



BZX Options Exchange Fee Schedule Update Effective January 3, 2017

Overview

Effective **Tuesday, January 3, 2017**, Bats Global Markets will introduce the following pricing changes on the BZX Options Exchange, pending filing with the SEC.

Updates to Introduce New and Adjusted Tiers

The following changes will reflect the introduction of new, updated or expired tier pricing or qualifying tier criteria.

Customer Penny Pilot Add Volume Tiers (Fee Code PY)

A new Step-Up Tier will be introduced for Customer Penny Pilot Add Volume Tiers that will provide an additional rebate to existing Customer Penny Pilot Add Volume Tiers.

Tier	Additional Rebate Per Contract To Add	Required Criteria
Step-Up Tier	(\$0.02)	Member has an Options Step-Up Add OCV in Customer orders from October 2016 baseline $\geq 0.45\%$

Non-Customer Penny Pilot Take Volume Tiers (Fee Code PP)

The following Step-Up Tier for Non-Customer Penny Pilot Take Volume Tiers that provided an additional discount to existing Non-Customer Penny Pilot Take Volume Tiers will be expired:

Tier	Additional Discount Per Contract to Remove	Required Criteria
Step-Up Tier	(\$0.01)	Member has an Options Step-Up Add TCV in Customer orders from September 2016 baseline $\geq 0.30\%$

A new Take Volume Step-Up Tier will be introduced for Non-Customer orders in Penny Pilot securities (fee code PP).

Tier	Fee Per Contract to Remove	Required Criteria
Step-Up Tier	\$0.47	Member has an Options Step-Up Add OCV in Customer orders from October 2016 baseline $\geq 0.45\%$

New Customer Penny Pilot Take Volume Tiers (Fee Code PC)

A new Take Volume Tier will be introduced for Customer orders in Penny Pilot securities (fee code PC).

Tier	Fee Per Contract to Remove	Required Criteria
Cross-Asset Tier	\$0.48	<ol style="list-style-type: none"> 1. Member has an ADAV in Customer orders $\geq 0.50\%$ of average OCV; and 2. Member has on BZX Equities an ADAV $\geq 0.50\%$ of average TCV

Market Maker Non-Penny Pilot Add Volume Tiers (Fee Code NM)

A new Add Volume Tier will be introduced for Market Maker orders in Non-Penny Pilot securities (fee code NM).

Tier	Rebate per contract to Add	Required Criteria
Tier 3	(\$0.65)	<ol style="list-style-type: none"> 1. Member has an ADAV in Market Maker Non-Penny orders $\geq 0.20\%$ of average OCV; and 2. Member has an ADAV in Non-Customer orders $\geq 3.00\%$ of average OCV

Customer Non-Penny Pilot Add Volume Tiers (Fee Code NY)

New Add Volume Tiers will be introduced for Customer orders in Non-Penny Pilot securities (fee code NY).

Tier	Rebate per contract to Add	Required Criteria
Tier 2	(\$1.05)	Member has an ADAV in Customer orders $\geq 2.10\%$ of average OCV
Step-Up Tier	(\$1.00)	Member has an Options Step-Up Add OCV in Customer orders from October 2016 baseline $\geq 0.45\%$

Customer Penny Pilot Add Volume Tiers (Fee Code PY)

The following Customer Add Volume Tiers will be updated for Customer orders in Penny Pilot securities (fee code PY).

Tier	Rebate per contract to Add	Required Criteria
Customer Cross-Asset Add Tier	(\$0.50) (\$0.52)	<ol style="list-style-type: none">1. Member has an ADV ADAV in Customer orders \geq 0.80% 0.50% of average TCV OCV; and2. Member has on BZX Equities an ADAV \geq 0.50% of average TCV

Updates to replace TCV based thresholds with OCC volume based thresholds

The following changes will highlight the replacement of the average TCV qualifying requirements with the new OCC Customer Total Volume (OCV) requirements.

Definitions

- "OCV" means OCC Customer Total Volume in equity and ETF options volume that clears in the Customer range at the OCC for the month for which the fees apply, excluding volume on any day that the Exchange experiences an Exchange System Disruption and on any day with a scheduled early market close.
- "Options Step-Up Add TCV OCV" means ADAV as a percentage of TCV OCV in the relevant baseline month subtracted from current ADAV as a percentage of TCV OCV.

NBBO Setter Tiers (Fee Code PF, PM and PN)

The following NBBO Setter Tiers will be updated to reflect the introduction of OCV tier criteria for orders that establish a new NBBO (fee codes PF, PM and PN).

Tier	Additional rebate per contract to Add	Required Criteria
Tier 1	(\$0.02)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 2	(\$0.04)	Member has an ADV \geq 1.00% 1.30% of average TCV OCV
Tier 3	(\$0.04)	<ol style="list-style-type: none">1. Member has an ADV \geq 0.40% 0.50% of average TCV OCV; and2. Member has an ADAV in Away MM/Firm/BD/JBO orders \geq 0.30% 0.40% of average TCV OCV
Tier 4	(\$0.03)	Member has an ADAV in Market Maker orders \geq 0.40% 0.50% of average TCV OCV
Tier 5	(\$0.05)	Member has an ADAV in Non-Customer orders \geq 2.30% 3.00% of average TCV OCV

Customer Penny Pilot Add Volume Tiers (Fee Code PY)

The following Customer Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Customer orders in Penny Pilot securities (fee code PY).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.40)	Member has an ADV \geq 0.05% of average TCV OCV
Tier 2	(\$0.48)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 3	(\$0.50)	Member has an ADV \geq 1.00% 1.30% of average TCV OCV
Tier 4	(\$0.52)	Member has an ADAV in Customer orders \geq 1.00% 1.30% of average TCV OCV
Tier 5	(\$0.53)	<ol style="list-style-type: none"> 1. Member has an ADAV in Customer orders \geq 0.60% 0.80% of average TCV OCV; 2. Member has an ADAV in Market Maker orders \geq 0.25% 0.35% of average TCV OCV; and 3. Member has on BZX Equities an ADAV \geq 0.30% of average TCV
Tier 6	(\$0.53)	Member has an ADAV in Customer orders \geq 1.30% 1.70% of average TCV OCV
Customer Step-Up VolumeTier	(\$0.53)	Member has an Options Step-Up Add TCV OCV in Customer orders from September 2015 baseline \geq 0.40% 0.45%

Firm, Broker Dealer, and Joint Back Office Penny Pilot Add Volume Tiers (Fee Code PF)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Firm, Broker Dealer, and Joint Back Office orders in Penny Pilot securities (fee code PF).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.46)	<ol style="list-style-type: none"> 1. Member has an ADAV in Away MM/Firm/BD/JBO orders \geq 0.80% 1.05% of average TCV OCV; and 2. Member has an ADV \geq 1.50% 1.95% of average TCV OCV
Tier 2	(\$0.43)	<ol style="list-style-type: none"> 1. Member has an ADV \geq 0.40% 0.50% of average TCV OCV; and 2. Member has an ADAV in Away MM/Firm/BD/JBO orders \geq 0.30% 0.40% of average TCV OCV

Non-Customer Penny Pilot Take Volume Tiers (Fee Code PP)

The following Take Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Non-Customer orders in Penny Pilot securities (fee code PP).

Tier	Fee Per Contract to Remove	Required Criteria
Tier 1	\$0.44	<ol style="list-style-type: none"> 1. Member has an ADAV in Customer orders \geq 0.60% 0.80% of average TCV OCV; 2. Member has an ADAV in Market Maker orders \geq 0.25% 0.35% of average TCV OCV; and 3. Member has on BZX Equities an ADAV \geq 0.30% of average TCV
Tier 2	\$0.47	Member has an ADAV in Customer orders \geq 1.00% 1.30% of average TCV OCV
Tier 3	\$0.44	Member has an ADAV in Customer orders \geq 1.30% 1.70% of average TCV OCV

Market Maker Non-Penny Pilot Add Volume Tiers (Fee Code NM)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Market Maker orders in Non-Penny Pilot securities (fee code NM).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.45)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 2	(\$0.52)	Member has an ADV \geq 1.00% 1.30% of average TCV OCV

Market Maker Penny Pilot Add Volume Tiers (Fee Code PM)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Market Maker orders in Penny Pilot securities (fee code PM).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.40)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 2	(\$0.42)	<ol style="list-style-type: none"> 1. Member has an ADAV in Market Maker and/or Away Market Maker orders \geq 1.00% 1.30% of average TCV OCV; and 2. Member has an ADV \geq 2.00% 2.60% of average TCV OCV

Away Market Maker Non-Penny Pilot Add Volume Tiers (Fee Code NN)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Away Market Maker orders in Non-Penny Pilot securities (fee code NN).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.40)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 2	(\$0.52)	Member has an ADV \geq 1.00% 1.30% of average TCV OCV

Firm, Broker Dealer, and Joint Back Office Non-Penny Pilot Add Volume Tiers (Fee Code NF)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Firm, Broker Dealer, and Joint Back Office orders in Non-Penny Pilot securities (fee code NF).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.45)	Member has an ADV \geq 0.15% 0.20% of average TCV OCV
Tier 2	(\$0.60)	Member has an ADV \geq 0.25% 0.35% of average TCV OCV
Tier 3	(\$0.69)	<ol style="list-style-type: none"> 1. Member has an ADV \geq 1.75% 2.30% of average TCV OCV; and 2. Member has an ADAV in Away MM/Firm/BD/JBO orders \geq 1.25% 1.65% of average TCV OCV

Professional Penny Pilot Add Volume Tiers (Fee Code PA)

The following Professional Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for orders in Penny Pilot securities (fee code PA).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.42)	Member has an ADAV in Customer and Professional orders \geq 0.10% 0.15% of average TCV OCV
Tier 2	(\$0.44)	Member has an ADAV in Customer and Professional orders \geq 0.20% 0.25% of average TCV OCV
Tier 3	(\$0.46)	Member has an ADAV in Customer and Professional orders \geq 0.30% 0.40% of average TCV OCV
Tier 4	(\$0.48)	Member has an ADAV in Customer and Professional orders \geq 0.50% 0.65% of average TCV OCV

Away Market Maker Penny Pilot Add Volume Tiers (Fee Code PN)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Away Market Maker orders in Penny Pilot securities (fee code PN).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$0.40)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 2	(\$0.46)	1. Member has an ADAV in Away MM/Firm/BD/JBO orders \geq 0.80% 1.05% of average TCV OCV; and 2. Member has an ADV \geq 1.50% 1.95% of average TCV OCV
Tier 3	(\$0.43)	1. Member has an ADV \geq 0.40% 0.50% of average TCV OCV; and 2. Member has an ADAV in Away MM/Firm/BD/JBO orders \geq 0.30% 0.40% of average TCV OCV

Customer Non-Penny Pilot Add Volume Tiers (Fee Code NY)

The following Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Customer orders in Non-Penny Pilot securities (fee code NY).

Tier	Rebate per contract to Add	Required Criteria
Tier 1	(\$1.00)	Member has an ADAV in Customer orders \geq 0.70% 0.90% of average TCV OCV

Non-Customer Non-Penny Pilot Take Volume Tiers (Fee Code NP)

The following Take Volume Tiers will be updated to reflect the introduction of OCV tier criteria for Non-Customer orders in Non-Penny Pilot securities (fee code NP).

Tier	Fee Per Contract to Remove	Required Criteria
Tier 1	\$1.02	1. Member has an ADAV in Customer orders \geq 0.60% 0.80% of average TCV OCV; 2. Member has an ADAV in Market Maker orders \geq 0.25% 0.35% of average TCV OCV; and 3. Member has on BZX Equities an ADAV \geq 0.30% of average TCV
Tier 2	\$1.02	Member has an ADAV in Customer orders \geq 1.00% 1.30% of average TCV OCV
Tier 3	\$1.01	Member has an ADAV in Customer orders \geq 1.30% 1.70% of average TCV OCV

Quoting Incentive Program ("QIP") Tiers (Fee Code PM and NM)

The following Market Maker QIP Add Volume Tiers will be updated to reflect the introduction of OCV tier criteria for orders that add liquidity in options classes in which a Member is a registered Market Maker (fee code PM and NM).

Tier	Additional rebate per contract to Add	Required Criteria
Tier 1	(\$0.02)	Member has an ADV \geq 0.30% 0.40% of average TCV OCV
Tier 2	(\$0.04)	Member has an ADV \geq 1.00% 1.30% of average TCV OCV
Tier 3	(\$0.05)	Member has an ADV \geq 2.50% 3.25% of average TCV OCV
Tier 4	(\$0.03)	Member has an ADAV in Market Maker orders \geq 0.40% 0.50% of average TCV OCV

More Information

Please contact the [Bats Trade Desk](#) or your [Director of Sales](#) with any questions. We appreciate your continued support of Bats and look forward to earning more of your business.

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