

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

Rules of BATS Exchange, Inc.

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CHAPTER XI. TRADING RULES

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Rule 11.9. Orders and Modifiers

Users may enter into the System the types of orders listed in this Rule 11.9, subject to the limitations set forth in this Rule or elsewhere in these Rules.

(a)-(b) (No change.)

(c) (1)-(18) (No change.)

(19) *Supplemental Peg Order.* A non-displayed limit order that posts to the BATS Book, and thereafter is eligible for execution at the NBB for buy orders and NBO for sell orders against routable orders that are equal to or less than the aggregate size of the Supplemental Peg Order interest available at that price. Supplemental Peg Orders are passive, resting orders on the BATS Book and do not take liquidity. A User may specify a minimum execution quantity for a Supplemental Peg Order. A minimum execution quantity on a Supplemental Peg Order will no longer apply where the number of shares remaining after a partial execution are less than the minimum execution quantity. Supplemental Peg Orders are eligible for execution in a given security during the Pre-Opening Session, Regular Trading Hours, and After Hours Trading Session. Supplemental Peg Orders are not eligible for execution in the Opening Process. A Supplemental Peg Order does not execute at a price that is inferior to a Protected Quotation, and is not permitted to execute if the NBBO is locked or crossed. Any and all remaining, unexecuted Supplemental Peg Orders are cancelled at the conclusion of the After Hours Trading Session.

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Rule 11.12. Priority of Orders

(a) (No change.)

(1) (No change.)

(2) Subject to the Execution Process described below, where orders to buy (or sell) are made at the same price, the order clearly established as the first entered into the System at such particular price shall have precedence at that price, up to the number of shares of stock

specified in the order. The System shall execute equally priced trading interest within the System in time priority in the following order:

- (A) Displayed size of limit orders;
- (B) Non-Displayed limit orders;
- (C) Pegged Orders;
- (D) Mid-Point Peg Orders;
- (E) Reserve size of orders;
- (F) Discretionary portion of Discretionary Orders as set forth in Rule 11.9(c)(9)[.];
- (G) Supplemental Peg Orders.

(3) (No change).

(4) Except as provided in subparagraph (a)(6) hereof, i[]n the event that less than the full size of an order is executed, the unexecuted size of the order shall retain priority at the same limit price in accordance with paragraphs (1) and (2) above.

(5) (No change).

(6) If a Supplemental Peg Order is executed in part, the remaining portion of the order shall continue to be eligible for execution but shall be assigned a new timestamp after each partial execution.

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