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Direct Edge Regulatory Notice #14-04: Notice Regarding Amendments to Direct Edge Market Data Requirements

Direct Edge, Inc. ("Direct Edge") has made certain amendments to its Data Requirements (the "Requirements") in conjunction with the introduction of the BATS One Feed, primarily to address the new requirement for External Controlled Data Distributors of the BATS One Feed to report to BATS Global Markets Holdings, Inc. ("BATS") the number of devices used for display usage (the "Amendments").

This Notice is being sent to notify each Data Recipient under a Direct Edge Exchange Data Vendor Agreement of the Amendments, effective upon the SEC's approval of the BATS One Feed.

Except as expressly provided herein, all of the Requirements are and will remain in full force and effect. Download clean and marked copies of the documents using the links below:

Exhibit A-1 - A clean copy of the Requirements, as amended and is available on BATS' website.

Exhibit A-2 - A marked copy of the Requirements, as amended.

If you have any questions related to the Requirements, please contact your Director of Sales or Market Data Services at 201-942-8220, Option 3 or marketdata@directedge.com.



Direct Edge Market Data Requirements

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Exhibit A-1

Under the terms of the Direct Edge Exchange Data Vendor Agreement (“**Data Agreement**”), Data Recipients must adhere to the following requirements. Subject to the terms of the Data Agreement, Direct Edge, Inc. (“**Direct Edge**”) reserves the right to update these Direct Edge Market Data Requirements (the “**Requirements**”) from time to time and will communicate any updates via e-mail to those market data contacts provided to Direct Edge by Data Recipients who have entered into a Data Agreement. All capitalized terms used herein that are not defined below are defined in the Data Agreement.

1. Definitions

Controlled Data Distributor – A Data Recipient that (i) provides Exchange Data to a User and (ii) controls the entitlements of and the display of such Exchange Data to such User. If the User is either an employee of the Controlled Data Distributor or is an employee of an Affiliate of the Controlled Data Distributor identified on the Direct Edge Affiliate List submitted by such Controlled Data Distributor to Direct Edge, such Controlled Data Distributor shall be an “**Internal Controlled Data Distributor**.” If the User is not an employee of the Controlled Data Distributor or of an Affiliate thereof identified on the relevant Direct Edge Affiliate List, such Controlled Data Distributor shall be an “**External Controlled Data Distributor**.”

Data Feed – A transmission of Direct Edge Exchange Data, as specifically identified within the System Description/Data Feed Request form, by a distributor which does not control both the entitlements and the display of such Exchange Data. A Data Feed is considered an uncontrolled distribution of Exchange Data.

Data Feed Distributor – A Data Recipient that is authorized by Direct Edge to retransmit/redistribute a Direct Edge Data Feed to any third party.

Data Recipient – A third party that receives a Direct Edge Data Feed directly from Direct Edge or through a third party that is a Data Feed Distributor.

Display Usage – The access to and/or use of Exchange Data by a natural person via a graphical user interface, application or other medium which displays Exchange Data.

Non-Display Usage – Any accessing, use, processing and/or consuming of Exchange Data that is not Display Usage, including but not limited to accessing, use, processing and/or consuming of Exchange Data by a machine or automated device for a purpose other than to display Exchange Data.

Non-Professional User – A natural person who is not: (i) registered or qualified in any capacity with the Commission, the Commodity Futures Trading Commission, any state securities agency, any securities exchange or association; any commodities or futures contract market or association; (ii) engaged as an “investment adviser” as that term is defined in Section 201(11) of the Investment Advisers Act of 1940 (whether or not registered or qualified under that Act); or (iii) employed by a bank or other organization exempt from registration under federal or state securities laws to perform functions that will require registration or qualification if such functions were performed for an organization not so exempt.”

Professional User – Any User other than a Non-Professional User.

User – A natural person, a proprietorship, corporation, partnership, or other entity, or a device (computer or other automated service), that is entitled to receive Direct Edge Exchange Data for Display Usage. 2. Display Requirements

2.1 Attribution

Data Recipient shall use commercially reasonable efforts to ensure that, to the extent technically practicable, in accordance with Data Recipient’s customary practices and procedures, and in a manner consistent with Data Recipient’s attribution practices for third party providers of similar data, the Exchange Data is clearly attributed as originating from the Exchange in compliance with this paragraph. Each Data Recipient (including each Data Feed Distributor and each Controlled Data Distributor) must identify Direct

Edge as the source of any Direct Edge Exchange Data by displaying in a prominent manner the name “Direct Edge” and the relevant exchange, “**EDGX Exchange**” or “**EDGA Exchange**,” on all displays of Exchange Data. If the Exchange Data is being provided on a delayed basis, the Data Recipient must also appropriately attribute Exchange Data as delayed (e.g., “**Data Delayed 15 Minutes**”). Alternatives for Exchange Data attribution on displays may be permitted upon the prior written consent of Direct Edge if the alternative accurately and unambiguously describes the source of the Exchange Data. Requests for alternative attribution may be made via email to marketdata@directedge.com.

2.2 Marketing Materials

Each Data Recipient may use Direct Edge’s corporate name, the names of Direct Edge’s market data products, and the trademarks of Direct Edge set forth in Appendix A attached hereto (all such names and marks collectively, the “**DEI Marks**”) in any marketing, publicity or advertising materials related to the business of Data Recipient, *provided that* such use of the DEI Marks is solely for purposes of exercising Data Recipient’s rights under the Data Agreement and is in compliance with those guidelines for use of the DEI Marks set forth in Appendix B attached hereto (“**Guidelines**”).

3. Record Retention Requirements

Each Data Recipient must create and maintain complete and accurate books and records relating to the Data Recipient’s performance of its obligations and exercise of its rights under this Data Agreement (collectively, “**Records**”), including without limitation the receipt, use, display and distribution of Exchange Data.

4. Data Recipient Approval Requirements for Receipt of a Data Feed

Each firm that is already receiving or is requesting a Data Feed must complete and submit to Direct Edge a System Description/Data Feed request form. The form requires firms to identify the desired feed and provide contact information for key market data individuals (as set forth in the System Description/Data Feed request form), a description of the feed’s use and a description of how the feed is entitled (as described in the System Description/Data Feed request form). Each completed Direct Edge System Description/Data Feed request form should be emailed to marketdata@directedge.com for approval.

5. Distribution to Affiliates of Data Recipient

In addition, any Data Recipient that distributes Exchange Data to an Affiliate of Data Recipient must complete and submit the Direct Edge Affiliate List showing the Affiliates receiving Exchange Data. An “**Affiliate**” is defined as any entity that, directly or indirectly Controls, is Controlled by, or is under common Control with Data Recipient. “**Control**” means the power to direct or cause the direction of the management of policies of another entity, whether through the ownership of voting securities, by contract, or otherwise. By submitting the names of its Affiliate(s), the Data Recipient agrees that the contact information provided shall be deemed to be the current contact information for each Affiliate. Each completed Direct Edge Affiliate List should be emailed to marketdata@directedge.com for approval.

6. Data Feed Distributor Requirements

To become a Data Feed Distributor, a Data Recipient must describe, using the System Description/Data Feed request form, its plan to distribute Data Feeds externally to a third party.

6.1 Request Process

Data Feed Distributors are responsible for either directing each prospective third party Data Recipient to download required documentation from the Direct Edge website, or providing a hard copy of each item of required documentation to the prospective Data Recipient. Required documentation includes the following:

Exhibit A-1

- Signed copy of the Direct Edge Exchange Data Vendor Agreement for Members, or if the firm is a non-member of EDGA Exchange or EDGX Exchange, a signed copy of the Direct Edge Exchange Data Vendor Agreement for Non-Members.
- Completed Direct Edge System Description/Data Feed request form
- Direct Edge Affiliate List (if applicable)
- Direct Edge Service Facilitator List (if applicable)

No new Data Recipient may receive any Data Feeds until and unless Direct Edge has approved the specific nature of the Data Feeds to be provided to such Data Recipient.

6.2 Approval Process

After the documentation is completed, the prospective Data Recipient must forward the required documentation (as described above) to Direct Edge for approval to marketdata@directedge.com. Direct Edge will review the application and may contact the Data Recipient directly for additional information. The review of the application includes, but is not limited to, a review of the intended use of the Exchange Data and the entitlements. Upon approval, Direct Edge will forward an approval letter via fax or e mail to both the approved Data Recipient and the applicable Data Feed Distributor. Once the approval letter is received, the Data Feed Distributor is authorized to provide the approved Data Feeds to the Data Recipient.

Please note that if a Data Feed Distributor provides Exchange Data to an unapproved Data Recipient or releases any Data Feeds prior to approval, the Data Feed Distributor is responsible for paying Direct Edge any fees and other charges that would have been assessed such Data Recipient during the unauthorized time frame had the Data Recipient or release of Data Feeds to such Data Recipient, as relevant, been approved.

7. Controlled Data Distributor Requirements

7.1 Internal Controlled Data Distributors

Internal Controlled Data Distributors have the right to provide Direct Edge Exchange Data to employees of the Controlled Data Distributor or any Affiliate thereof identified on a Direct Edge Affiliate List submitted by the Controlled Data Distributor to Direct Edge, and are not required to qualify such Users to Direct Edge.

7.2 External Controlled Data Distributors

External Controlled Data Distributors must qualify their prospective external Users through one of the following methods, as outlined in (i)-(v) below, except for Users participating in a trial, as described in the Trial Usage section below, before any such Users can be entitled to receive Direct Edge Exchange Data:

- (i) Specific Terms to be Incorporated Into Contract Between External Controlled Data Distributor and User. Within its own written legally enforceable agreement with the User (each, an “**ECDD/User Agreement**”), each External Controlled Data Distributor must incorporate the following terms:
 - Direct Edge, Inc. shall retain all intellectual property rights in the Exchange Data provided to User;
 - Exchange Data that is provided is subject to all terms and conditions of the Direct Edge Exchange Data Vendor Agreement;
 - External Controlled Data Distributor has the right to monitor or audit to ensure User compliance with the ECDD/User Agreement;

Exhibit A-1

- User agrees to indemnify and hold harmless Direct Edge, Inc., its owners, subsidiaries, affiliates, officers, directors, employees, agents, and any related individuals and entities, from and against all expenses and costs and damages, including reasonable legal fees and expenses (collectively “**Losses**”), direct, consequential and/or incidental in nature, related to or based upon any claims, demands, proceedings, suits, and actions brought by third parties (each a “**Claim**”) resulting from, in connection with, or arising out of any receipt, use, display or distribution of Exchange Data by User or any other persons receiving any Exchange Data from User, or any employees, officers, agents or representatives of any of the foregoing (collectively, the “**User Parties**”), and for any failure by User or other User Parties to comply with the terms and conditions of this Agreement. Notwithstanding the foregoing, User shall have no obligations under this paragraph if and to the extent any Losses arising from a Claim were caused by the willful misconduct or gross negligence of Direct Edge, Inc.
 - Automatic termination of the ECDD/ User Agreement in the event of expiration or termination of the Data Agreement between External Controlled Data Distributor and Direct Edge, Inc.;
 - Direct Edge, Inc. is a third party beneficiary of the ECDD/ User Agreement, and shall thereby be entitled to receive the rights of External Controlled Data Distributor and enforce the provisions of the ECDD/User Agreement against User; *provided, however*, that (i) no provision of the ECDD/User Agreement shall impose upon Direct Edge, Inc. any obligations of External Controlled Data Distributor set forth therein, and (ii) except as otherwise provided above, Direct Edge, Inc. shall not be entitled to receive those rights of External Controlled Data Distributor in respect of which no corresponding right exists under the Data Agreement, including the right to collect any fees payable directly to External Controlled Data Distributor under the ECDD/User Agreement.
 - In addition, no terms of any ECDD/User Agreement shall in any manner conflict with the terms of the Data Agreement.
- (ii) *Specific Terms to be Incorporated by Reference into Contract Between External Controlled Data Distributor and User.* Include the following language in an ECDD/User Agreement between External Controlled Data Distributor and the User:

By executing this Agreement, _____ (deemed to be “**Data Recipient**” in the Direct Edge Exchange Data Vendor Agreement) agrees:

- a. That it has read and agrees to be bound by all provisions of the Data Agreement, a copy of which is attached hereto;
- b. That the Controlled Data Distributor is not an agent of Direct Edge, Inc. and is not authorized to amend any provision of the Data Agreement; and
- c. that no amendment has been hereby made to the Data Agreement.

Both the Data Recipient and the person executing on behalf of the Data Recipient warrant that the Data Recipient is legally able to undertake the obligations set forth in and the signatory is duly authorized to bind the Data Recipient to the Data Agreement.

- (iii) *Other ECDD/User Agreement.* Require User to enter into such other ECDD/User Agreement as is approved in writing by Direct Edge.
- (iv) *Click-Through Online Version of Data Agreement.* Facilitate a User entering into the Data Agreement directly with Direct Edge via a click-through version of such agreement, by copying the text of the member and non-member versions of the Data Agreement and completing the necessary programming to ensure the User can enter:

Exhibit A-1

- Firm Name
- Full Name of person authorized to sign the agreement
- Title of the person authorized to sign the agreement
- Date of Authorization

The following language should be provided to the User where the User must agree to it by marking the applicable checkbox, which states that: "ACCEPTED AND AGREED: I, the Data Recipient to which the preceding terms and conditions refer, acknowledge that I have read the preceding terms and conditions of this Agreement, that I understand them, and that I hereby manifest my assent to, and my agreement to comply with, those terms and conditions by "clicking" on the following box."

- (v) *Hard Copy Agreement.* Facilitate a User entering into the Data Agreement directly with Direct Edge, by (a) providing to User a hard copy of the then current version of the member or non-member version of the Data Agreement (as applicable), (b) requiring the User to sign the appropriate agreement, and (c) keeping a hard copy of the signed agreement with in the Distributor's files.

7.3 Notice and Enforcement

Each External Controlled Data Distributor shall (i) enforce each of its User's compliance with the terms of the Data Agreement or ECDD/User Agreement, as applicable; (ii) provide Direct Edge written notice of any violation thereof by a User, immediately upon becoming aware of such violation; (iii) provide Direct Edge notice of termination of any ECDD/User Agreement, immediately upon receiving or serving notice of such termination; (iv) provide Direct Edge a true and correct copy of any Data Agreement entered into by any of its Users or any ECDD/User Agreement, together with details of any electronic execution of any click-through version thereof, as applicable, promptly upon Direct Edge's request therefor; (v) provide Direct Edge any assistance as Direct Edge may reasonably request in enforcing Direct Edge's rights under any Data Agreement with any User of External Controlled Data Distributor or any ECDD/User Agreement; (vi) upon Direct Edge's request, cease providing any Data Feed to any User; and (vii) provide Direct Edge written notice promptly upon becoming aware of any acts or omissions of any User or other person, in addition to those otherwise required to be reported herein, which External Controlled Data Distributor believes, in its reasonable discretion, might jeopardize or prejudice the rights of Direct Edge in any Exchange Data or threaten the security or operations of any systems or other technology utilized by or on behalf of Direct Edge or Distributor to disseminate any Data Feeds.

7.4 Website Delivery

Controlled Data Distributors, but not Data Feed Distributors, may deliver Exchange Data to their Users via one or more public Internet Uniform Resource Locators (URLs) with a single commercial brand or identify (each, a "**Website**.") Controlled Data Distributors are not required to report Users accessing the Data Recipient's Website.

7.5 Hosted Solutions

Controlled Data Distributors may also provide clients with a controlled product that contains Exchange Data offered by a Controlled Data Distributor on behalf of a client organization, where the Controlled Data Distributor provides Exchange Data to a client organization's external Users by creating and administering a Website or other system on behalf of the client, which system is substantially controlled by the Controlled Data Distributor substantially for the purpose of reporting usage or qualification but is white labeled with client's name and/or brand(s) to appear as though it is offered by or on behalf of the client organization, or otherwise benefits such client organization (each, a "**Hosted Solution**"). Each Controlled Data Distributor that provides a Hosted Solution must sign the Data Agreement and describe the Hosted Solution offered within the System Description/Data Feed request form. Display Usage quantity reporting for Hosted

Solutions may be required depending on the product's reporting requirements specified within section 8.3 of these Requirements.

7.6 Trial Usage

External Controlled Data Distributors are permitted to provide real-time Exchange Data to their Users through a trial or for demonstration purposes for a limited time. If an External Controlled Data Distributor desires to provide Exchange Data to any User on a trial basis, such External Controlled Data Distributor is not required to qualify Users through one of the methods identified above in the event the Exchange Controlled Data Distributor (i) enters into the Exchange Controlled Data Distributor Trial Addendum or such alternative written agreement as is approved in writing by Direct Edge (the "**ECDD Trial Addendum**") and (ii) fully complies with each of the following requirements:

- No User shall be permitted to use Exchange Data pursuant to the ECDD Trial Addendum for a period of longer than thirty (30) days (the "**Trial Period**"). At the end of the Trial Period, the User which has participated in the trial must cease all use of the Exchange Data or be qualified (as of the effective date of termination of the Trial Period) through one of the methods identified above.
- Each User may participate in the trial only once for each Exchange Data product offered by Direct Edge.
- External Controlled Data Distributor must (i) maintain continuously a list of each User firm to which Exchange Data is provided under the ECDD Trial Addendum, and including firm name and contact information, the specific Exchange Data product to which such User was provided access, the date such User firm commenced receiving the Exchange Data, and the last date upon which the User firm received the Exchange Data pursuant to the ECDD Trial Addendum; and (ii) provide such documentation to Direct Edge via marketdata@directedge.com, promptly upon Direct Edge's request.

8. Usage Reporting Requirements

8.1 Display and Non-Display Unit of Count

As previously defined, "Display Usage" is the access to and/or use of Exchange Data by a User via a graphical user interface, application or other medium which displays Exchange Data. Access is gained through display devices that are entitled to permit the User to view Exchange Data.

"Non-Display Usage" is any accessing, use, processing and/or consuming of Exchange Data that is not Display Usage, including but not limited to accessing, use, processing and/or consuming of Exchange Data by a machine or automated device for a purpose other than to display Exchange Data. Non-Display Usage may include but is not limited to:

- Algorithmic/automated trading
- Order routing
- Surveillance
- Order management
- Risk management

Firms are required to report to Direct Edge the quantity of devices used for Non-Display Usage; *provided, however*, that firms are not required to report devices that are used for distribution of the Exchange Data, such as network switches or routers.

8.2 Internal Data Distributor Reporting (Controlled and Uncontrolled)

An “**Internal Data Distributor**” is an Internal Controlled Data Distributor or other Data Recipient that distributes Exchange Data internally to employees, authorized agents and approved Affiliates of such Data Recipient. Internal Data Distributors are not required to report Display Usage quantities to Direct Edge. However, Internal Data Distributors *are required to report to Direct Edge the number of devices used for Non-Display Usage on a monthly basis*, using the TCB Data Direct Device Reporting (DDR) Tool (“**TCB Data**”) to facilitate their reports.

8.3 External Controlled Data Distributor Reporting

External Controlled Data Distributors (as defined above) are required to report the number of devices used for Display Usage to Direct Edge depending on the requirements for the specified Exchange Data product as follows:

Product	Display User Reporting Requirement
EdgeBook Depth EDGA	No Reporting Required
EdgeBook Depth EDGX	No Reporting Required
BATS One	Monthly Reporting Required ¹

If a product shown above requires no reporting, External Controlled Data Distributors do not have to report the Users receiving the controlled data or User display quantities. For products that required Display User Reporting, External Controlled Data Distributors must count every Professional User and Non-Professional User to which they provide Exchange Data. Thus, the External Controlled Data Distributor’s count will include every User that accesses the data regardless of the purpose for which the User uses the Exchange Data. External Controlled Data Distributors must report all Professional and Non-Professional Users in accordance with the following:

- In connection with an External Controlled Data Distributor’s distribution of Exchange Data, the External Controlled Data Distributor should count as one User each unique User that the External Controlled Data Distributor has entitled to have access to the Exchange Data. However, where a device is dedicated specifically to a single individual, the External Controlled Data Distributor should count only the individual and need not count the device.
- The External Controlled Data Distributor should identify and report each unique User. If a User uses the same unique method to gain access to the Exchange data, the External Controlled Data Distributor should count that as one User. However, if a unique User uses multiple methods to gain access to the Exchange Data (e.g., a single User has multiple passwords and user identifications), the External Controlled Data Distributor should report all of those methods as one User.
- External Controlled Data Distributors should report each unique individual person who receives access through multiple devices as one User so long as each device is dedicated specifically to that individual.

¹ Pending SEC approval

Exhibit A-1

- If an External Controlled Data Distributor entitles one or more individuals to use the same device, the External Controlled Data Distributor should include only the individuals, and not the device, in the count.

External Controlled Data Distributors must submit usage reports of real-time Exchange data on a monthly basis using either TCB Data or the BATS Data Recipient Declaration system. Each report must include the following:

- User Firm name, contact information, and billing address
- Address at which User Firm receives the Exchange Data
- Type of service
- The earliest date upon which a User receives the Exchange Data from the External Controlled Data Distributor
- The last date upon which a User receives the Exchange Data from the External Controlled Data Distributor (termination date)
- Number of Display Users

External Controlled Data Distributors that distribute Exchange Data to Users that have obtained an Enterprise license are not required to report User quantities monthly, but are required to provide User quantities every six months.

Display Usage Fees

Display Usage fees by Users will be collected by the External Controlled Data Distributor and then remitted to BATS, including Enterprise fees, if applicable. See Section 12 of these Requirements for more details.

8.4 Data Feed Distributor Reporting

Direct Edge requires all Data Feed Distributors of real-time Exchange Data to submit reports, on a monthly basis, using the TCB Data Subscriber On-Line Activity Reporting System (SOLAR), providing firm and Data Feed details (as described below) for each third party receiving Data Feeds. Notwithstanding the foregoing, Data Feed Distributors that disseminate Data Feeds to 10 or fewer third parties are required to report details on a quarterly, rather than a monthly, basis. Each such report must include the following:

- Data Recipient name, contact information, and billing address
- Address at which Data Recipient receives the Data Feed
- Type of service — EdgeBook EDGX, EdgeBook EDGA, etc.
- The earliest date upon which a Data Recipient receives any Data Feed from the Data Feed Distributor (installation date)
- The last date upon which a Data Recipient receives Data Feeds from the Data Feed Distributor (termination date)

Data Feed Distributors must use TCB Data SOLAR to facilitate their reports.

8.5 Reporting using TCB Data or BATS Data Recipient Declaration System

TCB Data allows Data Recipients to report by entering details directly or via upload. Please use SOLAR for Data Feed Distributor reporting and DDR for Non-Display Usage reporting. You may use SOLAR or the BATS Data Recipient Declarations tool for Display Usage reporting. Monthly reporting for the prior month's activity is due on the 15th of the current month (i.e., May 15th is the due date for April reporting). Quarterly reporting is due on the 15th of January, April, July and October for the preceding three months (i.e., April 15th is the due date for January, February, and March reporting). For Display Usage reporting, firms may submit revised reporting in order to correct errors in the reporting of total quantities or User categorization. You may only submit revised reporting within 60 days of the date where usage activity occurred 30 calendar days after the reporting due date (i.e., June 14th for April reporting). If you plan to use TCB Data, the TCB Data website, www.tcbdata.com, provides documentation and specifications for reporting firm information.

Please contact BATS Market Data Services at marketdata@bats.com for information on how to report Display Usage quantities using the BATS system and Direct Edge Market Data Services at marketdata@directedge.com if you have any questions about reporting requirements or TCB Data. If you are new to BATS or TCB Data, a user login will be created for you to access the system for reporting. If you use the BATS Data Recipient Declarations tool to report usage for other BATS data feeds or use TCB Data to report to another exchange, you may use your same login and processes to report usage to Direct Edge.

9. Service Facilitator

The Data Recipient may delegate any of its responsibilities, obligations or duties under or in connection with this Data Agreement to an authorized third party agent ("**Service Facilitator**"), which may discharge those responsibilities, obligations or duties on behalf of Data Recipient in accordance with the Data Agreement; *provided, however*, that Data Recipient shall be and will remain responsible for compliance by such Service Facilitators with all applicable terms and conditions of this Agreement and all other acts and omissions thereby in connection with the receipt, use and distribution of the Exchange Data. Service Facilitators may support one or more functions for the Data Recipient including, but not limited to, website operation, software development, facilities and equipment operation, and service installation. The Data Recipient must, through a legally enforceable written agreement with each Service Facilitator:

- Ensure Direct Edge, Inc. is protected to the same extent as if the Service Facilitator were a party to the Data Agreement, including without limitation by permitting Direct Edge to audit the Service Facilitator on the same terms as Direct Edge is permitted to audit Data Recipient under the Data Agreement.
- Ensure no terms of such agreement conflict with the terms of the Data Agreement.
- Ensure Data Feed or controlled data distribution of Exchange Data to a Data Recipient may occur only after the Data Recipient is authorized by Direct Edge or Data Recipient is qualified through one of the Controlled Data Distributor qualification methods outlined above.
- Ensure the Distributor, and not the Service Facilitator, controls all entitlement of Exchange Data to the Data Recipient.

Notwithstanding the foregoing, Service Facilitators acting beyond the scope of service facilitator duties, as such functions are described above, will be asked to sign a Data Agreement if the Service Facilitator receives a Data Feed.

Finally, if Data Recipient uses any Service Facilitators, Data Recipient must provide a list of all Service Facilitators to Direct Edge on the Service Facilitator form.

10. Delayed Data

Once a period of time has passed since the dissemination of Exchange Data by Direct Edge, Real-time Exchange Data will become Delayed Exchange Data. There are different requirements for the distribution of Delayed Exchange Data vs. Real-time Exchange Data. The following definitions will apply:

- **Delay Period** – Period of time that has passed since the dissemination of Exchange Data by Direct Edge, currently 15 minutes.
- **Real-time Exchange Data** – Exchange Data distributed prior to the Delay Period.
- **Delayed Exchange Data** – Exchange Data distributed after the Delay Period.

Controlled Data Distributors of Delayed Exchange Data are not required to qualify Users in respect of receipt of Delayed Exchange Data identified in the Controlled Data Requirements section. In addition, Data Feed Distributors of Delayed Exchange Data are not required to obtain a Data Agreement from the Data Recipient in respect of receipt of Delayed Exchange Data. The waiver of the qualification and agreement requirement by Direct Edge does not limit the Controlled or Data Feed Distributor's obligations as described within the Data Agreement. Data Recipients may distribute Delayed Exchange Data on any web sites owned or operated thereby.

11. Derived Data

“**Derived Data**” is pricing data or other data that (i) is created in whole or in part from the Exchange Data and (ii) cannot be readily reverse-engineered to recreate the Exchange Data or used to create other data that is a reasonable facsimile for the Exchange Data. Distributors of Derived Data must use the System Description/Data Feed request form to describe any Derived Data created using Direct Edge Exchange Data. However, Distributors of Derived Data are not required to report firms or Users receiving Derived Data.

12. Fees

Fees for Exchange Data, if and when assessed by the Exchange, will be shown on the Direct Edge web site at: <http://www.directedge.com/Membership/FeeSchedule/EDGAFeeSchedule.aspx> or <http://www.directedge.com/Membership/FeeSchedule/EDGXFeeSchedule.aspx>

If a Data Recipient is distributing the BATS One Feed internally and externally, the Data Recipient will be required to pay both the Internal Distribution Fee and the External Distribution Fee.

13. Audit

In accordance with the terms outlined in the Data Agreement, each Data Recipient must make available to Direct Edge or its appointed agent, for physical inspection and audit, all books and records relating to Data Recipient's performance of its obligations and exercise of its rights under the Data Agreement, and all technology and premises of Data Recipient relevant to its performance of its obligations and exercise of its rights under the Data Agreement, in order for Direct Edge, Inc. or its appointed agent to verify the accuracy of reports provided by Data Recipient to Direct Edge and the compliance by Data Recipient of all terms and conditions of the Data Agreement, including without limitation the receipt, use, display and distribution of Exchange Data. This audit must occur during normal business hours and upon reasonable notice to Data Recipient. Direct Edge may inspect and audit for compliance by the Data Recipient for a period of two (2) years following the effective date of termination of the Data Agreement. If the inspection and audit determines there is underreporting, underpayment or other financial non-compliance with the Data Agreement, then all such amounts owed to Direct Edge shall be remitted to Direct Edge within thirty (30) days of receipt by Data Recipient of an invoice therefor, which shall be provided following completion of the inspection and audit.

14. Direct Edge Affiliates

The following entities are the current DEI Affiliates, as referenced within the Data Agreement:

- Direct Edge Holdings LLC
- EDGA Exchange, Inc.
- EDGX Exchange, Inc.
- Direct Edge ECN LLC (d/b/a DE Route)

Direct Edge Market Data Requirements

APPENDIX A

DEI MARKS

Data Recipient must use all DEI Marks in compliance with the following:

Mark	Symbol	Registration/Serial Number
Direct Edge	®	3672274
EDGA ®		3717786
EDGX ®		3756701
EdgeBook Attributed	SM 85/673	139
EdgeBook Depth	SM 85/811	733

Marks should be represented as stated above. Symbols are necessary to include only on the first reference within a given document and in accordance with Appendix B.

APPENDIX B

Logo Guidelines

Colors

The full color Direct Edge full color logo should only be used on a white or light grey (<15%) background.



Direct Edge Colors:

Pantone
CMYK
RGB

540U
100, 55, 0, 55
1, 54, 104

298U
69, 7, 0, 0
26, 183, 234

50.2, 27.61, 0, 27.61
99, 128, 168

34.64, 3.51, 0, 0
159, 214, 244

Logo Size and Spacing

When printed, the logo should never be smaller than 1 inch wide.



There are no restrictions for how the large-scale reproduction can appear. Use the “e” in Direct Edge as the minimum space between the logo and text or other images.



Typeface and Nomenclature

In the logo, the company name should always appear as one word with no space between Direct and Edge. However, **when typing or writing the company name it is always presented as two words, initial cap.** The only exception is email address and website, which should be written as one word all lower case - www.directedge.com.

In most instances, the logo will be supplied in jpeg format, as such it will not be possible to manipulate the design. Under no circumstances should any other typeface(s) be used when reproducing the logo.

Direct Edge Market Data Requirements

Logos

Full Color



One Color - PMS 298



One Color - PMS 540



One Color - Black



Reversed out - for use on black or dark background



Grayscale



Direct Edge Market Data Requirements

Service Marks and Legal

The superscript service and trademark indicators go before the punctuation following a word and should be in all caps.

100012818v5



Direct Edge, ~~Inc.~~ Market Data Requirements

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Under the terms of the Direct Edge Exchange Data Vendor Agreement (“**Data Agreement**”), Data Recipients must adhere to the following requirements. Subject to the terms of the Data Agreement, Direct Edge, Inc. (“**Direct Edge**”) reserves the right to update these Direct Edge Market Data Requirements (the “**Requirements**”) from time to time and will communicate any updates via email to those market data contacts provided to Direct Edge by Data Recipients who have entered into a Data Agreement. All capitalized terms used herein that are not defined below are defined in the Data Agreement.

1. Definitions

Controlled Data Distributor – A Data Recipient that (i) provides Exchange Data to a User and (ii) controls the entitlements of and the display of such Exchange Data to such User. If the User is either an employee of the Controlled Data Distributor or is an employee of an Affiliate of the Controlled Data Distributor identified on the Direct Edge Affiliate List submitted by such Controlled Data Distributor to Direct Edge, such Controlled Data Distributor shall be an “**Internal Controlled Data Distributor**.” If the User is not an employee of the Controlled Data Distributor or of an Affiliate thereof identified on the relevant Direct Edge Affiliate List, such Controlled Data Distributor shall be an “**External Controlled Data Distributor**.”

Data Feed – A transmission of Direct Edge Exchange Data, as specifically identified within the System Description/Data Feed Request form, by a distributor which does not control both the entitlements and the display of such Exchange Data. A Data Feed is considered an uncontrolled distribution of Exchange Data.

Data Feed Distributor – A Data Recipient that is authorized by Direct Edge to retransmit/redistribute a Direct Edge Data Feed to any third party.

Data Recipient – A third party that receives a Direct Edge Data Feed directly from Direct Edge or through a third party that is a Data Feed Distributor.

Display Usage – The access to and/or use of Exchange Data by a natural person via a graphical user interface, application or other medium which displays Exchange Data.

Non-Display Usage – Any accessing, use, processing and/or consuming of Exchange Data that is not Display Usage, including but not limited to accessing, use, processing and/or consuming of Exchange Data by a machine or automated device for a purpose other than to display Exchange Data.

Non-Professional User – A natural person who is not: (i) registered or qualified in any capacity with the Commission, the Commodity Futures Trading Commission, any state securities agency, any securities exchange or association; any commodities or futures contract market or association; (ii) engaged as an “investment adviser” as that term is defined in Section 201(11) of the Investment Advisers Act of 1940 (whether or not registered or qualified under that Act); or (iii) employed by a bank or other organization exempt from registration under federal or state securities laws to perform functions that will require registration or qualification if such functions were performed for an organization not so exempt.”

Professional User – Any User other than a Non-Professional User.

User – A natural person, a proprietorship, corporation, partnership, or other entity, or a device (computer or other automated service), that is entitled to receive Direct Edge Exchange Data for Display Usage.
2. Display Requirements

2.1 Attribution

Data Recipient shall use commercially reasonable efforts to ensure that, to the extent technically practicable, in accordance with Data Recipient’s customary practices and procedures, and in a manner

consistent with Data Recipient's attribution practices for third party providers of similar data, the Exchange Data is clearly attributed as originating from the Exchange in compliance with this paragraph. Each Data Recipient (including each Data Feed Distributor and each Controlled Data Distributor) must identify Direct Edge as the source of any Direct Edge Exchange Data by displaying in a prominent manner the name "Direct Edge" and the relevant exchange, "**EDGX Exchange**" or "**EDGA Exchange**," on all displays of Exchange Data. If the Exchange Data is being provided on a delayed basis, the Data Recipient must also appropriately attribute Exchange Data as delayed (e.g., "**Data Delayed 15 Minutes**"). Alternatives for Exchange Data attribution on displays may be permitted upon the prior written consent of Direct Edge if the alternative accurately and unambiguously describes the source of the Exchange Data. Requests for alternative attribution may be made via email to marketdata@directedge.com.

2.2 Marketing Materials

Each Data Recipient may use Direct Edge's corporate name, the names of Direct Edge's market data products, and the trademarks of Direct Edge set forth in Appendix A attached hereto (all such names and marks collectively, the "**DEI Marks**") in any marketing, publicity or advertising materials related to the business of Data Recipient, *provided that* such use of the DEI Marks is solely for purposes of exercising Data Recipient's rights under the Data Agreement and is in compliance with those guidelines for use of the DEI Marks set forth in Appendix B attached hereto ("**Guidelines**").

3. Record Retention Requirements

Each Data Recipient must create and maintain complete and accurate books and records relating to the Data Recipient's performance of its obligations and exercise of its rights under this Data Agreement (collectively, "**Records**"), including without limitation the receipt, use, display and distribution of Exchange Data.

4. Data Recipient Approval Requirements for Receipt of a Data Feed

Each firm that is already receiving or is requesting a Data Feed must complete and submit to Direct Edge a System Description/Data Feed request form. The form requires firms to identify the desired feed and provide contact information for key market data individuals (as set forth in the System Description/Data Feed request form), a description of the feed's use and a description of how the feed is entitled (as described in the System Description/Data Feed request form). Each completed Direct Edge System Description/Data Feed request form should be emailed to marketdata@directedge.com for approval.

5. Distribution to Affiliates of Data Recipient

In addition, any Data Recipient that distributes Exchange Data to an Affiliate of Data Recipient must complete and submit the Direct Edge Affiliate List showing the Affiliates receiving Exchange Data. An "**Affiliate**" is defined as any entity that, directly or indirectly Controls, is Controlled by, or is under common Control with Data Recipient. "**Control**" means the power to direct or cause the direction of the management of policies of another entity, whether through the ownership of voting securities, by contract, or otherwise. By submitting the names of its Affiliate(s), the Data Recipient agrees that the contact information provided shall be deemed to be the current contact information for each Affiliate. Each completed Direct Edge Affiliate List should be emailed to marketdata@directedge.com for approval.

6. Data Feed Distributor Requirements

To become a Data Feed Distributor, a Data Recipient must describe, using the System Description/Data Feed request form, its plan to distribute Data Feeds externally to a third party.

6.1 Request Process

Data Feed Distributors are responsible for either directing each prospective third party Data Recipient to download required documentation from the Direct Edge website, or providing a hard copy of each item of required documentation to the prospective Data Recipient. Required documentation includes the following:

- Signed copy of the Direct Edge Exchange Data Vendor Agreement for Members, or if the firm is a non-member of EDGA Exchange or EDGX Exchange, a signed copy of the Direct Edge Exchange Data Vendor Agreement for Non-Members.
- Completed Direct Edge System Description/Data Feed request form
- Direct Edge Affiliate List (if applicable)
- Direct Edge Service Facilitator List (if applicable)

No new Data Recipient may receive any Data Feeds until and unless Direct Edge has approved the specific nature of the Data Feeds to be provided to such Data Recipient.

6.2 Approval Process

After the documentation is completed, the prospective Data Recipient must forward the required documentation (as described above) to Direct Edge for approval to marketdata@directedge.com. Direct Edge will review the application and may contact the Data Recipient directly for additional information. The review of the application includes, but is not limited to, a review of the intended use of the Exchange Data and the entitlements. Upon approval, Direct Edge will forward an approval letter via fax or email to both the approved Data Recipient and the applicable Data Feed Distributor. Once the approval letter is received, the Data Feed Distributor is authorized to provide the approved Data Feeds to the Data Recipient.

Please note that if a Data Feed Distributor provides Exchange Data to an unapproved Data Recipient or releases any Data Feeds prior to approval, the Data Feed Distributor is responsible for paying Direct Edge any fees and other charges that would have been assessed such Data Recipient during the unauthorized time frame had the Data Recipient or release of Data Feeds to such Data Recipient, as relevant, been approved.

7. Controlled Data Distributor Requirements

7.1 Internal Controlled Data Distributors

Internal Controlled Data Distributors have the right to provide Direct Edge Exchange Data to employees of the Controlled Data Distributor or any Affiliate thereof identified on a Direct Edge Affiliate List submitted by the Controlled Data Distributor to Direct Edge, and are not required to qualify such Users to Direct Edge.

7.2 External Controlled Data Distributors

External Controlled Data Distributors must qualify their prospective external Users through one of the following methods, as outlined in (i)- (v) below, except for Users participating in a trial, as described in the Trial Usage section below, before any such Users can be entitled to receive Direct Edge Exchange Data:

- (i) Specific Terms to be Incorporated Into Contract Between External Controlled Data Distributor and User. Within its own written legally enforceable agreement with the User (each, an “**ECDD/User Agreement**”), each External Controlled Data Distributor must incorporate the following terms:

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- Direct Edge, Inc. shall retain all intellectual property rights in the Exchange Data provided to User;
- Exchange Data that is provided is subject to all terms and conditions of the Direct Edge Exchange Data Vendor Agreement;
- External Controlled Data Distributor has the right to monitor or audit to ensure User compliance with the ECDD/User Agreement;
- User agrees to indemnify and hold harmless Direct Edge, Inc., its owners, subsidiaries, affiliates, officers, directors, employees, agents, and any related individuals and entities, from and against all expenses and costs and damages, including reasonable legal fees and expenses (collectively “**Losses**”), direct, consequential and/or incidental in nature, related to or based upon any claims, demands, proceedings, suits, and actions brought by third parties (each a “**Claim**”) resulting from, in connection with, or arising out of any receipt, use, display or distribution of Exchange Data by User or any other persons receiving any Exchange Data from User, or any employees, officers, agents or representatives of any of the foregoing (collectively, the “**User Parties**”), and for any failure by User or other User Parties to comply with the terms and conditions of this Agreement. Notwithstanding the foregoing, User shall have no obligations under this paragraph if and to the extent any Losses arising from a Claim were caused by the willful misconduct or gross negligence of Direct Edge, Inc.
- Automatic termination of the ECDD/User Agreement in the event of expiration or termination of the Data Agreement between External Controlled Data Distributor and Direct Edge, Inc.;
- Direct Edge, Inc. is a third party beneficiary of the ECDD/User Agreement, and shall thereby be entitled to receive the rights of External Controlled Data Distributor and enforce the provisions of the ECDD/User Agreement against User; *provided, however*, that (i) no provision of the ECDD/User Agreement shall impose upon Direct Edge, Inc. any obligations of External Controlled Data Distributor set forth therein, and (ii) except as otherwise provided above, Direct Edge, Inc. shall not be entitled to receive those rights of External Controlled Data Distributor in respect of which no corresponding right exists under the Data Agreement, including the right to collect any fees payable directly to External Controlled Data Distributor under the ECDD/User Agreement.
- In addition, no terms of any ECDD/User Agreement shall in any manner conflict with the terms of the Data Agreement.
- (ii) *Specific Terms to be Incorporated by Reference into Contract Between External Controlled Data Distributor and User.* Include the following language in an ECDD/User Agreement between External Controlled Data Distributor and the User:

By executing this Agreement, _____ (deemed to be “**Data Recipient**” in the Direct Edge Exchange Data Vendor Agreement) agrees:

- a. That it has read and agrees to be bound by all provisions of the Data Agreement, a copy of which is attached hereto;
- b. That the Controlled Data Distributor is not an agent of Direct Edge, Inc. and is not authorized to amend any provision of the Data Agreement; and
- c. that no amendment has been hereby made to the Data Agreement.

Both the Data Recipient and the person executing on behalf of the Data Recipient warrant that the Data Recipient is legally able to undertake the obligations set forth in and the signatory is duly authorized to bind the Data Recipient to the Data Agreement.

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- (iii) Other ECDD/User Agreement. Require User to enter into such other ECDD/User Agreement as is approved in writing by Direct Edge.
- (iv) Click-Through Online Version of Data Agreement. Facilitate a User entering into the Data Agreement directly with Direct Edge via a click-through version of such agreement, by copying the text of the member and non-member versions of the Data Agreement and completing the necessary programming to ensure the User can enter:
 - Firm Name
 - Full Name of person authorized to sign the agreement
 - Title of the person authorized to sign the agreement
 - Date of Authorization

The following language should be provided to the User where the User must agree to it by marking the applicable checkbox, which states that: “ACCEPTED AND AGREED: I, the Data Recipient to which the preceding terms and conditions refer, acknowledge that I have read the preceding terms and conditions of this Agreement, that I understand them, and that I hereby manifest my assent to, and my agreement to comply with, those terms and conditions by “clicking” on the following box.”

- (v) Hard Copy Agreement. Facilitate a User entering into the Data Agreement directly with Direct Edge, by (a) providing to User a hard copy of the then current version of the member or non-member version of the Data Agreement (as applicable), (b) requiring the User to sign the appropriate agreement, and (c) keeping a hard copy of the signed agreement within the Distributor’s files.

7.3 Notice and Enforcement

Each External Controlled Data Distributor shall (i) enforce each of its User’s compliance with the terms of the Data Agreement or ECDD/User Agreement, as applicable; (ii) provide Direct Edge written notice of any violation thereof by a User, immediately upon becoming aware of such violation; (iii) provide Direct Edge notice of termination of any ECDD/User Agreement, immediately upon receiving or serving notice of such termination; (iv) provide Direct Edge a true and correct copy of any Data Agreement entered into by any of its Users or any ECDD/User Agreement, together with details of any electronic execution of any click-through version thereof, as applicable, promptly upon Direct Edge’s request therefor; (v) provide Direct Edge any assistance as Direct Edge may reasonably request in enforcing Direct Edge’s rights under any Data Agreement with any User of External Controlled Data Distributor or any ECDD/User Agreement; (vi) upon Direct Edge’s request, cease providing any Data Feed to any User; and (vii) provide Direct Edge written notice promptly upon becoming aware of any acts or omissions of any User or other person, in addition to those otherwise required to be reported herein, which External Controlled Data Distributor believes, in its reasonable discretion, might jeopardize or prejudice the rights of Direct Edge in any Exchange Data or threaten the security or operations of any systems or other technology utilized by or on behalf of Direct Edge or Distributor to disseminate any Data Feeds.

7.4 Website Delivery

Controlled Data Distributors, but not Data Feed Distributors, may deliver Exchange Data to their Users via one or more public Internet Uniform Resource Locators (URLs) with a single commercial brand or identify (each, a “**Website**.”) Controlled Data Distributors are not required to report Users accessing the Data Recipient’s Website.

7.5 Hosted Solutions

Controlled Data Distributors may also provide clients with a controlled product that contains Exchange Data offered by a Controlled Data Distributor on behalf of a client organization, where the Controlled Data Distributor provides Exchange Data to a client organization's external Users by creating and administering a Website or other system on behalf of the client, which system is substantially controlled by the Controlled Data Distributor substantially for the purpose of reporting usage or qualification but is white labeled with client's name and/or brand(s) to appear as though it is offered by or on behalf of the client organization, or otherwise benefits such client organization (each, a **"Hosted Solution"**). Each Controlled Data Distributor that provides a Hosted Solution must sign the Data Agreement and describe the Hosted Solution offered within the System Description/Data Feed request form. ~~However, usage~~ Display Usage quantity reporting for Hosted Solutions ~~is not required~~ may be required depending on the product's reporting requirements specified within section 8.3 of these Requirements.

7.6 Trial Usage

External Controlled Data Distributors are permitted to provide real-time Exchange Data to their Users through a trial or for demonstration purposes for a limited time. If an External Controlled Data Distributor desires to provide Exchange Data to any User on a trial basis, such External Controlled Data Distributor is not required to qualify Users through one of the methods identified above in the event the Exchange Controlled Data Distributor (i) enters into the Exchange Controlled Data Distributor Trial Addendum or such alternative written agreement as is approved in writing by Direct Edge (the **"ECDD Trial Addendum"**) and (ii) fully complies with each of the following requirements:

- No User shall be permitted to use Exchange Data pursuant to the ECDD Trial Addendum for a period of longer than thirty (30) days (the **"Trial Period"**). At the end of the Trial Period, the User which has participated in the trial must cease all use of the Exchange Data or be qualified (as of the effective date of termination of the Trial Period) through one of the methods identified above.
- Each User may participate in the trial only once for each Exchange Data product offered by Direct Edge.
- External Controlled Data Distributor must (i) maintain continuously a list of each User firm to which Exchange Data is provided under the ECDD Trial Addendum, and including firm name and contact information, the specific Exchange Data product to which such User was provided access, the date such User firm commenced receiving the Exchange Data, and the last date upon which the User firm received the Exchange Data pursuant to the ECDD Trial Addendum; and (ii) provide such documentation to Direct Edge via marketdata@directedge.com, promptly upon Direct Edge's request.

8. Usage Reporting Requirements

8.1 Display and Non-Display Unit of Count

As previously defined, "Display Usage" is the access to and/or use of Exchange Data by a ~~natural person~~ User via a graphical user interface, application or other medium which displays Exchange Data. Access is gained through display devices that are entitled to permit the User to view Exchange Data. ~~Direct Edge does not require Internal Data Distributors (as defined below), External Controlled Data Distributors, or Data Feed Distributors to report the number of devices used for Display Usage to Direct Edge.~~

"Non-Display Usage" is any accessing, use, processing and/or consuming of Exchange Data that is not Display Usage, including but not limited to accessing, use, processing and/or consuming of Exchange

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Data by a machine or automated device for a purpose other than to display Exchange Data. Non-Display Usage may include but is not limited to:

- Algorithmic/automated trading
- Order routing
- Surveillance
- Order management
- Risk management

Firms are required to report to Direct Edge the quantity of devices used for Non-Display Usage; *provided, however*, that firms are not required to report devices that are used for distribution of the Exchange Data, such as network switches or routers.

8.2 Internal Data Distributor Reporting (Controlled and Uncontrolled)

An “**Internal Data Distributor**” is an Internal Controlled Data Distributor or other Data Recipient that distributes Exchange Data internally to employees, authorized agents and approved Affiliates of such Data Recipient. Internal Data Distributors are not required to report Display Usage quantities to Direct Edge. However, Internal Data Distributors *are required to report to Direct Edge the number of devices used for Non-Display Usage on a monthly basis*, using the TCB Data Direct Device Reporting (DDR) Tool (“**TCB Data**”) to facilitate their reports.

8.3 External Controlled Data Distributor Reporting

External Controlled Data Distributors (as defined above) are ~~not~~ required to report the number of devices used for Display Usage to Direct Edge. ~~However, External Data Distributors are required to report the number of devices used for Non-Display Usage on a monthly basis, using TCB Data to facilitate their reports.~~ depending on the requirements for the specified Exchange Data product as follows:

<u>Product</u>	<u>Display User Reporting Requirement</u>
<u>EdgeBook Depth EDGA</u>	<u>No Reporting Required</u>
<u>EdgeBook Depth EDGX</u>	<u>No Reporting Required</u>
<u>BATS One</u>	<u>Monthly Reporting Required¹</u>

If a product shown above requires no reporting, External Controlled Data Distributors do not have to report the Users receiving the controlled data or User display quantities. For products that required Display User Reporting, External Controlled Data Distributors must count every Professional User and Non-Professional User to which they provide Exchange Data. Thus, the External Controlled Data Distributor's count will include every User that accesses the data regardless of the purpose for which the User uses the Exchange Data. External Controlled Data Distributors must report all Professional and Non-Professional Users in accordance with the following:

- In connection with an External Controlled Data Distributor's distribution of Exchange Data, the External Controlled Data Distributor should count as one User each unique User that the External Controlled Data Distributor has entitled to have access to the Exchange Data. However, where a

¹ Pending SEC approval

device is dedicated specifically to a single individual, the External Controlled Data Distributor should count only the individual and need not count the device.

- The External Controlled Data Distributor should identify and report each unique User. If a User uses the same unique method to gain access to the Exchange data, the External Controlled Data Distributor should count that as one User. However, if a unique User uses multiple methods to gain access to the Exchange Data (e.g., a single User has multiple passwords and user identifications), the External Controlled Data Distributor should report all of those methods as one User.
- External Controlled Data Distributors should report each unique individual person who receives access through multiple devices as one User so long as each device is dedicated specifically to that individual.
- If an External Controlled Data Distributor entitles one or more individuals to use the same device, the External Controlled Data Distributor should include only the individuals, and not the device, in the count.

External Controlled Data Distributors must submit usage reports of real-time Exchange data on a monthly basis using either TCB Data or the BATS Data Recipient Declaration system. Each report must include the following:

- User Firm name, contact information, and billing address
- Address at which User Firm receives the Exchange Data
- Type of service
- The earliest date upon which a User receives the Exchange Data from the External Controlled Data Distributor
- The last date upon which a User receives the Exchange Data from the External Controlled Data Distributor (termination date)
- Number of Display Users

External Controlled Data Distributors that distribute Exchange Data to Users that have obtained an Enterprise license are not required to report User quantities monthly, but are required to provide User quantities every six months.

Display Usage Fees

Display Usage fees by Users will be collected by the External Controlled Data Distributor and then remitted to BATS, including Enterprise fees, if applicable. See Section 12 of these Requirements for more details.

8.4 Data Feed Distributor Reporting

Direct Edge requires all Data Feed Distributors of real-time Exchange Data to submit reports, on a monthly basis, using the TCB Data Subscriber On-Line Activity Reporting System (SOLAR), providing firm and Data Feed details (as described below) for each third party receiving Data Feeds. Notwithstanding the foregoing, Data Feed Distributors that disseminate Data Feeds to 10 or fewer third parties are required to report details on a quarterly, rather than a monthly, basis. Each such report must include the following:

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- Data Recipient name, contact information, and billing address
- Address at which Data Recipient receives the Data Feed
- Type of service — EdgeBook EDGX, EdgeBook EDGA, etc.
- The earliest date upon which a Data Recipient receives any Data Feed from the Data Feed Distributor (installation date)
- The last date upon which a Data Recipient receives Data Feeds from the Data Feed Distributor (termination date)

Data Feed Distributors must use TCB Data SOLAR to facilitate their reports.

8.5 Reporting using TCB Data or BATS Data Recipient Declaration System

TCB Data allows Data Recipients to report by entering details directly or via upload. Please use SOLAR for Data Feed Distributor reporting and DDR for Non-Display Usage reporting. You may use SOLAR or the BATS Data Recipient Declarations tool for Display Usage reporting. Monthly reporting for the prior month's activity is due on the 15th of the current month (i.e., May 15th is the due date for April reporting). Quarterly reporting is due on the 15th of January, April, July and October for the preceding three months (i.e., April 15th is the due date for January, February, and March reporting). ~~The~~ For Display Usage reporting, firms may submit revised reporting in order to correct errors in the reporting of total quantities or User categorization. You may only submit revised reporting within 60 days of the date where usage activity occurred 30 calendar days after the reporting due date (i.e., June 14th for April reporting). If you plan to use TCB Data, the TCB Data website, www.tcbdata.com, provides documentation and specifications for reporting firm information.

Please contact [BATS Market Data Services at marketdata@bats.com](mailto:marketdata@bats.com) for information on how to report Display Usage quantities using the BATS system and Direct Edge Market Data Services at ~~201-942-8220 or marketdata@directedge.com~~ if you have any questions about reporting requirements or ~~if you are new to~~ TCB Data. If you are new to BATS or TCB Data, a user login will be created for you to access the system for reporting. If you use the BATS Data Recipient Declarations tool to report usage for other BATS data feeds or use TCB Data to report to another exchange, you may use your same login and processes to report usage to Direct Edge.

9. Service Facilitator

The Data Recipient may delegate any of its responsibilities, obligations or duties under or in connection with this Data Agreement to an authorized third party agent ("**Service Facilitator**"), which may discharge those responsibilities, obligations or duties on behalf of Data Recipient in accordance with the Data Agreement; *provided, however*, that Data Recipient shall be and will remain responsible for compliance by such Service Facilitators with all applicable terms and conditions of this Agreement and all other acts and omissions thereby in connection with the receipt, use and distribution of the Exchange Data. Service Facilitators may support one or more functions for the Data Recipient including, but not limited to, website operation, software development, facilities and equipment operation, and service installation. The Data Recipient must, through a legally enforceable written agreement with each Service Facilitator:

- Ensure Direct Edge, Inc. is protected to the same extent as if the Service Facilitator were a party to the Data Agreement, including without limitation by permitting Direct Edge to audit the Service Facilitator on the same terms as Direct Edge is permitted to audit Data Recipient under the Data Agreement.
- Ensure no terms of such agreement conflict with the terms of the Data Agreement.

Exhibit A-2

- Ensure Data Feed or controlled data distribution of Exchange Data to a Data Recipient may occur only after the Data Recipient is authorized by Direct Edge or Data Recipient is qualified through one of the Controlled Data Distributor qualification methods outlined above.
- Ensure the Distributor, and not the Service Facilitator, controls all entitlement of Exchange Data to the Data Recipient.

Notwithstanding the foregoing, Service Facilitators acting beyond the scope of service facilitator duties, as such functions are described above, will be asked to sign a Data Agreement if the Service Facilitator receives a Data Feed.

Finally, if Data Recipient uses any Service Facilitators, Data Recipient must provide a list of all Service Facilitators to Direct Edge on the Service Facilitator form.

10. Delayed Data

Once a period of time has passed since the dissemination of Exchange Data by Direct Edge, Real-time Exchange Data will become Delayed Exchange Data. There are different requirements for the distribution of Delayed Exchange Data vs. Real-time Exchange Data. The following definitions will apply:

- **Delay Period** – Period of time that has passed since the dissemination of Exchange Data by Direct Edge, currently 15 minutes.
- **Real-time Exchange Data** – Exchange Data distributed prior to the Delay Period.
- **Delayed Exchange Data** – Exchange Data distributed after the Delay Period.

Controlled Data Distributors of Delayed Exchange Data are not required to qualify Users in respect of receipt of Delayed Exchange Data identified in the Controlled Data Requirements section. In addition, Data Feed Distributors of Delayed Exchange Data are not required to obtain a Data Agreement from the Data Recipient in respect of receipt of Delayed Exchange Data. The waiver of the qualification and agreement requirement by Direct Edge does not limit the Controlled or Data Feed Distributor's obligations as described within the Data Agreement. Data Recipients may distribute Delayed Exchange Data on any websites owned or operated thereby.

11. Derived Data

"Derived Data" is pricing data or other data that (i) is created in whole or in part from the Exchange Data and (ii) cannot be readily reverse-engineered to recreate the Exchange Data or used to create other data that is a reasonable facsimile for the Exchange Data. Distributors of Derived Data must use the System Description/Data Feed request form to describe any Derived Data created using Direct Edge Exchange Data. However, Distributors of Derived Data are not required to report firms or Users receiving Derived Data.

12. Fees

Fees for Exchange Data, if and when assessed by the Exchange, will be shown on the Direct Edge web site at: <http://www.directedge.com/Membership/FeeSchedule/EDGAFeeSchedule.aspx> or <http://www.directedge.com/Membership/FeeSchedule/EDGXFeeSchedule.aspx>

[If a Data Recipient is distributing the BATS One Feed internally and externally, the Data Recipient will be required to pay both the Internal Distribution Fee and the External Distribution Fee.](#)

13. Audit

In accordance with the terms outlined in the Data Agreement, each Data Recipient must make available to Direct Edge or its appointed agent, for physical inspection and audit, all books and records relating to Data Recipient's performance of its obligations and exercise of its rights under the Data Agreement, and all technology and premises of Data Recipient relevant to its performance of its obligations and exercise of its rights under the Data Agreement, in order for Direct Edge, Inc. or its appointed agent to verify the accuracy of reports provided by Data Recipient to Direct Edge and the compliance by Data Recipient of all terms and conditions of the Data Agreement, including without limitation the receipt, use, display and distribution of Exchange Data. This audit must occur during normal business hours and upon reasonable notice to Data Recipient. Direct Edge may inspect and audit for compliance by the Data Recipient for a period of two (2) years following the effective date of termination of the Data Agreement. If the inspection and audit determines there is underreporting, underpayment or other financial non-compliance with the Data Agreement, then all such amounts owed to Direct Edge shall be remitted to Direct Edge within thirty (30) days of receipt by Data Recipient of an invoice therefor, which shall be provided following completion of the inspection and audit.

14. Direct Edge Affiliates

The following entities are the current DEI Affiliates, as referenced within the Data Agreement:

- Direct Edge Holdings LLC
- EDGA Exchange, Inc.
- EDGX Exchange, Inc.
- Direct Edge ECN LLC (d/b/a DE Route)

Exhibit A-2
Direct Edge Market Data Requirements

APPENDIX A

DEI MARKS

Data Recipient must use all DEI Marks in compliance with the following:

Mark	Symbol	Registration/Serial Number
Direct Edge	®	3672274
EDGA	®	3717786
EDGX	®	3756701
EdgeBook Attributed	SM	85/673139
EdgeBook Depth	SM	85/811733

Marks should be represented as stated above. Symbols are necessary to include only on the first reference within a given document and in accordance with Appendix B.

APPENDIX B

Logo Guidelines

Colors

The full color Direct Edge full color logo should only be used on a white or light grey (<15%) background.



Direct Edge Colors:

Pantone
CMYK
RGB

540U
100, 55, 0, 55
1, 54, 104

298U
69, 7, 0, 0
26, 183, 234

50.2, 27.61, 0, 27.61
99, 128, 168

34.64, 3.51, 0, 0
159, 214, 244

Logo Size and Spacing

When printed, the logo should never be smaller than 1 inch wide.



There are no restrictions for how the large-scale reproduction can appear.

Use the following guidelines for spacing between the logo and text or other images.



Typeface and Nomenclature

In the logo, the company name should always appear as one word with no space between Direct and Edge. However, **when typing or writing the company name it is always presented as two words, initial cap.** The only exception is email address and website, which should be written as one word all lower case - *www.directedge.com*.

In most instances, the logo will be supplied in jpeg format, as such it will not be possible to manipulate the design. Under no circumstances should any other typeface(s) be used when reproducing the logo.

Exhibit A-2
Direct Edge Market Data Requirements

Logos

Full Color



One Color - PMS 298



One Color - PMS 540



One Color - Black



Reversed out - for use on black or dark background



Grayscale



Direct Edge Market Data Requirements

Service Marks and Legal

The superscript service and trademark indicators go before the punctuation following a word and should be in all caps.

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