



◆ Summary

BATS Exchange's Dark Scan order type is *Making Markets Better* by offering Members the opportunity for price improvement and lower access fees via interaction with Dark Liquidity Partners.

BATS Dark Scan

Scanning Against Dark Liquidity Pools

◆ Details

The Dark Scan order type routes to participating Dark Liquidity Partners (DLPs), offering potential price improvement and lower access fees for BATS Exchange Members. Members will be **rebated \$0.0001** per share for orders matched against dark venues.

Dark Scan will require anywhere from five to 20 milliseconds for potential DLP fills before the order is sent back to the BATS Exchange order book to fill any remaining shares. Next, the remaining shares can match in 400–500 microseconds at \$0.0025 per share against the deep pool of liquidity on the BATS order book. Finally, the remainder will route to displayed markets using the BATS Exchange smart order router CYCLE strategy at \$0.0025 per executed share.

A primary aspect of BATS Exchange's Dark Scan is the transparency of DLPs. Members can count on knowing who is in the list of DLPs at BATS Exchange at all times. On a trade by trade basis, however, full anonymity (for both sides) is maintained.

A list of current BATS Exchange DLPs is available on the reverse of this sheet. BATS Exchange will announce new DLPs as they are brought online and will only maintain relationships with those DLPs that provide meaningful fill rates and quality executions.

BATS Exchange's Dark Scan is completely optional, and Members need to opt-in by setting FIX tag 18=z (lower case) in order to take advantage of the functionality. Dark Scan orders must be flagged to route unfilled shares to other markets using BATS CYCLE by setting fix tag 9303=R.

An example of the behavior of a Dark Scan order on the BATS Exchange order book follows:

The Member sends a Dark Scan BATS Only buy order at 10.01 (18=z, 9303=R)

- 1) The order will route to one or more dark pools and be **rebated 0.0001**/share on these executions.
- 2) The order sweeps the BATS Exchange order book for liquidity up to the NBBO. 0.0025/share remove rate applies.
- 3) The remaining shares will be routed out to the market and charged the standard routing fee of 0.0025/share.

Expected latency for this order type is approximately five to 20 milliseconds due to the DLP routes.

Please contact the BATS Exchange Trade Desk at 913.815.7001 or your BATS Director of Sales with any questions.

See the reverse for order execution instructions.



Order Execution Instructions are as follows:

Select FIX tag 18=z (ExecInst) and flag it to route unfilled shares to other markets using BATS CYCLE by setting fix tag 9303=R (RoutingInst).

Each DLP fill will have the lower access fee reflected in FIX tag 9621 (ECNAccessFee).

In addition, FIX tag 375 (ContraBroker) will reflect "DARK" for each DLP fill.

BATS Dark Liquidity Partners:

GETCO Execution Services

Knight Link™

Liquidnet H₂O™

Morgan Stanley Electronic Trading

◆ **Links**

[Sponsored Participant Application & Agreements](#): forms and agreements for Sponsored Participants.

[FIX Specification](#): FIX (Financial Information Exchange) protocol information.

[Order Types](#): Order types and routing instructions for the BATS platform.

[Fee Schedule](#): Pricing for accessing liquidity, liquidity rebates, routing and other pricing models.

◆ **Contacts**

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