



BATS Market Maker Quoter to Replace Stub Quoter Effective December 6, 2010

Please be advised that the Securities and Exchange Commission has approved rules proposed by BATS BZX Exchange in conjunction with other exchanges and FINRA to strengthen minimum quoting standards for market makers and to prohibit stub quotes in the US equity markets. (See [SR-BATS-2010-025](#); as amended by [SR-BATS-2010-025 Amendment 1](#)).

BATS BYX Exchange has filed an identical proposed rule change, which BATS believes will be approved shortly (see [SR-BYX-2010-001](#); as amended by [SR-BYX-2010-001 Amendment 1](#)).

Under the new rules, BATS will require that Registered Market Makers maintain continuous two-sided quotes during regular trading hours within a defined price range. **The effective date for the new rule is Monday, December 6, 2010.**

Note that compliance with these new rules is the responsibility of Registered Market Makers and use of the BATS Market Maker Quoter to facilitate compliance is optional. The new Market Maker Quoter is currently available for testing within the BATS Certification environment. Note that Market Makers currently using the BATS Stub Quoter that wish to take advantage of Market Maker Quoter functionality will be required to re-register for automated quoting of registered securities on Monday, December 6, 2010.

For more details regarding the new rules, including the parameters of the Market Maker Quoter Functionality, please refer to:

- [SEC order approving the new rules](#) (November 8, 2010)
- [BATS regulatory circular](#) (November 10, 2010)

For more operational details regarding this new process, please refer to:

- [BATS US Equities Market Maker Quoter Specification](#)

Please contact the BATS Trade Desk or your Director of Sales with any questions.

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