



Definitions & Order Types

Order and Routing Instruction Descriptions

Order Types

LIMIT ORDER

Limit orders allow users to buy or sell a security at a desired price or better. Time in Force (TIF) availability for limit orders:

DAY: If not executed, canceled at 4 p.m. ET.

GTD (Good 'til Day): If not executed, canceled at expire time or 5 p.m. ET.

IOC (Immediate or Cancel): Remainder of the order not filled immediately is canceled. Market orders are implicitly IOC.

Minimum Quantity is also available with IOC orders.

GTC (Good 'til Cancelled): If not executed, canceled at 4 p.m. ET.

GTx (Extended Day): If not executed, canceled at 5 p.m. ET.

PEG ORDERS (+ MINIMUM QUANTITY)

BATS allows orders to peg to the NBBO in four ways:

1. Primary - pegs to the same side of the NBBO as the order
2. Market - pegs to the opposite side of the NBBO from the order
3. Midpoint - pegs to the midpoint of the NBBO
4. Alternate Midpoint - pegs to the less aggressive of the midpoint of the NBBO or 1 tick inside the same side of the NBBO as the order

BATS supports minimum quantity on hidden peg orders and non-routable IOC orders. Minimum quantity can be set using FIX Tag 110 (MinQty).

All pegged orders must be hidden, and optionally include a non-aggressive offset. Midpoint peg orders may not include an offset and may result in executions at half-penny increments. Peg prices will be temporarily clipped as necessary to avoid crossing the market. All pegged orders are ranked at a lower priority than non-pegged orders. Pegged orders are not routable and therefore must be BATS Only or Add Liquidity Only. Regular peg orders have a higher priority than Midpoint peg orders ranked at the same price. Finally, midpoint orders can have a time in force (TIF) of immediate or cancel (IOC).

HIDDEN ORDER

Hidden orders allow users to hide the limit order on the BATS order book. Hidden orders have lower priority than visible orders at the same price level.

INTERMARKET SWEEP ORDERS (ISO)

An intermarket sweep order (ISO) defined as an immediate or cancel order (IOC) ignores the NBBO and does not route away from the BATS order book. Day ISO orders provide a day time frame rather than the default IOC order. Directed ISO orders are sent via BATS to a specified market center.

DISCRETIONARY ORDER

Discretionary orders have a working visible price and an non-displayed "discretionary" price. The discretionary price is a hidden upward offset, which users are willing to buy, or a hidden downward offset, which users are willing to sell. A minimum amount of discretion necessary will be used to achieve execution.

RESERVE ORDER

Reserve orders allow users to enter a limit order and only display a fraction of the order size. The entire size is available for execution. Also, the reserve portion of the order is last in priority after visible and hidden orders.

POST ONLY ORDER

Post only orders allow users to make a market and specify not to remove liquidity. Any incoming post only orders that cross with a resting displayed order will be rejected.

PARTIAL POST ONLY @ LIMIT ORDER

Partial Post Only at Limit offers liquidity removal with price improvement while allowing users to designate a Maximum Remove Percentage to allow for removal of liquidity at the limit price.

CANCEL & REPLACE ORDER

Allows users to change price, size and/or side (sell long or sell short) of a working order and change a limit order to a market order.

General Information

SECURITIES TRADED ON BATS

All NYSE, NASDAQ, AMEX, and regional exchange listed securities.

TRADING HOURS

Pre-Opening: 8 to 9:30 a.m. ET Core Trading: 9:30 to 4 p.m. ET Post-Close: 4 to 5 p.m. ET

2011 HOLIDAYS

Martin Luther King, Jr. Day, January 17 / Presidents Day, February 21 / Good Friday, April 22

Memorial Day, May 30 / Independence Day, July 4 / Labor Day, September 5 / Thanksgiving Day, November 24

Early Market Close, November 25 / Christmas, December 26 (Observed)

Routing Instructions

The following routing strategies are available on both of the BATS Exchanges (BZX Exchange and BYX Exchange).

DRT

DRT is a dark routing technique that routes to dark pools offering possible price improvement and lower access fees.

CYCLE

CYCLE targets one protected market at a time and then sends the full remaining quantity on to the next market center. If the order can't be filled completely at the National Best Bid and Offer (NBBO), the CYCLE strategy will, in an iterative manner, route to other markets at the limit price of the original order.

RE-ROUTE

Re-Route is designed to aggressively re-route and fill orders. Orders come off the BATS order book and target a locking or crossing quote at another market center, matching or improving upon the limit price. This behavior occurs anytime BATS receives an updated quote from another market that locks OR crosses the order resting on the BATS order book. Re-routing may continue until the order is completely filled.

BATS+ DRT

BATS+ DRT first access the BATS order book, then remaining shares route to participating Dark Liquidity Partners (DLPs), offering potential price improvement and lower access fees.

BATS DEFAULT ORDER (BATS+ ALL)

Access liquidity at all market centers by sending order flow to BZX Exchange or BYX Exchange with the default, or ALL, routing strategy. This order makes use of routing strategies available within the BATS Smart Order Router.

BATS ONLY ORDER

Access only BATS liquidity by sending the order to BZX Exchange or BYX Exchange with the BATS ONLY routing strategy. By default this order isn't routed to away markets.

BATS+ (ARCA, EDGX, EDGA, NASDAQ, NASDAQ BX or NYSE) ORDER

Access BATS and one of the above market centers' liquidity by sending the order to BATS with BATS+ routing strategy. The order first removes liquidity on BATS. Any remainder will be sent to the corresponding market center as an IOC.

PARALLEL STRATEGIES

Parallel D – Best Price

Splits a routable order and sends it to multiple market centers simultaneously at the same price level. Liquidity is exhausted at each price level to the limit price.

Parallel 2D – Fastest Execution

Splits a routable order and sends it to multiple market centers *and* multiple price levels simultaneously.

Parallel T – Top Only

Splits a routable order and sends it to multiple market centers executing against only the protected (top) quotes.

TRIM – Route to Select Low-Cost Venues

TRIM orders access low-cost market centers (as defined by BATS and are subject to change). Optionally, TRIM may be combined with BATS' DRT strategy. After routing to low-cost and DRT markets, the order returns to the originating exchange—BZX Exchange or BYX Exchange. Orders originating on BZX Exchange, may optionally access the BZX Exchange order book first.

SLIM – Route to All Markets While Minimizing Fees

SLIM orders originating on BZX Exchange first scrape that book then route to BYX Exchange. Orders originating on BYX Exchange first scrape the BYX Exchange order book. SLIM next accesses low-cost protected market centers, followed by DRT markets, unless Members elect to skip DRT. SLIM then looks at additional low-cost protected market centers before routing to **all remaining protected market centers**. Finally, the order returns to the originating exchange.

NEW SLIM+ – BZX Exchange-only Strategy

Identical to SLIM, except it first routes to BYX Exchange prior to accessing the BZX Exchange order book.

B2B

B2B gives Members the ability to route to both BATS Exchanges' order books at-cost of the target platform. Orders will first check the originating order book (BZX Exchange or BYX Exchange), and optionally the BATS' DRT strategy before routing to the BATS sister exchange at-cost.

Links

[BZX Exchange FIX Specification](#) | FIX (Financial Information Exchange) protocol information for BZX Exchange.

[BYX Exchange FIX Specification](#) | FIX (Financial Information Exchange) protocol information for BYX Exchange.

[Market Data Specifications](#) | Detailed connectivity information for each market data feed option.

[Fee Schedule](#) | Pricing for accessing liquidity, liquidity rebates, routing and other pricing models.

[Connectivity Manual](#) | A network connectivity manual which provides information on how to connect to BZX Exchange or BYX Exchange.

Contacts

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