

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 21.5. Minimum Increments

(a)-(c) (No changes.)

*Interpretations and Policies*

.01 The Exchange will operate a pilot program set to expire on June 30, [2015]2016 to permit options classes to be quoted and traded in increments as low as \$.01. The Exchange will specify which options trade in such pilot, and in what increments, in Information Circulars distributed to Members and posted on the Exchange's web site. The Exchange may replace any penny pilot issues that have been delisted with the next most actively traded multiply listed options classes that are not yet included in the penny pilot, based on trading activity in the previous six months. The replacement issues may be added to the penny pilot on the second trading day following [January 1, 2015]July 1, 2015 and January 1, 2016.

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