



## Reminder: Bats BZX Equities Exchange Announces Liquidity Management Provider Program

### Overview

As previously announced, today (**Wednesday, June 1, 2016**), Bats is introducing a new Liquidity Management Provider ("LMP") Program to the BZX Exchange (BZX).

### Liquidity Management Provider Program

- The Bats Liquidity Management Provider Program is a rewards-based program that incentivizes liquidity providers based on their quote quality in the [LMP Securities](#), which includes all Bats-listed ETPs and certain non-Bats-listed ETPs. Each liquidity provider must [enroll](#) to be a LMP for an eligible ETP and may be a LMP in multiple listings.
- LMPs are incentivized to meet the following quoting standards in the LMP Securities that they are enrolled in:
  - (i) NBBO Time<sup>1</sup> is at least 15% or NBBO Size Time<sup>2</sup> is at least 25%; and
  - (ii) Displayed Size Time<sup>3</sup> is at least 90%
- A new LMP Tape B Quoting Tier will be introduced to reward LMPs meeting the aforementioned quoting standards. LMPs will receive the following additional rebate when adding displayed liquidity in *all* Tape B securities.

LMP Tape B Quoting Tier	
Minimum number of LMP Securities for which the Member is enrolled as a LMP and meets the LMP quoting standard	50
Additional rebate per share when adding liquidity for orders in all Tape B securities	(\$0.0001)

For example, a Member that achieves Volume Tier 5, qualifying for a rebate of (\$0.0031) when adding displayed liquidity in all Tapes, and also achieves the LMP Tape B Quoting Tier would receive a total rebate of (\$0.0032) when adding displayed liquidity in Tape B securities.

### Liquidity Management Provider Registration

Once enrolled, a firm may register to become an LMP in desired symbols using a Liquidity Management Provider symbol upload tool available via the [Bats Member Web Portal](#). This tool will function similarly to the existing Market Maker registration tool and users can request access to the tool through the [Bats Trade Desk](#). Members planning to participate in this program as an LMP may begin uploading LMP symbol registration files. Registrations must be input prior to 9AM ET on the effective date for the registration.

### 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.

### **Bats Trade Desk**

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<sup>1</sup> NBBO Time means the percentage of time during regular trading hours during which a Member maintains at least 100 shares at the NBBO.

<sup>2</sup> NBBO Size Time means the percentage of time during regular trading hours during which there are size-setting quotes at the NBBO on the Exchange. A quote is a size-setting quote where it is the largest quote at the NBB or NBO and remains a size-setting quote until and unless another quote is at a more aggressive price or at the same price with greater size.

<sup>3</sup> Displayed Size Time means the percentage of time during regular trading hours during which a Member maintains at least 2,500 displayed shares on both the bid and offer that is priced no more than 2% away from the NBB and NBO, respectively.