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

Rules of BATS Exchange, Inc.

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CHAPTER XXI. TRADING SYSTEMS

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Rule 21.9.   Order Routing

(a)   <u>General.</u> For System securities, the order routing process shall be available to Users from 9:30 a.m. Eastern Time until market close, and shall route orders as follows. Users can designate orders as either available for routing or not available for routing. Orders designated as not available for routing shall follow the book processing rules set forth in Rule 21.8 (Order Display and Book Processing) above.

(1)   *Routing to Away Trading Centers.* Orders designated as available for routing will first check the BATS Options Book for available contracts for execution pursuant to Rule 21.8 (Order Display and Book Processing). After checking the BATS Options Book for available contracts, the System will designate orders as IOCs and will cause such orders to be routed to one or more options exchanges for potential execution, per the entering User's instructions. 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:

[(1)] (A) if a limit order, post the unfilled balance of the order to the BATS Options Book, subject to the displayed price sliding process as defined in paragraph (d)(6) of Rule 21.1, if applicable[, or];

[(2)] (B) repeat the process described above by executing against the BATS Options Book and/or routing to other options exchanges until the original, incoming order is executed in its entirety[, or];

[(3)] (C) repeat the process described above by executing against the BATS Options Book and/or routing to other options exchanges 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 on the BATS Options Book if the order's limit price is reached[,]; or

[(4)] (D) repeat the process described above by executing against the BATS Options Book and/or routing to other options exchanges, provided that the System will check the BATS Options Book for liquidity at the order's limit price only one time, then route orders at that limit price to other options exchanges, and then cancel any unfilled balance of the order back to the User.

To the extent the unfilled balance of an order has been posted to the BATS Options Book, should the order subsequently be locked or crossed by another options exchange, the System shall route the order to the locking or crossing options exchange if instructed to do so by 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)(2) below. [With the exception of the Minimum Quantity order type, all time-in-force parameters and order types may be used in conjunction with this routing option.]

(2)   *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 options exchanges 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 an order checks the System for available displayed shares and then is sent to destinations on the System routing table. Pursuant to Parallel T, 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)   "Destination Specific Orders" and "Directed ISOs" are routed orders described in Rule 21.1.

(b) – (e) (No changes).