Hotspot Customer Call – Prepared Remarks
NY5 Migration
October 1, 2015

[SLIDE 1] – Cover Slide

Operator introduction: Welcome to the Hotspot Customer Call … I'll now turn the call over to your host, Randy Williams, Senior Vice President of Investor Relations and Marcomms for BATS.

[SLIDE 2] – Hotspot Update

Randy Williams: Thank you, [Operator]. Good morning all, and thank you for your time. On today's call, the team will review the timeline and plans for migrating Hotspot's current U.S. matching engine to the Equinix NY5 data center in Secaucus, New Jersey, next month.

The call will be led by Chris Isaacson, Executive Vice President and Global Chief Information Officer, and Paul Reidy, Head of FX Technology. They will be joined by Bill Goodbody, Senior Vice President and Head of FX, who will provide a business update.

After the short prepared remarks, we will hold a Q&A session for customers, who can ask questions by following the instructions at the end of today's remarks.

If you're a journalist, analyst or other party, please reach out to us via email at comms@bats.com and we will address any queries you may have separately.

Finally, please note that certain statements in the prepared presentation and during the subsequent Q&A may relate to future events and expectations and, as such, constitute forward-looking statements.

With that, I'll hand it off to Chris.

[SLIDE 3] – NY5: Launch Timeline & Testing Opportunities

Chris Isaacson: Thanks, Randy. And thanks to everyone for joining in the call today. Before I dive into logistics, I would like to express our thanks to everyone for your support as we launched the Hotspot London matching engine at LD4 last month. The launch was seamless and we have had strong customer participation and volumes are growing every day. Bill will review additional highlights on the launch later in the call, but we appreciate all of the effort put forth by each of you to make that important launch a success.

On today's call we'll turn our attention Stateside and will review the plan and timeline for migrating the Hotspot U.S. matching engine from its current location in Jersey City to the Equinix NY5 data center in Secaucus, New Jersey on Monday, November 9th. As you may know, earlier this year BATS migrated all four of its U.S. equities exchanges, as well as its options market, to the Equinix NY5 data center. We chose this data center as it houses a rich ecosystem of trading participants, exchanges, and service providers enabling easy and efficient access, as well as opportunities for synergies across markets for many of our participants.

As noted on slide 3, this Saturday, October 3rd, will mark our first weekend testing opportunity for customers. This test will take place from 12:00 noon until 4:00 p.m. BST/7:00 a.m. to 11:00 a.m. ET. All pairs will be available in the Production environment for Saturday's test. We will also be holding two additional weekend tests on October 17th and November 7th before the go-live on November 9th. We understand the time and commitment it takes to test systems on the weekend, and we appreciate all that you are doing to help support us in this important migration.

In addition to this Saturday's test and the other weekend test opportunities, daily testing opportunities are available, as well, and we would encourage you to utilize those over the next month. As of this past Monday, customers can now test synthetic pairs, which are EUR/XXX, USD/XXX and USD/YYY, in the NY5 Production environment. Additionally, customers can test all currency pairs in the Cert/UAT environment. Your participation in these testing opportunities is critical to ensure that systems are working and we can troubleshoot any issues prior to go-live of the new matching engine.

I'd also like to note that we plan to go live with the NY5 matching engine at 5:00 p.m. ET/10:00 p.m. BST on Sunday, November 8th, to match our existing trading schedule.

I'll now hand the call over to Paul to discuss connectivity and certification in NY5.

[SLIDE 4] – NY5 Matching Engine: Connectivity & Certification

Paul Reidy: Thanks, Chris. Turning to slide 4, we are now accepting connections to the new matching engine at the NY4 and NY5 data centers. If you haven't yet connected to Hotspot at NY5, please reach out to the Hotspot Prod Support team as soon as possible to get connected. You can contact prodsupport@hotspotfx.com to request connectivity and get IP address/port information. Customers may connect to NY5 using 10G, 1G, and 100M connectivity as outlined in the Connectivity Manual, which is available on the Hotspot website.

All customers are required to certify to one of the Hotspot Trading Protocols within the NY5 Cert/UAT environment prior to trading on the new production NY5 matching engine. Certifying in NY5 provides customers an opportunity to confirm all physical and logical connectivity has been established and is properly configured to your needs.

It is very important to note that after trading closes on Friday, November 6th, Hotspot will no longer accept connections at our current matching engine in Jersey City. All customers must be fully prepared for this cutover to the NY5 data center to avoid disruption in trading on Hotspot.

As previously communicated, the Hotspot connections in NY4 and NY5 will be latency equalized just as they are for the BATS equities and options markets in NY5. However, we're building Hotspot on separate infrastructure – network, server, and storage – to mitigate risk of one market unexpectedly impacting another.

Again, we reiterate the importance of testing the system prior to the launch in NY5 and we ask you to please take every opportunity to do so over the coming month.

[SLIDE 5] – NY5 Migration: Additional Items to Note

Paul Reidy: Turning to slide 5, as we've noted before, bilateral credit will continue to be shared dynamically between clearing Participating Financial Institutions (PFI's) for the New York and London matching engines without requiring manual interaction from those PFI's. Any Customer who desires to trade on our LD4 matching engine is required to reach out to their Prime Broker and request a new account in London which will be assigned separate credit from their existing NY trading account. This new credit line will be determined by their PBs and this credit will not be shared between the matching engines. Customers PBs will manage the credit lines assigned to the NY5 and LD4 matching engines.

Additionally, post migration of the NY matching engine to Equinix NY5, Hotspot will offer access to the NY5 matching engine from LD4 and vice-versa via a Hotspot provided trans-Atlantic wide area network. Hotspot plans to offer all access protocols for market data, order entry & drop copy. This connectivity will be available from January 1, 2016. Further details, including pricing will be published after the NY matching engine migration to NY5.

[SLIDE 6] – Additional Information & Contacts

Paul Reidy: Turning to slide 6, please note that the Hotspot website has all of the information you need regarding the NY5 migration including technical documentation, account documentation, key dates, as well as notices. Also outlined on this slide is key contact information for our production support and sales teams. Don't hesitate to reach out to them directly with any questions that you might have as you work to establish your connection in NY5. Our team stands ready to help you get connected, test and certify, and trade on the new matching engine.

With that, I'll hand the call over to Bill to provide a brief business update.

[SLIDE 7] – Hotspot London Launch Highlights

Bill Goodbody: Thanks, Paul. And let me extend my thanks to everyone for joining the call today. Turning to slide 7, we couldn't be more pleased with the launch of Hotspot London on September 14th. As Chris mentioned, the launch was seamless and we've had strong customer participation with 14 participants that have traded on the platform. We have a strong pipeline of clients that are in the process of connecting and we expect the number of LD4 customers to triple in the coming weeks and months based on submitted forms.

Since Hotspot London launched, more than $3.2 billion has been traded on the new matching engine and average daily volume for September was $240 million. The launch of Hotspot London came exactly six months after BATS acquired Hotspot. Seamlessly executing a

technology project of this magnitude in such a short period of time speaks volumes to the

talent, hard work and dedication of the BATS and Hotspot teams, and the strong support we've

had from our customers throughout the process. And as you likely know we are thanking

customers for their support by offering free trading on all transactions on the London matching

engine through the end of the year. If you trade in London, we hope you take advantage of this

opportunity. Europe is the leading global FX trading center and is a top priority for Hotspot. As

the operator of Europe's #1 stock market, BATS intends to achieve similar status for our

European Hotspot FX business.

[SLIDE 8] – Business Update – Additional Pricing Initiatives

Bill Goodbody: Turning to slide 8, I wanted to remind customers about two other exciting

pricing initiatives we have underway at Hotspot.

The first is free trading of spot gold and silver pairs. This promotion will continue through at

least year-end and is our way of showing the metals trading community how focused we are on

growing Hotspot into the global market leader in spot metals trading.

The second pricing initiative is our "Hot List" pricing, which includes no liquidity removal fees

for customers in more than 30 select currency pairs, outlined on this slide. We will be offering

this pricing through at least year-end and we're pleased with the response we've seen to this

pricing initiative and the impact it's having on our liquidity. In September, we saw a 20%

increase in ADV in aggregate for Hot List pairs compared with the average of the six months

prior to the promotion's launch in June. Strong performers in September included USD/CNH (+$187M ADV, +185%), USD/SGD (+$115M ADV, +41%), and USD/ZAR (+$70M ADV, +18%). We've also seen solid gains in USD/TRY (+$29M ADV, +22%) and EUR/NOK (+$57M ADV, +31%).

This pricing change further underscores our commitment to establishing deep liquidity to our market through innovative and disruptive measures designed to insert price competition into this market.

If you have not yet done so, I encourage you to join the many who are taking advantage of these two opportunities.

[SLIDE 9] – Business Update – September Volume & Activity

Bill Goodbody: In closing and turning to slide 9, September was a solid month for Hotspot with average daily volume coming in at $26.2 billion. Total volume traded on Hotspot in September was $576 billion and year-to-date ADV stands at $28.8 billion.

Before I turn it back over to Chris to wrap-up the call, we want to again express thanks for your business and support and we are looking forward to going live with the U.S. matching engine at the NY5 data center next month.

[SLIDE 10] – Summary

Chris Isaacson: Thanks, Bill. Before I hand it to the operator for questions, I'll sum up today's key points on slide 10:

- We remain on schedule to migrate the Hotspot U.S. matching engine to NY5 on Monday, November 9th

- The first weekend testing opportunity for the NY5 matching engine is this Saturday, October 3rd, and we strongly encourage everyone to participate to ensure your systems are ready.

- Customers are required to certify to one of the Hotspot Trading Protocols within the NY5 Cert/UAT environments in order to trade on the new production matching engine

- Hotspot will no longer accept connections to its current matching engine in Jersey City after trading closes on Friday, November 6th

- We encourage customers to take advantage of the various pricing initiatives underway at Hotspot, including free trading on the London matching engine and our Hot List pricing

- If you have questions or need help establishing connectivity in NY4 or NY5, please reach out to our connectivity and/or sales team as soon as possible.

We are looking forward to this weekend's test. Should you have any questions, please don't hesitate to reach out to me or anyone on the team. We are standing by and ready to assist.

Now I'll hand it back to the operator to manage any questions that may have come up during our presentation …