incoming order was originally entered, the System will either: [(i) process]

(A) if a limit order, post the unfilled balance of the order [as a BATS Only Order pursuant to Rule 11.9(c)(4)] to the BATS Book, subject to the displayed price sliding process as defined in paragraph (c)(4) of Rule 11.9; [(ii)]

(B) repeat the process described in paragraph (a)(1) above and this paragraph (a)(2)(B) by executing against the BATS Book and/or routing orders to other Trading Centers until the original, incoming order is executed in its entirety or, if not executed in its entirety and a limit order, post the unfilled balance of the order in the BATS Book if the order's limit price is reached; or [(iii)]

(C) repeat the process described in paragraph (a)(1) above and this paragraph (a)(2)(B) by executing against the BATS Book and/or routing orders to other Trading Centers, provided that the System will check the BATS Book for liquidity at the order's limit price only one time pursuant to paragraph (a)(1), then route orders at that limit price to other Trading Centers pursuant to this paragraph (a)(2)(B), and then cancel any unfilled balance of the order back to User.

To the extent the unfilled balance of an order has been posted to the BATS Book pursuant to [(a)(2)(B)(ii) of] this paragraph, should the order subsequently be locked or crossed by another accessible Trading Center, the System shall route the order to the locking or crossing Trading Center if instructed to do so by [a]the User (the "RECYCLE Option"). Unless otherwise specified, the RECYCLE Option may be combined with any of the System routing options specified in paragraph (a)(3) below.

(3) Routing Options. The System provides a variety of routing options. Routing options may be combined with all available order types and times-in-force, with the exception of order types and times-in-force whose terms are inconsistent with the terms of a particular routing option. The System will consider the quotations only of accessible markets. The term "System routing table" refers to the proprietary process for determining the specific trading venues to which the System routes orders and the order in which it routes them. The Exchange reserves the right to maintain a different System routing table for different routing options and to modify the System routing table at any time without notice. The System routing options are:

(A) CYCLE. CYCLE is a routing option under which an order checks the System for available shares and then is sent sequentially to destinations on the System routing table for the full remaining size of such order.

(B) Parallel D. Parallel D is a routing option under which an order checks the System for available shares and then is sent to destinations on the System routing table. The System may route to multiple destinations at a single price level simultaneously through Parallel D routing.

(C) Parallel 2D. Parallel 2D is a routing option under which an order checks the System for available shares and then is sent to destinations on the System

routing table. The System may route to multiple destinations and at multiple price levels simultaneously through Parallel 2D routing.

(D) Parallel T. Parallel T is a routing option under which orders route only to Protected Quotations and only for displayed size. The System may route to multiple destinations and at multiple price levels simultaneously through Parallel T routing.

(E) DART. DART is a routing option in which the entering firm instructs the System to first route to alternative trading systems included in the System routing table. DART can be combined with and function consistent with either the CYCLE, Parallel D or Parallel 2D routing options.

(F) “Destination Specific Orders,” “Modified Destination Specific Orders” and “Directed ISO” orders are routed orders described in Rule 11.9.