



## **BYX Information Circular 10-002**

**Date:** August 13, 2010

**To:** Prospective Members of BATS Y-Exchange, Inc. (“BYX” or the “Exchange”)

**Re:** Notice of Annual Meeting and Nominees for Member Representative Director Positions of the BYX Board of Directors

Pursuant to the Amended and Restated By-Laws of BATS Y-Exchange (“BYX By-Laws”), certain positions on the BYX Board of Directors (“Board”) may only be held by officers, directors, employees or agents of BYX Exchange Members that do not also maintain an ownership interest, directly or indirectly, in the BATS Y-Exchange. The individuals holding these positions on the Board are known as “Member Representative Directors.”

The Exchange’s first annual meeting of stockholders, to be held for the purpose of electing directors, has been scheduled for October 13, 2010. In addition to other Directors, two (2) Member Representative Directors will be elected at that meeting. Pursuant to Article III, Section 4(c) of the Exchange By-Laws, the Exchange’s Member Nominating Committee has submitted the names of the following individuals as the nominees to be elected to the Member Representative Director positions.

*James P. Selway III.* Mr. Selway is a Managing Director of Investment Technology Group, Inc. (“ITG”). Before joining ITG, Mr. Selway was Chairman and Managing Director of White Cap Trading, LLC. Mr. Selway has held various other positions in the industry, including serving as Chief Economist of Archipelago Holdings, L.L.C.

*Cameron Smith.* Mr. Smith is Executive Vice President and General Counsel of Quantlab Financial, LLC (“Quantlab”), and provides legal services to Quantlab affiliate and BATS Exchange Member Quantlab Securities, L.P. Mr. Smith previously served as Executive Vice President and General Counsel of the Island ECN, as Chief Strategy Officer of INET ATS, Inc., and as Executive Vice President and General Counsel of Instinet Incorporated. Mr. Smith also spent approximately five years in the SEC’s Division of Market Regulation.

In accordance with the Exchange By-Laws, with this Circular, Members and prospective Members of the Exchange are being notified of these initial nominees. Members of the Exchange may petition to have other candidates considered for election to the Board.

For a petition to be considered valid under the Exchange By-Laws, such petition must be signed by Executive Representatives of 10% or more of the Exchange’s Members and must be received

by the Exchange by no later than September 8, 2010. In addition, petitions must be accompanied by a questionnaire that provides information regarding the potential candidate – blank questionnaires may be obtained from Tamara Schademann (contact information below). If one or more valid petitions are received, then Exchange Members will be notified of all candidates for Member Representative Director (including petition candidates and the nominees listed above) and will be entitled to vote on such candidates in an election held prior to the first annual meeting of the Exchange's shareholders. Finally, petitions may be submitted to nominate individuals to serve on the BYX Member Nominating Committee in the next nominating cycle.

Please provide any completed petitions, along with a completed questionnaire for the candidate, to the Member Nominating Committee, c/o Eric Swanson, Secretary, BATS Y-Exchange, Inc., 8050 Marshall Drive, Lenexa, KS 66214.

Please contact Membership Services at 913.815.7002 with any inquiries regarding this Information Circular.