

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

### Rules of BATS Exchange, Inc.

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#### Rule 21.7 Market Opening Procedures

(a) (No changes.)

(1) Determining the Opening Price. The System will determine a single price at which a particular option series will be opened (the “Opening Price”) as calculated by the System within 30 seconds of the First Listing Market Transaction or the Regulatory Halt being lifted. Where there are no contracts in a particular series that would execute at any price, the System shall open such options for trading without determining an Opening Price. The Opening Price of a series must be a Valid Price, as determined in paragraph (2) below, and will be:

(A)-(D) (No changes.)

(2) Validating the Opening Price. For purposes of this Rule, a NBBO Midpoint, a Print, and a Previous Close will be at a Valid Price:

(A)-(C) (No changes.)

(3) Performing the Opening Process. After establishing an Opening Price that is also a Valid Price, [O]orders and quotes in the System that are priced equal to or more aggressively than the Opening Price will be matched based on [price-time priority and in accordance with BATS Rule 21.8]time priority. Matches will occur until there is no remaining volume or there is an imbalance of orders. All orders and quotes or portions thereof that are matched pursuant to the Opening Process will be executed at the Opening Price. An imbalance of orders on the buy side or sell side may result in orders that are not executed in whole or in part. Such orders will be handled in time sequence, beginning with the order with the oldest time stamp and may, in whole or in part, be placed on the BATS Options Book, cancelled, executed, or routed in accordance with Rule 21.9.

(4) Contingent Open. Orders that are not executed during the Opening Process [that fit the following criteria will be cancelled: (i) limit orders that are priced equal to or more aggressively than the Opening Price; and (ii) market orders. Where]because trading in a series is going to be opened for trading pursuant to paragraph (1)(D) above [and there is at least one price level at which at least one contract of a limit]will be handled in time sequence, beginning with the order [could be executed,]with the [System]oldest time stamp and may, in whole or in part, [will cancel all orders that are priced equal to or more aggressively than the midpoint of the most aggressively priced bid and the most aggressively priced offer. Limit orders and quotes that are not executed during the Opening Process or cancelled as set forth above shall become eligible for trading]be placed on the BATS Options[ immediately following] Book,

cancelled, executed, or routed in accordance with Rule 21.9 [the completion of the Opening Process].

[(5) Where no orders are matched at the Opening Price, the System will open the series for trading.]

(b)-(c) (No changes.)

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