

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

Rules of BATS Y-Exchange, Inc.

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CHAPTER XI. TRADING RULES

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Rule 11.18. Trading Halts Due to Extraordinary Market Volatility

(a)-(d) (No changes.)

(e) Limit Up-Limit Down Mechanism (*operative as of April 8, 2013*).

(1) Definitions.

(A) The term “Plan” or “Limit Up-Limit Down Plan” means the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act, as amended from time to time.

(B) All capitalized terms not otherwise defined in this paragraph (e) shall have the meanings set forth in the Plan or Exchange rules, as applicable.

(2) Exchange Participation in the Plan. The Exchange is a Participant in, and subject to the applicable requirements of, the Plan, which establishes procedures to address extraordinary volatility in NMS Stocks.

(3) Member Compliance. Members shall comply with the applicable provisions of the Plan.

(4) Exchange Compliance with the Plan. The System shall not display or execute buy (sell) interest above (below) the Upper (Lower) Price Bands, unless such interest is specifically exempted under the Plan.

(5) Re-pricing and Cancellation of Interest. Depending on a User’s instructions, the System shall re-price and/or cancel buy (sell) interest that is priced or could be executed above (below) the Upper (Lower) Price Band. When re-pricing resting orders because such orders are above (below) the Upper (Lower) Price Band, the Exchange will provide new timestamps to such orders. The Exchange will also provide new timestamps to resting orders at the less aggressive price to which such orders are re-priced. Any resting interest that is re-priced pursuant to this Rule shall maintain priority ahead of interest that was originally less aggressively priced, regardless of the original timestamps for such orders.

(A) Market Orders and IOC Orders. The System will only execute BATS market orders or IOC Orders at or within the Price Bands. If a Market Order or IOC Order cannot be fully executed at or within the Price Bands, the System shall cancel any unexecuted portion of the order without posting such order to the Exchange's order book.

(B) Limit-priced Interest. Limit-priced interest will be cancelled if a User has entered instructions not to use the re-pricing process and such interest to buy (sell) is priced above (below) the Upper (Lower) Price Band. If re-pricing is permitted based on a User's instructions, both displayable and non-displayable incoming limit-priced interest to buy (sell) that is priced above (below) the Upper (Lower) Price Band shall be re-priced to the Upper (Lower) Price Band. The System shall re-price resting limit-priced interest to buy (sell) to the Upper (Lower) Price Band if Price Bands move such that the price of resting limit-priced interest to buy (sell) would be above (below) the Upper (Lower) Price Band. If the Price Bands move again and the original limit price of displayed and re-priced interest is at or within the Price Bands and a User has opted into the Exchange's optional multiple price sliding process, as described in Rule 11.9(g), the System shall re-price such displayed limit interest to the most aggressive permissible price up to the order's limit price. All other displayed and non-displayed limit interest re-priced pursuant to this paragraph (e) will remain at its new price unless the Price Bands move such that the price of resting limit-priced interest to buy (sell) would again be above (below) the Upper (Lower) Price Band.

(C) Pegged Interest. Pegged interest to buy (sell) shall peg to the specified pegging price or the Upper (Lower) Price Band, whichever is lower (higher).

(D) Routable Orders. If routing is permitted based on a User's instructions, orders shall be routed away from the Exchange pursuant to Rule 11.13.

(E) Sell Short Orders. During a Short Sale Price Test, as defined in Rule 11.19(b)(2), Short Sale Orders priced below the Lower Price Band shall be re-priced to the higher of the Lower Price Band or the Permitted Price, as defined in Rule 11.9(g)(2)(A).

(6) Trading Pause. Securities shall remain subject to the requirements of paragraph (d) of this Rule until such securities become subject to the Plan. Once an NMS Stock is subject to the Plan, the security shall only be subject to a Trading Pause under the Plan consistent with paragraph (f) of this Rule.

(f)[(e)] On the occurrence of any trading halt pursuant to this Rule, all outstanding orders in the System will be cancelled.

Interpretations and Policies:

.01-.05 (No changes.)

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