



Dear Cboe Customers and Members of the Trading Community,

Cboe Global Markets [today announced](#) that it plans to acquire BIDS Trading, a registered broker-dealer and the operator of the BIDS Alternative Trading System (ATS), the largest block-trading ATS by volume in the U.S. The transaction is expected to close in early 2021, subject to regulatory review and other customary closing conditions. With this acquisition, Cboe will be breaking new ground relating to its common ownership of both securities exchanges and an ATS trading U.S. equities.

As you may be aware, Cboe and BIDS Trading began working together in 2016 to launch Cboe LIS, which has become one of the largest European equities block trading platforms. Cboe LIS has been well-received by both buy-side and sell-side customers and we are excited to build upon this innovative and successful partnership.

This acquisition is part of Cboe's overall strategy to continue to provide a spectrum of products, services and solutions that enhance our customers' trading experience. BIDS Trading's proven block trading capability will provide Cboe with a significant foothold in the off-exchange segment of the U.S. equities market, which now accounts for more than 40 percent of overall U.S. equities trading volume. Working with BIDS Trading, Cboe has already employed block trading to great effect in European equities trading through Cboe LIS, and now looks forward to the opportunity ownership of BIDS Trading will provide to further expand Cboe's presence in North American equities. Additionally, BIDS Trading's differentiated network of global buy-side investment managers and sell-side constituents provides the foundation for Cboe to potentially build more off-exchange products and services in non-U.S. equities or options products and in other geographies beyond the U.S.

BIDS Trading will remain an independently managed and operated trading venue, separate from and not integrated with the Cboe U.S. securities exchanges. BIDS Trading Chief Executive Officer Tim Mahoney is expected to remain in his current role and lead BIDS Trading as an independent business within Cboe Global Markets, reporting into an independent committee of the board of Cboe Global Markets. So, if you are a user of BIDS ATS or Cboe LIS, it will remain business as usual.

BIDS Trading has established a fantastic track record of success, the team is well respected in the industry and we couldn't be more pleased to have them join the Cboe Global Markets family. We believe this acquisition will benefit you, our valued customers, by expanding and diversifying our U.S. equities offering beyond traditional exchange products and services.

At Cboe, we remain committed to defining markets by delivering the innovative solutions that meet your trading needs.

A handwritten signature in black ink, appearing to read 'Ed Tilly'.

Ed Tilly
Chairman, President and CEO
Cboe Global Markets