

*Required fields are shown with yellow backgrounds and asterisks.*

Page 1 of \* 18

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
Form 19b-4

File No.\* SR - 2011 - \* 35

Amendment No. (req. for Amendments \*)

Proposed Rule Change by EDGA Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial \*  
☒Amendment \*  
☐Withdrawal  
☐Section 19(b)(2) \*  
☐Section 19(b)(3)(A) \*  
☒Section 19(b)(3)(B) \*  
☐

## Rule

- ☐ 19b-4(f)(1) ☐ 19b-4(f)(4)  
☒ 19b-4(f)(2) ☐ 19b-4(f)(5)  
☐ 19b-4(f)(3) ☐ 19b-4(f)(6)

Pilot  
☐Extension of Time Period  
for Commission Action \*  
☐Date Expires \*  
Exhibit 2 Sent As Paper Document  
☐Exhibit 3 Sent As Paper Document  
☐**Description**

Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked \*).

EDGA Exchange, Inc. proposes to amend its Fee Schedule.

**Contact Information**

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name \* Thomas

Last Name \* McManus

Title \* Chief Regulatory Officer

E-mail \* tmcmanus@directedge.com

Telephone \* (201) 418-3471

Fax

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date 10/24/2011

By Thomas N. McManus

(Name \*)

Chief Regulatory Officer

(Title \*)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

tmcmanus@directedge.com,

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

**Form 19b-4 Information (required)**

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change (required)**

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

☐

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

☐

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) EDGA Exchange, Inc. (“Exchange” or “EDGA”) proposes to amend its fees and rebates applicable to Members<sup>1</sup> of the Exchange pursuant to EDGA Rule 15.1(a) and (c). Text of the proposed rule change is attached as Exhibit 5.

(b) Inapplicable.

(c) Inapplicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on April 27, 2010. Exchange staff will advise the EDGA Exchange Board of Directors of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change. Therefore, the Exchange's internal procedures with respect to the proposed change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Thomas N. McManus  
Chief Regulatory Officer  
EDGA Exchange  
201-418-3471

3. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

(a) Purpose

Currently, a rebate of \$0.0027 per share is provided to Members who add liquidity on the EDGX Exchange, Inc. (“EDGX”) via an EDGA-originated ROUC routing strategy, as defined in Exchange Rule 11.9(b)(3)(a), during Regular Trading Hours.<sup>2</sup> This situation yields Flag P. The Exchange proposes to apply Flag P’s rebate to the Pre-Opening Session<sup>3</sup> and Post-Closing Session<sup>4</sup> so that Members may earn the same rebate for adding liquidity on EDGX as they earn during Regular Trading Hours, which is defined as “pre & post market” in EDGA’s fee schedule.

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<sup>1</sup> A Member is any registered broker or dealer, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange.

<sup>2</sup> See EDGA Exchange Rule 1.5(w).

<sup>3</sup> See EDGA Exchange Rule 1.5(q).

The Exchange proposes to implement this amendment to its fee schedule on October 24, 2011.

(b) Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Exchange Act,<sup>5</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>6</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities.

The Exchange believes that the rebate for Flag P of \$0.0027 per share is an equitable allocation of reasonable dues, fees, and other charges. During the Pre-Opening Session and the Post-Closing Session, the ROUC strategy is the only means for Members to post liquidity to an away exchange. The ROUC routing strategy checks the System for available shares and then is sent sequentially to destinations on the System routing table, Nasdaq OMX BX, and NYSE. If shares remain unexecuted after routing, they are posted to EDGX. The rebate is designed to incentivize Members to also route through EDGA during the Pre-Opening Session and the Post-Closing Session to reach multiple sources of liquidity before routing to other low cost destinations, and thereby potentially increases volume on EDGA to the extent an order using the ROUC routing strategy executes on EDGA. The rebate allows Members to reach multiple sources of liquidity by routing order flow through EDGA rather than going directly to various venues. The rebate also provides Members with a flat rate of \$0.0027 per share rebate if the ROUC routing strategy posts to EDGX. When the Exchange's routing broker/dealer, Direct Edge ECN LLC d/b/a DE Route ("DE Route") achieves certain tiers on EDGX, it is able to pass through a better rebate than if it had not achieved a tier.<sup>7</sup> For example, if the Member had routed to EDGX directly and the order had added liquidity to EDGX, the Member could receive rebates ranging from \$0.0023 - \$0.0034, depending on if a volume threshold were satisfied.<sup>8</sup> The \$0.0027 per share rebate thus represents a rate in between these various tiered and non-tiered rebates provided for adding liquidity to EDGX. This allows EDGA Members to share in potential volume tier savings realized by DE Route when it achieves certain tiers.

This type of rate is also similar to EDGA's rate for removing liquidity from LavaFlow (Flag U). The standard removal rate of \$0.0029 per share is reduced to

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<sup>4</sup> See EDGA Exchange Rule 1.5(p).

<sup>5</sup> 15 U.S.C. 78f.

<sup>6</sup> 15 U.S.C. 78f(b)(4).

<sup>7</sup> See EDGX fee schedule, footnote 1.

<sup>8</sup> Id.

\$0.0023 per share for orders routed to LavaFlow that achieve certain volume thresholds, as EDGA Members are able to share in potential volume tier savings realized by EDGA when routing to LavaFlow.<sup>9</sup> This rebate is also comparable to other rebates offered by the Exchange that add liquidity, such as the ROOC<sup>10</sup> routing strategy, which yields Flags 8 and 9.<sup>11</sup> For Flags 8 and 9, the Exchange passes through the default rebate (i.e., non-tier) from the primary listing market (i.e., NYSE Arca, NYSE Amex) to Members because DE Route does not generally achieve a favorable tier rate. This rate is also consistent with the processing of similar routing strategies by EDGA's competitors where EDGA takes into account the rates that it is charged or rebated when routing to other low cost destinations.<sup>12</sup> Finally, as another example, when EDGA routes to a primary exchange's opening cross, (Flag O), the Exchange passes through the tier savings that DE Route achieves on an away exchange to its Members.<sup>13</sup> This tier savings takes the form of a cap of Members' fees at \$10,000 per month for using Flag O.

The Exchange believes that the rebate of \$0.0027 is reasonable as it is consistent with how other exchanges pass through charges or rebates for orders routed to a different exchange that add liquidity. For example, when Nasdaq routes to Nasdaq PSX, Nasdaq passes back Nasdaq PSX's standard charge of \$0.0027 per share. When NYSE Arca routes to NYSE, NYSE Arca passes back the standard NYSE rebate of \$0.0015 per share. These rebates generally approximate what the originating exchange receives from the exchange that is routed to plus or minus a certain differential. EDGA's pricing is consistent with this premise.

The Exchange believes that the proposed rebate is non-discriminatory in that it applies uniformly to all Members.

The Exchange also notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and

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<sup>9</sup> See footnote 6 of the EDGA fee schedule.

<sup>10</sup> See EDGA Exchange Rule 11.9(b)(3)(n).

<sup>11</sup> See the EDGA Fee Schedule where Flag 8 offers a rebate of \$.0015 where a member routes an order to NYSE Amex using the ROOC routing strategy and adds liquidity, and Flag 9 offers a rebate of \$.0021 where a member routes an order to NYSE Arca using the ROOC routing strategy and adds liquidity.

<sup>12</sup> See also BATS BZX fee schedule, describing Discounted Destination Specific Routing ("One Under") to NYSE, NYSE ARCA and NASDAQ. See Securities Exchange Act Release No. 62858, 75 FR 55838 (September 14, 2010) (SR-BATS-2010-023) (modifying the BATS fee schedule in order to amend the fees for its BATS + NYSE Arca destination specific routing option to continue to offer a "one under" pricing model).

<sup>13</sup> See footnote 5 of the EDGA fee schedule.

non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

4. Self-Regulatory Organization's Statement on Burden on Competition

This proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Exchange Act.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

(a) This proposed rule change is filed pursuant to paragraph (A) of section 19(b)(3) of the Exchange Act.

(b) This proposed rule change establishes dues, fees or other charges among its members and, as such, may take effect upon filing with the Commission pursuant to Exchange Act Section 19(b)(3)(A).

(c) Inapplicable.

(d) Inapplicable.

8. Proposed Rule change Based on Rules of Another Self-Regulatory Organization or of the Commission

This proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Publication in the Federal Register.

Exhibit 5 – Text of the Proposed Rule Change.

EXHIBIT 1SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-EDGA-2011-35)

[Date]

Self-Regulatory Organizations; EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Amendments to the EDGA Exchange, Inc. Fee Schedule

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on October 24, 2011, the EDGA Exchange, Inc. (the "Exchange" or the "EDGA") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend its fees and rebates applicable to Members<sup>3</sup> of the Exchange pursuant to EDGA Rule 15.1(a) and (c). All of the changes described herein are applicable to EDGA Members. The text of the proposed rule change is available on the Exchange's Internet website at <http://www.directedge.com>.

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> A Member is any registered broker or dealer, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Purpose

Currently, a rebate of \$0.0027 per share is provided to Members who add liquidity on the EDGX Exchange, Inc. ("EDGX") via an EDGA-originated ROUC routing strategy, as defined in Exchange Rule 11.9(b)(3)(a), during Regular Trading Hours.<sup>4</sup> This situation yields Flag P. The Exchange proposes to apply Flag P's rebate to the Pre-Opening Session<sup>5</sup> and Post-Closing Session<sup>6</sup> so that Members may earn the same rebate for adding liquidity on EDGX as they earn during Regular Trading Hours, which is defined as "pre & post market" in EDGA's fee schedule.

The Exchange proposes to implement this amendment to its fee schedule on October 24, 2011.

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<sup>4</sup> See EDGA Exchange Rule 1.5(w).

<sup>5</sup> See EDGA Exchange Rule 1.5(q).

<sup>6</sup> See EDGA Exchange Rule 1.5(p).



Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>7</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>8</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its members and other persons using its facilities.

The Exchange believes that the rebate for Flag P of \$0.0027 per share is an equitable allocation of reasonable dues, fees, and other charges. During the Pre-Opening Session and the Post-Closing Session, the ROUC strategy is the only means for Members to post liquidity to an away exchange. The ROUC routing strategy checks the System for available shares and then is sent sequentially to destinations on the System routing table, Nasdaq OMX BX, and NYSE. If shares remain unexecuted after routing, they are posted to EDGX. The rebate is designed to incentivize Members to also route through EDGA during the Pre-Opening Session and the Post-Closing Session to reach multiple sources of liquidity before routing to other low cost destinations, and thereby potentially increases volume on EDGA to the extent an order using the ROUC routing strategy executes on EDGA. The rebate allows Members to reach multiple sources of liquidity by routing order flow through EDGA rather than going directly to various venues. The rebate also provides Members with a flat rate of \$0.0027 per share rebate if the ROUC routing strategy posts to EDGX. When the Exchange's routing broker/dealer, Direct Edge ECN LLC d/b/a DE Route ("DE Route") achieves certain tiers on EDGX, it is able to pass through a better rebate than if it had not

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<sup>7</sup> 15 U.S.C. 78f.

<sup>8</sup> 15 U.S.C. 78f(b)(4).

achieved a tier.<sup>9</sup> For example, if the Member had routed to EDGX directly and the order had added liquidity to EDGX, the Member could receive rebates ranging from \$0.0023 - \$0.0034, depending on if a volume threshold were satisfied.<sup>10</sup> The \$0.0027 per share rebate thus represents a rate in between these various tiered and non-tiered rebates provided for adding liquidity to EDGX. This allows EDGA Members to share in potential volume tier savings realized by DE Route when it achieves certain tiers.

This type of rate is also similar to EDGA's rate for removing liquidity from LavaFlow (Flag U). The standard removal rate of \$0.0029 per share is reduced to \$0.0023 per share for orders routed to LavaFlow that achieve certain volume thresholds, as EDGA Members are able to share in potential volume tier savings realized by EDGA when routing to LavaFlow.<sup>11</sup> This rebate is also comparable to other rebates offered by the Exchange that add liquidity, such as the ROOC<sup>12</sup> routing strategy, which yields Flags 8 and 9.<sup>13</sup> For Flags 8 and 9, the Exchange passes through the default rebate (i.e, non- tier) from the primary listing market (i.e, NYSE Arca, NYSE Amex) to Members because DE Route does not generally achieve a favorable tier rate. This rate is also consistent with the processing of similar routing strategies by EDGA's competitors where EDGA takes into account the rates that it is charged or

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<sup>9</sup> See EDGX fee schedule, footnote 1.

<sup>10</sup> Id.

<sup>11</sup> See footnote 6 of the EDGA fee schedule.

<sup>12</sup> See EDGA Exchange Rule 11.9(b)(3)(n).

<sup>13</sup> See the EDGA Fee Schedule where Flag 8 offers a rebate of \$.0015 where a member routes an order to NYSE Amex using the ROOC routing strategy and adds liquidity, and Flag 9 offers a rebate of \$.0021 where a member routes an order to NYSE Arca using the ROOC routing strategy and adds liquidity.

rebated when routing to other low cost destinations.<sup>14</sup> Finally, as another example, when EDGA routes to a primary exchange's opening cross, (Flag O), the Exchange passes through the tier savings that DE Route achieves on an away exchange to its Members.<sup>15</sup> This tier savings takes the form of a cap of Members' fees at \$10,000 per month for using Flag O.

The Exchange believes that the rebate of \$0.0027 is reasonable as it is consistent with how other exchanges pass through charges or rebates for orders routed to a different exchange that add liquidity. For example, when Nasdaq routes to Nasdaq PSX, Nasdaq passes back Nasdaq PSX's standard charge of \$0.0027 per share. When NYSE Arca routes to NYSE, NYSE Arca passes back the standard NYSE rebate of \$0.0015 per share. These rebates generally approximate what the originating exchange receives from the exchange that is routed to plus or minus a certain differential. EDGA's pricing is consistent with this premise.

The Exchange believes that the proposed rebate is non-discriminatory in that it applies uniformly to all Members.

The Exchange also notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are

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<sup>14</sup> See also BATS BZX fee schedule, describing Discounted Destination Specific Routing ("One Under") to NYSE, NYSE ARCA and NASDAQ. See Securities Exchange Act Release No. 62858, 75 FR 55838 (September 14, 2010) (SR-BATS-2010-023) (modifying the BATS fee schedule in order to amend the fees for its BATS + NYSE Arca destination specific routing option to continue to offer a "one under" pricing model).

<sup>15</sup> See footnote 5 of the EDGA fee schedule.

equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

B. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3) of the Act<sup>16</sup> and Rule 19b-4(f)(2)<sup>17</sup> thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

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<sup>16</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>17</sup> 17 CFR 19b-4(f)(2).

Electronic comments:

- Use the Commission's Internet comment form <http://www.sec.gov/rules/sro.shtml>); or
- Send an E-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File No. SR-EDGA-2011-35 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-EDGA-2011-35. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commissions Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-EDGA-2011-35 and should be submitted by [insert date 21 days from the date of publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to  
delegated authority.<sup>18</sup>

Secretary

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<sup>18</sup> 17 CFR 200.30-3(a)(12).

## EXHIBIT 5

Additions underlined

Deletions [bracketed]

EDGA Exchange Fee Schedule – Effective October [1]24, 2011

The schedule can be downloaded in both excel and pdf formats.

Rebates & Charges for Adding, Removing or Routing Liquidity per Share for Tape A, B, & C Securities<sup>1,a</sup>:

Rebates indicated by parentheses ( )

Category	Adding Liquidity	Removing Liquidity	Routing Liquidity
Securities at or above \$1.00	\$(0.0004) <sup>4</sup>	\$0.0007 <sup>1,a</sup>	\$0.0029
Securities below \$1.00	FREE	FREE <sup>1,a</sup>	0.30% of Dollar Value <sup>3,a</sup>

### Liquidity Flags and Associated Fees:

*Unless otherwise noted, the following rebates and fees apply to orders in securities priced \$1 and over.*

Flag	Description	Fee/(Rebate)
A	Routed to Nasdaq, adds liquidity	(0.0020)
B <sup>4</sup>	Add liquidity to EDGA book (Tape B)	(0.0004)
C <sup>3,a</sup>	Routed to Nasdaq BX, removes liquidity	(0.0005)
D <sup>3,13,a</sup>	Routed or re-routed to NYSE, removes liquidity	0.0023
E	Customer internalization, per side	0.00015
F	Routed to NYSE, adds liquidity	(0.0015)
G	Routed to ARCA (Tapes A & C), removes liquidity	0.0030
H <sup>a,2</sup>	Non-Displayed orders	0.0010

<b>I</b>	<b>Routed to EDGX</b>	<b>0.0029</b>
<b>J<sup>3,a</sup></b>	<b>Routed to Nasdaq, removes liquidity</b>	<b>0.0030</b>
<b>K</b>	<b>Routed to BATS BZX Exchange using ROBA routing strategy (EDGA + BATS) OR Routed to Nasdaq PSX using ROUC routing strategy</b>	<b>0.0025</b>
<b>L<sup>3</sup></b>	<b>Routed to Nasdaq using INET routing strategy, removes liquidity (Tapes A &amp; C)</b>	<b>0.0030</b>
<b>M<sup>6,a</sup></b>	<b>Add liquidity on LavaFlow</b>	<b>(0.0024)</b>
<b>N<sup>1,a</sup></b>	<b>Remove liquidity from EDGA book (Tapes B &amp; C)</b>	<b>0.0007</b>
<b>O<sup>5,a</sup></b>	<b>Routed to primary exchange's opening cross</b>	<b>0.0005</b>
<b>P</b>	<b>[Add liquidity on EDGX via an] EDGA-originated ROUC routing strategy, adds liquidity on EDGX, including pre &amp; post market</b>	<b>(0.0027)</b>
<b>Q</b>	<b>Routed using ROUQ or ROUC routing strategy</b>	<b>0.0020</b>
<b>R</b>	<b>Re-routed by exchange</b>	<b>0.0030</b>
<b>S</b>	<b>Directed ISO order</b>	<b>0.0033</b>
<b>T</b>	<b>Routed using ROUD/ROUE routing strategy</b>	<b>0.0012</b>
<b>U<sup>6,a</sup></b>	<b>Remove liquidity from LavaFlow</b>	<b>0.0029</b>
<b>V<sup>4</sup></b>	<b>Add liquidity to EDGA book (Tape A)</b>	<b>(0.0004)</b>
<b>W<sup>1,a</sup></b>	<b>Remove liquidity from EDGA book (Tape A)</b>	<b>0.0007</b>
<b>X</b>	<b>Routed</b>	<b>0.0029</b>
<b>Y<sup>4</sup></b>	<b>Add liquidity to EDGA book (Tape C)</b>	<b>(0.0004)</b>
<b>Z</b>	<b>Routed using ROUZ routing strategy</b>	<b>0.0010</b>
<b>2<sup>3</sup></b>	<b>Routed to Nasdaq using INET routing strategy, removes liquidity (Tape B)</b>	<b>0.0030</b>
<b>3<sup>4</sup></b>	<b>Add liquidity – pre &amp; post market (Tapes A &amp; C)</b>	<b>(0.0004)</b>
<b>4<sup>4</sup></b>	<b>Add liquidity – pre &amp; post market (Tape B)</b>	<b>(0.0004)</b>
<b>5</b>	<b>Customer Internalization – pre &amp; post market, per side</b>	<b>0.0001</b>



<b>6<sup>1,a</sup></b>	<b>Remove liquidity – pre &amp; post market (All Tapes)</b>	<b>0.0007</b>
<b>7</b>	<b>Routed – pre &amp; post market</b>	<b>0.0027</b>
<b>8</b>	<b>Routed to NYSE Amex using the ROOC routing strategy, adds liquidity</b>	<b>(0.0015)</b>
<b>9</b>	<b>Routed to NYSE Arca using the ROOC routing strategy, adds liquidity</b>	<b>(0.0021)</b>
<b>BY<sup>12</sup></b>	<b>Routed to BATS BYX Exchange, removes liquidity (using routing strategies ROUC, ROBY, ROBB, or ROCO)</b>	<b>(0.0002)</b>
<b>CL<sup>9</sup></b>	<b>Routed to listing market closing process using ROOC routing strategy, except for NYSE Arca</b>	<b>0.0010</b>
<b>MT</b>	<b>Routed to EDGX MPM using IOCM or ROCO routing strategy</b>	<b>0.0012</b>
<b>OO</b>	<b>Direct Edge Opening</b>	<b>FREE</b>
<b>RR</b>	<b>Routed to EDGX using routing strategies IOCX or IOCT, removes liquidity</b>	<b>0.0029</b>
<b>RT<sup>10</sup></b>	<b>Routed using the ROUT or ROOC routing strategy</b>	<b>0.0025</b>
<b>RX<sup>11</sup></b>	<b>Routed using the ROUX routing strategy</b>	<b>0.0027</b>
<b>SW<sup>8</sup></b>	<b>Routed using SWPA/SWPB/SWPC routing strategies (except for removal of liquidity from NYSE)</b>	<b>0.0031</b>

<sup>1</sup> The removal rate on EDGA is contingent on the attributed MPID adding (including hidden) and/or routing a minimum average daily share volume, measured monthly, of 50,000 shares on EDGA. Any attributed MPID not meeting the aforementioned minimum will be charged \$0.0030 per share for removing liquidity from EDGA for securities priced \$1.00 and over and 0.20% of dollar value for securities priced less than \$1.00.

<sup>2</sup> Rate contingent upon Member adding greater than 1,000,000 shares hidden on a daily basis (yielding Flag H), measured monthly or Member posting greater than 8,000,000 shares on a daily basis, measured monthly (yielding Flags B,V, Y, 3 or 4). Members not meeting either minimum will be charged \$0.0030 per share.

<sup>3</sup> Stocks priced below \$1.00 on the NYSE are charged \$0.0023 per share when removing liquidity. Stocks priced below \$1.00 are charged 0.10% of the dollar value of the transaction when routed to Nasdaq BX and removing liquidity in Tapes A, B, & C securities. Stocks priced below \$1.00 are charged 0.30% of the dollar value of the transaction when routed to Nasdaq and removing liquidity in securities on all Tapes.

<sup>4</sup> If a Member, on a daily basis, measured monthly, posts more than 1% of the Total Consolidated Volume (“TCV”) in average daily volume, then the Member will receive a rebate of \$0.0005 per share. TCV is defined as volume reported by all exchanges and trade reporting facilities to the consolidated transaction reporting plans for Tapes A, B and C securities for the month prior to the month in which the fees are calculated.

<sup>5</sup> Capped at \$10,000 per month per Member.

<sup>6</sup> If Member posts an average of 100,000 shares or more per day using strategy ROLF (yielding Flag M), then said Member’s fee when removing liquidity from LavaFlow decreases to \$0.0023 per share (yielding Flag U).

<sup>7</sup> Intentionally omitted.

<sup>8</sup> Flag D is assigned and a fee of \$0.0023 per share is assessed if an SWPA, SWPB, or SWPC routing strategy removes liquidity from NYSE.

<sup>9</sup> A Flag “O” will be yielded and a fee of \$0.0005 per share will be assessed if an order is routed to NYSE Arca’s closing process.

<sup>10</sup> A Flag “RX” will be yielded and a fee of \$0.0027 per share will be assessed when an order is routed to EDGX Exchange using the ROUT routing strategy.

<sup>11</sup> A Flag “T” will be yielded and a fee of \$0.0030 per share will be assessed when an order is routed to EDGX Exchange.

<sup>12</sup> Stocks priced below \$1.00 are charged \$0.0010 per share.

<sup>13</sup> For Members that route an ADV more than 30,000,000 shares per day to NYSE using the RDOT or RDOX routing strategy, then the removal rate decreases to \$0.0022 per share.

<sup>a</sup> Upon a Member’s request, EDGA will aggregate share volume calculations for wholly owned affiliates on a prospective basis.

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