



Date: March 3, 2017

To: Options Members of Bats EDGX Exchange, Inc. ("EDGX" or "the Exchange")

From: Membership Services

Re: **Notice Regarding Qualified Contingent Cross ("QCC")**

Effective today, **March 3, 2017**, the Exchange will offer Qualified Contingent Cross functionality, as set forth in EDGX Rule 21.1(d)(11). QCC represents an order comprised of an originating order to buy (sell) at least 1,000 standard option contracts that is identified as being part of a qualified contingent trade ("QCT"), coupled with a contra-side order or orders totaling an equal number of contracts. QCC orders will execute upon entry without exposure.

QCC orders are part of a multi-leg strategy that involves both an option leg and a stock component. EDGX Options will support the "Options-Only" functionality where the option leg will trade at the prevailing rate in the standard tick on the EDGX Options Exchange while the equity component could be traded on any equity exchange.

Reporting Requirement:

For each QCC that is executed on the Exchange, the executing member must provide the Exchange with a csv file uploaded into the Bats Member Web Portal. The csv file should contain the following stock and option information in the following sequence:

Stock Symbol, Share Quantity, Stock Price, Execution Date (mm/dd/yyyy), Stock Execution Time (hh:mm:ss AM/PM), Option ClOrdID of originating order.

This information is required to be submitted in the format described above no later than the opening of trading on the day following the execution date.

If you have any questions regarding the content of this Circular, please contact Membership Services at 913.815.7002.