

BATS EXCHANGE, INC.
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20150472225-01

TO: BATS Exchange, Inc.
c/o Department of Market Regulation
Financial Industry Regulatory Authority ("FINRA")

RE: Eric C. Blake, Respondent
CRD No. 2453173

Pursuant to Rule 8.3 of the Rules of BATS Exchange, Inc. ("BATS"), I, Eric C. Blake (sometimes referred to hereinafter as the "Respondent"), submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, BATS will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of BATS, or to which BATS is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by BATS:

BACKGROUND

Respondent was employed by a BATS Member (the "Member") as a software developer from August 2006 through March 2014. Respondent registered with BATS as a General Securities Representative ("GS") and as a Market Maker Authorized Trader – Equities ("MT"). The registrations were approved by BATS on December 19, 2008, and February 13, 2012, respectively.

On March 24, 2014, Respondent was voluntarily terminated by the Member. A Form U-5 notifying BATS of the Respondent's termination was filed by the Member with the Central Registration Depository that same day. Respondent's registrations with BATS as a GS and MT remained in effect until Respondent's voluntary termination on March 24, 2014. Respondent is not currently employed in the securities industry.

By letter dated January 8, 2015, FINRA staff, on behalf of BATS, advised Respondent

STAR No. 20150472225 (MJD)

that they were conducting an investigation on behalf of BATS into certain messaging and related activity conducted by the Member in 2013. The staff also advised Respondent that, pursuant to BATS Rule 8.1, the staff, on behalf of BATS, was retaining jurisdiction over Respondent in connection with the investigation of the Member. The Respondent received the letter. As a result of sending the above-referenced letter within one year of BATS receipt of Respondent's Form U-5, Respondent continues to be subject to BATS disciplinary jurisdiction pursuant to BATS Rule 8.1(b).

PRIOR DISCIPLINARY HISTORY

Respondent has no prior disciplinary history.

FACTS AND VIOLATIVE CONDUCT

BATS Rule 8.2(c) requires each person associated with a Member to appear and testify upon request by BATS. Rule 8.2(c) also prohibits an associated person from impeding or delaying a BATS investigation, or from refusing to comply with a request made by BATS pursuant to BATS Rule 8.2. Furthermore, BATS Rule 8.2(e) provides, in relevant part, that the failure to furnish testimony requested by BATS in the course of a BATS inquiry or investigation is a violation of BATS Rule 8.2.

BATS Rule 3.1 requires Members to observe high standards of commercial honor and just and equitable principles of trade. BATS Rule 3.2 prohibits Members from violating BATS rules. Pursuant to BATS Rule 1.3, BATS Rules 3.1 and 3.2 also apply to persons associated with a Member.

By letter dated June 10, 2015, FINRA staff requested, on behalf of BATS, that Respondent appear and testify in connection with the staff's investigation of the Member. On June 25, 2015, Respondent, through his counsel, advised the staff that Respondent no longer worked in the securities industry, and would not appear and provide testimony. Respondent, through his counsel, also confirmed that he was aware that he could be barred by BATS for refusing to testify.

On October 6, 2015, Respondent, through his counsel, reconfirmed to the staff that he would not appear and testify in connection with the staff's investigation, and that he understood that his failure to appear and testify in response to the staff's request would result in a disciplinary action being brought against him, seeking to bar him from being associated with any BATS member.

As a result of his failure to appear and testify as requested on behalf of BATS, Respondent violated BATS Rules 8.2, 3.1 and 3.2.

B. I also consent to the imposition of the following sanction:

A bar from association with any BATS member in any capacity.

The sanction imposed herein shall be effective on a date set by BATS. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under BATS Rules:

- A. To have a Statement of Charges issued specifying the allegations against me;
- B. To be notified of the Statement of Charges and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a Hearing Panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the Appeals Committee of the BATS's Board of Directors and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudice of the Chief Regulatory Officer ("CRO"), in connection with her participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of BATS Rule 8.16, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the CRO, pursuant to BATS Rule 8.3;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by BATS or any other regulator against me;
 - 2. this AWC will be published on a website maintained by BATS in accordance with BATS Rule 8.11, *Interpretations and Policies .01*; and
 - 3. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of BATS, or to which BATS is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which BATS is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

12/3/15
Date

Eric C. Blake
Respondent

Eric C. Blake
Name:

Reviewed by:

B. L. Rubin
Brian L. Rubin, Esq.
Sutherland, Asbill & Brennan LLP
700 Sixth Street, N.W.
Suite 700
Washington, D.C. 20001-3980

12/9/2015
Date

Jeff Connell
Jeff Connell
Vice President, Market Oversight
BATS Exchange, Inc.