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

(No changes.)

(a)-(f) (No changes.)

(g)   *Price Sliding.* The System will process orders, subject to a User's instructions, pursuant to the "price sliding process," as defined below.

(1)   *Display-Price Sliding.*

(A)   (No changes.)

(B)   An order subject to display-price sliding will retain its original limit price irrespective of the prices at which such order is ranked and displayed. In the event the NBBO changes such that an order subject to display-price sliding would not lock or cross a Protected Quotation of an external market, the order will receive a new timestamp, and will be displayed at the most aggressive permissible price. All orders that are re-ranked and re-displayed pursuant to display-price sliding will retain their priority as compared to other orders subject to display-price sliding based upon the time such orders were initially received by the Exchange. Following the initial ranking and display of an order subject to display-price sliding, an order will only be re-ranked and re-displayed to the extent it achieves a more aggressive price, provided, however, that the Exchange will re-rank an order at the same price as the displayed price in the event such order's displayed price is locked or crossed by a Protected Quotation of an external market. Such event will not result in a change in priority for the order at its displayed price.

(C)   The ranked and displayed prices of an order subject to display-price sliding may be adjusted once or multiple times depending upon the instructions of a User and changes to the prevailing NBBO. The Exchange's default display-price sliding process will only adjust the ranked and displayed prices of an order upon entry and then the displayed price one time following a change to the prevailing NBBO, provided however, that if such an order's displayed price has been locked or crossed by a Protected Quotation of an external market then the Exchange will adjust the ranked price of such order and it will not be further re-ranked or re-displayed at any other price. Orders subject

to the optional multiple price sliding process will be further re-ranked and re-displayed as permissible based on changes to the prevailing NBBO.

(D)-(F)(No changes.)

(2)-(3) (No changes.)

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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)-(g) (No changes.)

(h)   Display-Price Sliding.

(1)   (No changes.)

(2)   An order subject to display-price sliding will retain its original limit price irrespective of the prices at which such order is ranked and displayed. In the event the NBBO changes such that an order subject to display-price sliding would not lock or cross a Protected Quotation of another options exchange, the order will receive a new timestamp, and will be displayed at the most aggressive permissible price. All orders that are re-ranked and re-displayed pursuant to display-price sliding will retain their priority as compared to other orders subject to display-price sliding based upon the time such orders were initially received by the Exchange. Following the initial ranking and display of an order subject to display-price sliding, an order will only be re-ranked and re-displayed to the extent it achieves a more aggressive price, provided, however, that the Exchange will re-rank an order at the same price as the displayed price in the event such order's displayed price is locked or crossed by a Protected Quotation of another options exchange. Such event will not result in a change in priority for the order at its displayed price.

(3)   The ranked and displayed prices of an order subject to display-price sliding may be adjusted once or multiple times depending upon the instructions of a User and changes to the prevailing NBBO. The Exchange's default display-price sliding process will only adjust the ranked and displayed prices of an order upon entry and then the displayed price one time following a change to the prevailing NBBO, provided however, that if such an order's displayed price has been locked or crossed by a Protected Quotation of another options exchange then the Exchange will adjust the ranked price of such order and it will not be further re-ranked or re-displayed at any other price. Orders

subject to the optional multiple price sliding process will be further re-ranked and re-displayed as permissible based on changes to the prevailing NBBO.

        (4)   (No changes.)

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