



BATS Announces Order Routing Strategy Feature Release Available Effective August 15, 2014

Overview

As part of the [Direct Edge Integration](#) in accordance with the previously announced [platform change matrix](#), BATS is pleased to announce that **effective Friday August 15, 2014** (*pending SEC approval*), we will be releasing the following order entry features on the BATS BYX Exchange and BZX Exchange:

- FIX Routing Instruction Update
- SWPA and SWPB Route Strategies

FIX Routing Instruction Update (Routing v2)

Please be advised that at a future date (*to be announced*), BYX Exchange and BZX Exchange will be deprecating the sole use of the *RoutingInst* (FIX Tag 9303) for sending all routing instructions on an order. This method of defining routing instructions will be replaced with the method used on EDGA Exchange and EDGX Exchange where four separate fields are used; *RoutingInst* (9303), *RoutStrategy* (9400), *RouteDeliveryMethod* (9350) and *ExDestination* (100). The use of four fields will allow members to utilize more routing strategies to meet their trading needs.

In order to take advantage of FIX Routing v2, Members will be required to certify with the BATS Trade Desk. Upon certification, Members may request that designated FIX ports be converted to using Routing v2 formatted routing instructions.

SWPA and SWPB Route Strategies

On the same effective date, BATS will also be adding support for two new routing strategies on the BYX Exchange and BZX Exchange. These route strategies are ISO sweeps of all protected market centers' top of book quotes, as required by Reg NMS.

To utilize the SWPA and SWPB route strategies, conversion to use of FIX Routing v2 instructions is required. Set *RoutStrategy* (FIX Tag 9400) = "SWPA" or "SWPB".

These strategies will also be made available immediately in [BOE version 2](#) upon its [release](#).

SWPA

SWPA routes IOC ISO orders to clear protected quotes. It is equivalent to the current Parallel-T routing strategy, which will be deprecated at a future date (*to be announced*).

SWPB

SWPB routes IOC ISO orders to clear protected quotes, but only if the SWPB order quantity is sufficient to clear all protected quotes at or better than the limit price of the order. If, upon entry, the SWPB quantity is insufficient to clear all protected quotes at or better than the limit price of the order, the entire SWPB order quantity will be cancelled.

Ship and Post

By sending a SWPA or SWPB DAY order, *TimeInForce* (FIX Tag 59) = "0", the order will ship an order quantity to clear all protected quotes while the remaining size is immediately posted to the BATS book after executing against better priced liquidity on the book. Any unfilled routed shares will be added to the order posted on the BATS book.

Testing Opportunities

BATS will make these features available for testing in the BATS certification environments effective Tuesday, July 15, 2014. Members that wish to enable FIX ports for Routing v2 may schedule a certification test on or after this date by contacting tradedesk@bats.com.

More Information

For more information, refer to the following technical specifications:

- [BATS BYX Exchange US Equities FIX Specification](#)
- [BATS BZX Exchange US Equities FIX Specification](#)

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.

BATS Trade Desk

913.815.7001

tradedesk@bats.com

Learn more about the BATS/Direct Edge merger at bats.com/edgeintegration.