

Dear BATS Subscribers and Members of the Trading Community,

## **Business Continuity – More Than Just Buzz Words!**

Most trading firms acknowledge BATS as a technology leader when it comes to low-latency and high-capacity exchange platforms. The speed at which member firms can get orders into our system, and continue to modify those orders throughout the order life time, sets BATS apart from our competitors. In addition, our speed (aka low latency) doesn't degrade under heavy loads and market volatility. The last few months of highly volatile markets have given BATS an opportunity to show our true technology strengths.

Behind the scenes, BATS has been putting just as much attention on Business Continuity and Disaster Recovery (BC/DR) as we have been on innovation and performance excellence. BATS recently completed *two major projects* associated with BC/DR that we feel further distinguish BATS from other market centers. While members may not notice the benefit from these projects on a day-to-day basis, they will ultimately discover long term assurance in sending their orders to BATS.

*Technology Continuity (i.e Computers)*: The first project we tackled was ensuring that two separate and distinct data centers would be available for handling our members' order flow. Today (November 28<sup>th</sup>, 2008) marks the final confirmation that this dual-datacenter plan is not only completed, but also fully operational. **We successfully conducted live production trading from our secondary data center today**, with our primary data center acting as the stand-by backup site. On Monday, all systems will be put back to normal and our primary site will become our official production site once again.

We felt strongly that actually using our secondary site for live trading would be the only way to know for sure that it would be ready should an actual disruption force us to switch over some day. It was the only way to know if our members would be ready as well. There is a big difference between "saying you have a backup site" and actually "using your backup site". A lot of lessons were learned, both for us and our members. We know now, without a doubt, that we can run our market from either location.

To all of our members, we would like to express our deepest appreciation for your continued support as we build one of the best and most reliable exchange platform(s) in the world.

*Operations Continuity (i.e People)*: The other aspect of BC/DR that we have focused on is *the ability for our employees to monitor and operate* the BATS Exchange without disruption. Our exchange technology platform runs in two separate data centers on the east coast, yet our employees remotely monitor and operate our data centers from our headquarters in Kansas City.

We realized that our headquarters needed to be resilient as well. It's one thing if our technology can keep running through a disruption, but if our employees can't monitor and operate the market, we would be exposed to another level of risk. That's why we leased and built a second office location from which our employees can run our exchange.

Once each month, we send our essential operations teams to the secondary office location to run production monitoring for the BATS Exchange for the day from that site. Our members are most likely not even aware of the days that we operate out of the secondary midwest office location ... it's completely transparent in every way. Each month we prove to ourselves that our backup office in the midwest is fully ready to become our new primary office headquarters should any disruption arise.

We take reliability seriously, with BC/DR solutions in place not only for our technology, but also for our staff. This level of commitment shows how important reliability is for BATS, and should provide a level of comfort for our members that we are going to be there every day the securities markets are open, no matter what.

### **Thank You**

We would like to thank our subscribers for their continued support. As always, your comments and feedback are welcome.

Sincerely,

Joe Ratterman  
Chairman, President and CEO  
BATS ... Making Markets Better