



Participant Notice

Ref: PN12/01

Dated: 4th January 2012

From: Participant Services

Subject: Amendments to the Participant Manual

This Notice summarises a number of amendments that BATS Trading Limited (“BATS”) is making to the Participant Manual. The amendments have not been deemed Material Amendments under the Rules.

Participant Manual

Clearing and Settlement

The Participant Manual has been amended to provide for the introduction of Interoperable Central Counterparties (“Interoperable CCPs”).

At present, all Participants must have an appropriate clearing relationship with European Multilateral Clearing Facility (“EMCF”), either directly or through a General Clearing Participant (“GCP”). With the exception of the Irish Listing Market, transactions in all securities are sent to EMCF or the Participant’s Preferred Interoperable CCP to be cleared and settled.

Under the Interoperable CCP model, Participants will no longer be required to maintain such clearing relationships with EMCF. Instead Participants will need to maintain clearing arrangements with any relevant CCP. Where a transaction occurs between two Participants, each leg of the transaction will be sent to the Participant’s respective Interoperable CCP of choice.

A list of available Interoperable CCPs is on the Website. The CCPs which will be available are: LCH.Clearnet, SIX x-clear, European Central Counterparty (“EuroCCP”) and EMCF.

Participants are not required to make any changes to their clearing arrangements unless they wish to. Where a Participant has not amended its clearing arrangements, all of its transactions will continue to be cleared and settled under existing arrangements.

The Interoperable CCP model will be available for all Listing Markets with the exception of Spain. It is intended that the Interoperable CCP model will be available for the Spanish Listing Market at a later date. Initially, the Interoperable CCP model will only be available for shares and Depository Receipts. BATS intends to make the Interoperable CCP model available for Exchange Traded products in due course pending regulatory approval. As a result, Participants who wish to continue to trade in Spanish securities or Exchange Traded products should maintain clearing arrangements with EMCF.



A summary of the changes can be found in the attached table. A definitive copy of the amended Participant Manual, which will take effect from market open on 6th January 2012 is attached and will be available on the Website.

For any queries, please contact Participant Services: ParticipantServicesEurope@batstrading.com or +44 (0) 20 7012 8902.

Regards,

Participant Services
BATS Europe



Participant Manual: Summary of amendments between version 2.16 and version 2.17

Page	Amendment
Cover	Change of date and change of version number.
Page 17 - 18	Section 24 (Clearing and settlement): Amended section to describe Interoperable CCP model