



## BATS Introduces New Risk Management Features

Effective immediately, BATS is pleased to introduce new risk management features to BATS BZX Exchange, BATS BYX Exchange, and BATS Options.

### **Reject Orders on DROP Port Disconnect**

This new feature will restrict order entry capability based on the connection status of specified DROP ports. This feature can be used by both Sponsors and individual Members and can be activated by providing the [BATS Trade Desk](#) with a list of order entry ports along with their associated DROP ports. Once the association has been established, at least one DROP port associated with the order entry port(s) must be in a connected and active state in order for orders to be accepted by BATS. Otherwise, any new orders entered will be rejected on the associated order entry port until at least one of the DROP ports has reconnected.

### **Cancel Open Orders on DROP Port Disconnect**

When *Reject Orders on DROP Port Disconnect* has been enabled on an order entry port, Members and Sponsors may also request that BATS cancel all open orders on an order entry port if all associated DROP ports are disconnected by enabling *Cancel Open Orders on DROP Port Disconnect*.

### **Reject Orders on DROP Port Timeout**

When *Reject Orders on DROP Port Disconnect* has been enabled on an order entry port, Members and Sponsors may tune the amount of time that must pass between the last associated DROP port disconnect and the time when the order entry session(s) will take the reject/cancel actions defined above. This setting has a default of 30 seconds and the minimum setting allowed is 20 seconds. Once any associated DROP port reconnects, the timer is reset and reject actions will cease. Adjustments to the *Reject Orders on DROP Port Timeout* setting must be made through the [BATS Trade Desk](#).

### **More Information**

Please contact the BATS Trade Desk or your Director of Sales with any questions. We appreciate your continued support of BATS and look forward to earning more of your business. As always, we are committed to our Members and to Making Markets Better.

### **BATS Trade Desk**

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