OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

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

File No.* SR - 2012 - * 12
Amendment No. (req. for Amendments *)

Proposed Rule Change by EDGX 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) *
☑	☐	☐	☐	☑	☐

Pilot ☐

Extension of Time Period for Commission Action * ☐

Date Expires *

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)

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 *).

EDGX Exchange, Inc. proposes to amend its fees and rebates applicable to Members of the Exchange pursuant to EDGX Rule 15.1(a) and (c).

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 03/30/2012

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) Add Remove View	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) Add Remove View	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 Add Remove View 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 Add Remove View 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 Add Remove View	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 Add Remove View	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 Add Remove View	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) EDGX Exchange, Inc. ("Exchange" or "EDGX") proposes to amend its fees and rebates applicable to Members[1] of the Exchange pursuant to EDGX 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 EDGX 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
EDGX 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

The Exchange proposes to make a technical amendment to the description of the Mega and Mini Tape B Tiers in footnote 1 to clarify that these rebates ($0.0034 per share and $0.0030 per share, respectively) are provided for liquidity added on EDGX in Tape B Securities only.

Flag E represents a customer internalization[2] charge per side if a Member inadvertently matches with itself. In order to provide additional transparency to

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1 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.

2 This occurs when two orders presented to the Exchange from the same Member (i.e., MPID) are presented separately and not in a paired manner, but nonetheless inadvertently match with one another. Members are advised to consult Rule 12.2

Members, Flag E is proposed to be bifurcated into two flags and re-named to state "Internalization" instead of "Customer Internalization": Flag EA (internalization on the adding liquidity side) and Flag ER (internalization on the removing liquidity side). No change is proposed to the standard rate of $0.00035 per share. A conforming amendment is proposed to be made to the first sentence of footnote 11 to make clear that either Flag EA or ER could be yielded for internalization. In addition, the last sentence of footnote 11 on the fee schedule provides that "if a Member internalizes more than 4% of their ADV on EDGX (added, removed, and routed liquidity) and the Member, at a minimum, meets the criteria for the Mega Tier rebate of $0.0032 per share in footnote 1, then the Member's receives a rebate of $0.00015 per share." This tier is proposed to be amended to state that in the latter situation, a Member would receive the applicable rebate in footnote 1 of the fee schedule for adding liquidity or would be charged the applicable removal rate in footnote 1 or 12. This enables the Member to ascertain if they are on the "adding liquidity side" or "removing liquidity side" for purposes of internalization

The Exchange proposes to add footnote 13 to its fee schedule to establish a new Investor Tier under which a Member can qualify for a rebate of $0.0030 per share if they meet the following criteria: (i) on a daily basis, measured monthly, posts an ADV of at least 8 million shares on EDGX, where added flags are defined as B, HA, V, Y, MM, 3, or 4 (ii) have an "added liquidity" to "removed liquidity" ratio of at least 70% where added flags are defined as B, HA, V, Y, MM, 3, or 4[3] and removal flags are defined as MT, N, W, PI, or 6; and (iii) have a message- to- trade ratio of less than 4:1. The Exchange notes that the message-to-trade ratio is calculated by including total messages as the numerator (orders, cancels, and cancel/replace messages) and dividing it by total executions.[4] The Exchange also notes that any cancel/replace message, regardless of whether it is a partial cancel, is considered a new order.

The Exchange proposes to amend the description of Flag K in reference to orders routed to the PSX to include the ROUE[5] routing strategy in addition to the ROUC routing strategy. The Exchange proposes to continue to assess a charge of $0.0025 per share.

Similarly, the Exchange proposes to amend the description of Flag BY in reference to orders routed to the BATS BYX Exchange to include the ROUE routing

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respecting fictitious trading.

3 The Exchange notes that the vast majority of posted liquidity is displayed liquidity (Flags B, V, Y, 3, or 4) and the volume posted from hidden liquidity (Flags HA and MM) is incidental.

4 The Exchange notes that it counts only the first partial or complete execution resulting from an order if it is filled in parts. So, if a 1,000 share order results in three partial executions of 400 shares, 300 shares, and 300 shares, it counts only the first execution of 400 shares toward the denominator. Thus, the Exchange counts all fills against an order as one trade for purposes of "total executions."

5 See Exchange Rule 11.9(b)(3).

strategy in addition to the ROUC and ROBY routing strategies. The Exchange proposes to continue to offer a rebate of $0.0002 per share.

The Exchange proposes to make technical amendments to the fee schedule to: (i) substitute the phrase "are defined as" for "include" in footnote 12; (ii) replace Flag H with Flag HA in footnote 12 since Flag HA replaced Flag H effective March 1, 2012;[6] and (iii) remove the word "customer" in the description of Flags 5 and footnote 11 so that it now would read "Internalization."

The Exchange proposes to implement these amendments to its fee schedule on April 1, 2012.

(b) Basis

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Securities and Exchange Act of 1934 (the "Act"),[7] in general, and furthers the objectives of Section 6(b)(4),[8] 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 proposed technical amendment to the Mini and Mega Tape B Tiers adds additional transparency to its fee schedule for investors as it clarifies that the tiered rate is only applicable as to Tape B securities. The Exchange believes that the proposed technical amendment to delete Flag E and replace it with Flags EA and ER promotes market transparency and improves investor protection by adding additional transparency to its fee schedule by more precisely delineating for Members whether they are "adders of liquidity" or "removers of liquidity" for purposes of paying the internalization fee. The Exchange also believes that the proposal is non-discriminatory because it applies to all Members.

Finally, the internalization rebate is equitable in that it is in line with the EDGX fee structure[9] which currently has a maker/taker spread of $0.0006 per share (the standard rebate to add liquidity on EDGX is $0.0023 per share, while the standard fee to remove liquidity is $0.0029 per share). EDGX also has a variety of tiered rebates ranging from $0.0023- $0.0034 per share, which makes its maker/taker spreads range from $.0006 (standard add – standard removal rate), -$.0001 (standard removal rate -Super Tier

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6 See Securities Exchange Act Release No. 66558 (March 9, 2012), 77 FR 15432 (March 15, 2012) (SR-EDGX-2012-06).

7 15 U.S.C. 78f.

8 15 U.S.C. 78f(b)(4).

9 In SR-EDGX-2011-13 (April 29, 2011), the Exchange represented that it "will work promptly to ensure that the internalization fee is no more favorable than each prevailing maker/taker spread."

rebate), -$0.0002, (standard removal rate – Ultra Tier rebate), -$0.0003 (standard removal rate - Mega Tier rebate of $0.0032), and -$.0005 (standard removal rate - Mega Tier rebate of $0.0034 per share). As a result of the internalization rebate, Members who internalized and met the criteria to satisfy the Mega Tier and the volume threshold of 4% of their ADV on EDGX would be rebated $0.00032 per share per side of an execution (the applicable rebate in footnote 1 for adding liquidity) and be charged $0.0029 per share per side (the applicable removal rate in footnote 1, in this case). This make the total net rebate equal $0.0003 per share, which would be an internalization rate that is no more favorable the prevailing maker/taker spread by satisfying the Mega Tier rebate of $0.0032 ($-0.0003).

The Exchange believes that the Investor Tier is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities as it rewards Members with order flow characteristics that contribute meaningfully to price discovery on the Exchange. In other words, Members that primarily post liquidity and provide longer duration orders are more valuable Members to the Exchange and the marketplace in terms of liquidity provision. The EDGX Investor Tier also encourages Members to primarily add liquidity in order to satisfy the "added liquidity" to "removed liquidity" ratio of at least 70%. Such increased volume increases potential revenue to the Exchange, and would allow the Exchange to spread its administrative and infrastructure costs over a greater number of shares, leading to lower per share costs. These lower per share costs would allow the Exchange to pass on the savings to Members in the form of higher rebates. The increased liquidity also benefits all investors by deepening EDGX's liquidity pool, offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, promoting market transparency and improving investor protection. Volume-based rebates such as the ones proposed herein have been widely adopted in the cash equities markets, and are equitable because they are open to all Members on an equal basis and provide discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes.

In addition, the rebate is also reasonable in that other exchanges likewise employ similar pricing mechanisms. For example, NASDAQ[10] and NYSE Arca[11] offer investor

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10 See NASDAQ Rule 7014. Similarly, NASDAQ established an Investor Support Program ("ISP") targeting retail and institutional investor orders where firms receive a higher rebate if they meet all of the following criteria: 1) Add at least 10 million shares of liquidity per day via ISP-designated ports; 2) Maintain a ratio of orders-to-orders executed of less than 10 to 1 (counting only liquidity providing orders and excluding certain order types) on ISP-designated ports; 3) Exceed the firm's August 2010/2011 "baseline" volume of liquidity added across all the firm's ports. For a detailed description of the Investor Support Program as originally implemented, see Securities Exchange Act Release No. 63270 (November 8, 2010), 75 FR 69489 (November 12, 2010) (NASDAQ-2010-141) (notice of filing and immediate effectiveness) (the "ISP Filing"). See also Securities Exchange Act Release Nos. 63414 (December 2, 2010), 75 FR 76505

support programs and investor tiers, respectively. Such programs reward liquidity provision attributes, encourage price discovery and market transparency by encouraging growth in liquidity over a defined baseline, and encourage a low cancellation rate on liquidity-providing orders. EDGX's Investor Tier is similar to NASDAQ's/NYSE Arca's programs in they both encourage efficient liquidity provision. It is similar to NASDAQ's Investor Support Program in that for NASDAQ members to qualify, among a firm's liquidity-providing orders, it must maintain a ratio of "orders" to "orders executed" of less than ten to one (i.e., at least one out of every ten liquidity-providing orders submitted must be executed rather than cancelled). Similarly, NYSE Arca's investor tiers require its members to maintain a ratio of cancelled orders to total orders of less than 30% and maintain a ratio of executed liquidity adding volume to total volume of greater than 80%, among other criteria. EDGX's Investor Tier is similar to NYSE Arca's investor tiers in that like NYSE Arca's investor tiers, the Exchange's goal is incentivize Members to maintain low cancellation rates and provide liquidity that supports the quality of price discovery and promotes market transparency. In addition, similar to the investor tiers of NYSE Arca, EDGX's Investor Tier "reward[s] providers whose orders stay on the [b]ook and do not rapidly cancel a large portion of their orders placed, which makes the price discovery process more efficient and results in higher fill rates, greater depth and lower volatility. It serves to encourage Members to post orders that are more likely to be executed."[12]

(December 8, 2010) (NASDAQ-2010-153) (notice of filing and immediate effectiveness); 63628 (January 3, 2011), 76 FR 1201 (January 7, 2011) (NASDAQ-2010-154) (notice of filing and immediate effectiveness); 63891 (February 11, 2011), 76 FR 9384 (February 17, 2011) (NASDAQ-2011-022) (notice of filing and immediate effectiveness); and 64050 (March 8, 2011), 76 FR 13694 March 14, 2011) (SR-NASDAQ-2011-034). See also Securities Exchange Act Release No. 65717 (November 9, 2011), 76 FR 70784 (November 15, 2011) (SR-NASDAQ-2011-150).

11 NYSE Arca also implemented investor tiers where they allow Members to earn a credit of $ 0.0032 per share for executed orders that provide liquidity to the Book for Tape A, Tape B and Tape C securities when they meet all of the following criteria on a monthly basis: 1) Maintain a ratio of cancelled orders to total orders of less than 30%; 2) Maintain a ratio of executed liquidity adding volume to total volume of greater than 80%; and 3) Firms must add liquidity that represents 0.45% or more of the total US average daily consolidated share volume ("ADV") per month (volume on days when the market closes early is excluded from the calculation of ADV). See Securities Exchange Act Release No. 64593 (June 3, 2011), 76 FR 33380 (June 8, 2011) (SR-NYSEArca-2011-34); Securities Exchange Act Release No. 66115 (January 6, 2012), 77 FR 1969 (January 12, 2012) (SR-NYSEArca-2011-101) (notice of filing and immediate effectiveness of a proposed rule change replacing numerical thresholds with percentage thresholds for the Investor Tiers' volume requirements). See also Securities Exchange Act Release No. 66378 (February 10, 2012), 77 FR 9278 (February 16, 2012) (SR-NYSEArca-2012-13).

12 See Securities Exchange Act Release No. 64593 (June 3, 2011), 76 FR 33380

The Exchange proposes to amend the description of Flag K in reference to orders routed to the PSX to include the ROUE routing strategy in addition to the ROUC routing strategy. The Exchange proposes to continue to assess a charge of $0.0025 per share. The Exchange believes that by including the ROUE routing strategy in the description of Flag K, the Exchange is providing additional transparency to the fee schedule by broadening that flag's applicability to several routing strategies. This encourages Members to utilize the Exchange to route to various destinations, which results in a lower overall routed rate for Members and allows the Exchange to pass on the savings it receives to the Exchange's Members. The Exchange believes that the proposed rebate is non-discriminatory in that it applies uniformly to all Members.

Similarly, the Exchange proposes to amend the description of Flag BY in reference to orders routed to the BATS BYX Exchange to include the ROUE routing strategy in addition to the ROUC and ROBY routing strategies. The Exchange proposes to continue to offer a rebate of $0.0002 per share. The Exchange believes that by including the ROUE routing strategy in the description of Flag BY the Exchange is providing additional transparency to the fee schedule by broadening that flag's applicability to several routing strategies. This encourages Members to utilize the Exchange to route to various destinations, which results in a lower overall routed rate for Members and allows the Exchange to pass on the savings it receives to the Exchange's Members. 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 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.

(June 8, 2011) (SR-NYSEArca-2011-34).

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) and paragraph (f)(2) of Rule 19b-4 thereunder.

(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 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-EDGX-2012-12

[Date]

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

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on March 30, 2012 the EDGX Exchange, Inc. (the "Exchange" or the "EDGX") 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[3] of the Exchange pursuant to EDGX Rule 15.1(a) and (c). All of the changes described herein are applicable to EDGX Members. The text of the proposed rule change is

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[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] 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.

available on the Exchange's Internet website at http://www.directedge.com, at the Exchange's principal office, and at the Public Reference Room of the Commission.

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

The Exchange proposes to make a technical amendment to the description of the Mega and Mini Tape B Tiers in footnote 1 to clarify that these rebates ($0.0034 per share and $0.0030 per share, respectively) are provided for liquidity added on EDGX in Tape B Securities only.

Flag E represents a customer internalization[4] charge per side if a Member inadvertently matches with itself. In order to provide additional transparency to Members, Flag E is proposed to be bifurcated into two flags and re-named to state "Internalization" instead of "Customer Internalization": Flag EA (internalization on the adding liquidity side) and Flag ER (internalization on the removing liquidity side). No

4 This occurs when two orders presented to the Exchange from the same Member (i.e., MPID) are presented separately and not in a paired manner, but nonetheless inadvertently match with one another. Members are advised to consult Rule 12.2 respecting fictitious trading.

change is proposed to the standard rate of $0.00035 per share. A conforming amendment is proposed to be made to the first sentence of footnote 11 to make clear that either Flag EA or ER could be yielded for internalization. In addition, the last sentence of footnote 11 on the fee schedule provides that "if a Member internalizes more than 4% of their ADV on EDGX (added, removed, and routed liquidity) and the Member, at a minimum, meets the criteria for the Mega Tier rebate of $0.0032 per share in footnote 1, then the Member's receives a rebate of $0.00015 per share." This tier is proposed to be amended to state that in the latter situation, a Member would receive the applicable rebate in footnote 1 of the fee schedule for adding liquidity or would be charged the applicable removal rate in footnote 1 or 12. This enables the Member to ascertain if they are on the "adding liquidity side" or "removing liquidity side" for purposes of internalization

The Exchange proposes to add footnote 13 to its fee schedule to establish a new Investor Tier under which a Member can qualify for a rebate of $0.0030 per share if they meet the following criteria: (i) on a daily basis, measured monthly, posts an ADV of at least 8 million shares on EDGX, where added flags are defined as B, HA, V, Y, MM, 3, or 4 (ii) have an "added liquidity" to "removed liquidity" ratio of at least 70% where added flags are defined as B, HA, V, Y, MM, 3, or 4[5] and removal flags are defined as MT, N, W, PI, or 6; and (iii) have a message- to- trade ratio of less than 4:1. The Exchange notes that the message-to-trade ratio is calculated by including total messages as the numerator (orders, cancels, and cancel/replace messages) and dividing

5 The Exchange notes that the vast majority of posted liquidity is displayed liquidity (Flags B, V, Y, 3, or 4) and the volume posted from hidden liquidity (Flags HA and MM) is incidental.

it by total executions.[6] The Exchange also notes that any cancel/replace message, regardless of whether it is a partial cancel, is considered a new order.

The Exchange proposes to amend the description of Flag K in reference to orders routed to the PSX to include the ROUE[7] routing strategy in addition to the ROUC routing strategy. The Exchange proposes to continue to assess a charge of $0.0025 per share.

Similarly, the Exchange proposes to amend the description of Flag BY in reference to orders routed to the BATS BYX Exchange to include the ROUE routing strategy in addition to the ROUC and ROBY routing strategies. The Exchange proposes to continue to offer a rebate of $0.0002 per share.

The Exchange proposes to make technical amendments to the fee schedule to: (i) substitute the phrase "are defined as" for "include" in footnote 12; (ii) replace Flag H with Flag HA in footnote 12 since Flag HA replaced Flag H effective March 1, 2012;[8] and (iii) remove the word "customer" in the description of Flags 5 and footnote 11 so that it now would read "Internalization."

The Exchange proposes to implement these amendments to its fee schedule on April 1, 2012.

Basis

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6 The Exchange notes that it counts only the first partial or complete execution resulting from an order if it is filled in parts. So, if a 1,000 share order results in three partial executions of 400 shares, 300 shares, and 300 shares, it counts only the first execution of 400 shares toward the denominator. Thus, the Exchange counts all fills against an order as one trade for purposes of "total executions."

7 See Exchange Rule 11.9(b)(3).

8 See Securities Exchange Act Release No. 66558 (March 9, 2012), 77 FR 15432 (March 15, 2012) (SR-EDGX-2012-06).

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Act,[9] in general, and furthers the objectives of Section 6(b)(4),[10] 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 proposed technical amendment to the Mini and Mega Tape B Tiers adds additional transparency to its fee schedule for investors as it clarifies that the tiered rate is only applicable as to Tape B securities. The Exchange believes that the proposed technical amendment to delete Flag E and replace it with Flags EA and ER promotes market transparency and improves investor protection by adding additional transparency to its fee schedule by more precisely delineating for Members whether they are "adders of liquidity" or "removers of liquidity" for purposes of paying the internalization fee. The Exchange also believes that the proposal is non-discriminatory because it applies to all Members.

Finally, the internalization rebate is equitable in that it is in line with the EDGX fee structure[11] which currently has a maker/taker spread of $0.0006 per share (the standard rebate to add liquidity on EDGX is $0.0023 per share, while the standard fee to remove liquidity is $0.0029 per share). EDGX also has a variety of tiered rebates ranging from $0.0023- $0.0034 per share, which makes its maker/taker spreads range from $.0006 (standard add – standard removal rate), -$.0001 (standard removal rate -

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9 15 U.S.C. 78f.

10 15 U.S.C. 78f(b)(4).

11 In SR-EDGX-2011-13 (April 29, 2011), the Exchange represented that it "will work promptly to ensure that the internalization fee is no more favorable than each prevailing maker/taker spread."

Super Tier rebate), -\$0.0002, (standard removal rate – Ultra Tier rebate), -\$0.0003 (standard removal rate - Mega Tier rebate of \$0.0032), and -\$.0005 (standard removal rate - Mega Tier rebate of \$0.0034 per share). As a result of the internalization rebate, Members who internalized and met the criteria to satisfy the Mega Tier and the volume threshold of 4% of their ADV on EDGX would be rebated \$0.00032 per share per side of an execution (the applicable rebate in footnote 1 for adding liquidity) and be charged \$0.0029 per share per side (the applicable removal rate in footnote 1, in this case). This make the total net rebate equal \$0.0003 per share, which would be an internalization rate that is no more favorable the prevailing maker/taker spread by satisfying the Mega Tier rebate of \$0.0032 (\$-0.0003).

The Exchange believes that the Investor Tier is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities as it rewards Members with order flow characteristics that contribute meaningfully to price discovery on the Exchange. In other words, Members that primarily post liquidity and provide longer duration orders are more valuable Members to the Exchange and the marketplace in terms of liquidity provision. The EDGX Investor Tier also encourages Members to primarily add liquidity in order to satisfy the “added liquidity” to “removed liquidity” ratio of at least 70%. Such increased volume increases potential revenue to the Exchange, and would allow the Exchange to spread its administrative and infrastructure costs over a greater number of shares, leading to lower per share costs. These lower per share costs would allow the Exchange to pass on the savings to Members in the form of higher rebates. The increased liquidity also benefits all investors by deepening EDGX’s liquidity pool, offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, promoting market transparency and improving investor protection. Volume-based rebates such as the ones proposed herein have been widely adopted in the cash equities markets, and are equitable because they are open to all Members on an equal basis and provide discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes.

In addition, the rebate is also reasonable in that other exchanges likewise employ similar pricing mechanisms. For example, NASDAQ[12] and NYSE Arca[13] offer

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12 See NASDAQ Rule 7014. Similarly, NASDAQ established an Investor Support Program ("ISP") targeting retail and institutional investor orders where firms receive a higher rebate if they meet all of the following criteria: 1) Add at least 10 million shares of liquidity per day via ISP-designated ports; 2) Maintain a ratio of orders-to-orders executed of less than 10 to 1 (counting only liquidity-providing orders and excluding certain order types) on ISP-designated ports; 3) Exceed the firm's August 2010/2011 "baseline" volume of liquidity added across all the firm's ports. For a detailed description of the Investor Support Program as originally implemented, see Securities Exchange Act Release No. 63270 (November 8, 2010), 75 FR 69489 (November 12, 2010) (NASDAQ-2010-141) (notice of filing and immediate effectiveness) (the "ISP Filing"). See also Securities Exchange Act Release Nos. 63414 (December 2, 2010), 75 FR 76505 (December 8, 2010) (NASDAQ-2010-153) (notice of filing and immediate effectiveness); 63628 (January 3, 2011), 76 FR 1201 (January 7, 2011) (NASDAQ-2010-154) (notice of filing and immediate effectiveness); 63891 (February 11, 2011), 76 FR 9384 (February 17, 2011) (NASDAQ-2011-022) (notice of filing and immediate effectiveness); and 64050 (March 8, 2011), 76 FR 13694 March 14, 2011) (SR-NASDAQ-2011-034). See also Securities Exchange Act Release No. 65717 (November 9, 2011), 76 FR 70784 (November 15, 2011) (SR-NASDAQ-2011-150).

13 NYSE Arca also implemented investor tiers where they allow Members to earn a credit of $ 0.0032 per share for executed orders that provide liquidity to the Book for Tape A, Tape B and Tape C securities when they meet all of the following criteria on a monthly basis: 1) Maintain a ratio of cancelled orders to total orders of less than 30%; 2) Maintain a ratio of executed liquidity adding volume to total volume of greater than 80%; and 3) Firms must add liquidity that represents 0.45% or more of the total US average daily consolidated share volume ("ADV") per month (volume on days when the market closes early is

investor support programs and investor tiers, respectively. Such programs reward liquidity provision attributes, encourage price discovery and market transparency by encouraging growth in liquidity over a defined baseline, and encourage a low cancellation rate on liquidity-providing orders. EDGX's Investor Tier is similar to NASDAQ's/NYSE Arca's programs in they both encourage efficient liquidity provision. It is similar to NASDAQ's Investor Support Program in that for NASDAQ members to qualify, among a firm's liquidity-providing orders, it must maintain a ratio of "orders" to "orders executed" of less than ten to one (i.e., at least one out of every ten liquidity-providing orders submitted must be executed rather than cancelled). Similarly, NYSE Arca's investor tiers require its members to maintain a ratio of cancelled orders to total orders of less than 30% and maintain a ratio of executed liquidity adding volume to total volume of greater than 80%, among other criteria. EDGX's Investor Tier is similar to NYSE Arca's investor tiers in that like NYSE Arca's investor tiers, the Exchange's goal is incentivize Members to maintain low cancellation rates and provide liquidity that supports the quality of price discovery and promotes market transparency. In addition, similar to the investor tiers of NYSE Arca, EDGX's Investor Tier "reward[s] providers whose orders stay on the [b]ook and do not rapidly cancel a large portion of their orders placed, which makes the price discovery

excluded from the calculation of ADV). See Securities Exchange Act Release No. 64593 (June 3, 2011), 76 FR 33380 (June 8, 2011) (SR-NYSEArca-2011-34); Securities Exchange Act Release No. 66115 (January 6, 2012), 77 FR 1969 (January 12, 2012) (SR-NYSEArca-2011-101) (notice of filing and immediate effectiveness of a proposed rule change replacing numerical thresholds with percentage thresholds for the Investor Tiers' volume requirements). See also Securities Exchange Act Release No. 66378 (February 10, 2012), 77 FR 9278 (February 16, 2012) (SR-NYSEArca-2012-13).

process more efficient and results in higher fill rates, greater depth and lower volatility. It serves to encourage Members to post orders that are more likely to be executed."[14]

The Exchange proposes to amend the description of Flag K in reference to orders routed to the PSX to include the ROUE routing strategy in addition to the ROUC routing strategy. The Exchange proposes to continue to assess a charge of $0.0025 per share. The Exchange believes that by including the ROUE routing strategy in the description of Flag K, the Exchange is providing additional transparency to the fee schedule by broadening that flag's applicability to several routing strategies. This encourages Members to utilize the Exchange to route to various destinations, which results in a lower overall routed rate for Members and allows the Exchange to pass on the savings it receives to the Exchange's Members. The Exchange believes that the proposed rebate is non-discriminatory in that it applies uniformly to all Members.

Similarly, the Exchange proposes to amend the description of Flag BY in reference to orders routed to the BATS BYX Exchange to include the ROUE routing strategy in addition to the ROUC and ROBY routing strategies. The Exchange proposes to continue to offer a rebate of $0.0002 per share. The Exchange believes that by including the ROUE routing strategy in the description of Flag BY the Exchange is providing additional transparency to the fee schedule by broadening that flag's applicability to several routing strategies. This encourages Members to utilize the Exchange to route to various destinations, which results in a lower overall routed rate for Members and allows the Exchange to pass on the savings it receives to the

14 See Securities Exchange Act Release No. 64593 (June 3, 2011), 76 FR 33380 (June 8, 2011) (SR-NYSEArca-2011-34).

Exchange's Members. 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 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[15] and Rule 19b-4(f)(2)[16] thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such

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15 15 U.S.C. 78s(b)(3)(A).

16 17 CFR 19b-4(f)(2).

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:

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. Please include File No. SR-EDGX-2012-12 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-EDGX-2012-12. 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-EDGX-2012-12 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.[17]

Secretary

[17] 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Additions underlined

Deletions [bracketed]

EDGX Exchange Fee Schedule – Effective [March] April 1, 2012

Download in pdf format.

Rebates & Charges for Adding, Removing or Routing Liquidity per Share for Tape A, B, & C Securities[1,a,b]:
Rebates indicated by parentheses ( )

Category	Adding Liquidity	Removing Liquidity	Routing Liquidity
Securities at or above $1.00	$(0.0023)[1,a,13]	$0.0029[1,12]	$0.0029
Securities below $1.00	$(0.00003)	0.10% of Dollar Value	0.30% of Dollar Value[3,a]

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[1,a,12]	Add liquidity to EDGX book (Tape B)	(0.0023)
C[3,a]	Routed to BX, removes liquidity	(0.0005)
D[3,a]	Routed or re-routed to NYSE, removes liquidity	0.0023
[E][11]	[Customer internalization, per side]	[0.00035]
F	Routed to NYSE, adds liquidity	(0.0015)
G	Routed to NYSE Arca (Tapes A or C), removes liquidity	0.0030
I	Routed to EDGA	0.0029
J[3,a]	Routed to NASDAQ, removes liquidity	0.0030

K	Routed to BATS BZX Exchange using ROBA routing strategy (EDGX + BATS) OR Routed to PSX using ROUC or ROUE routing strategy	0.0025
L[3]	Routed to NASDAQ using INET routing strategy, removes liquidity (Tapes A or C)	0.0030
M[6,a]	Add liquidity on LavaFlow	(0.0024)
N[1,12]	Remove liquidity from EDGX book (Tapes B or C)	0.0029
O[5,a]	Routed to primary exchange’s opening cross	0.0005
Q	Routed using ROUQ or ROUC routing strategies	0.0020
R	Re-routed by exchange	0.0030
S	Directed ISO order	0.0032
T	Routed using ROUD/ROUE routing strategy	0.0012
U[6,a]	Remove liquidity from LavaFlow	0.0029
V[1,a,12]	Add liquidity to EDGX book (Tape A)	(0.0023)
W[1,12]	Remove liquidity from EDGX book (Tape A)	0.0029
X	Routed	0.0029
Y[1,a,12]	Add liquidity to EDGX book (Tape C)	(0.0023)
Z	Routed using ROUZ routing strategy	0.0010
2[3]	Routed to NASDAQ using INET routing strategy, removes liquidity (Tape B)	0.0030
3[1,a,12]	Add liquidity – pre & post market (Tapes A or C)	(0.0023)
4[1,a,12]	Add liquidity – pre & post market (Tape B)	(0.0023)
5[11]	[Customer] Internalization – pre & post market, per side	0.00035
6[1,12]	Remove liquidity – pre & post market (All Tapes)	0.0029
7	Routed – pre & post market	0.0030
8	Routed to NYSE Amex, adds liquidity	(0.0015)
9	Routed to NYSE Arca, adds liquidity (Tapes A or C)	(0.0021)
10	Routed to NYSE Arca, adds liquidity (Tape B)	(0.0022)
AA	Midpoint Match Cross (same MPID)	FREE
BY[10]	Routed to BATS BYX Exchange, removes liquidity (using routing strategies ROUC, ROUE or ROBY)	(0.0002)

CL[9]	**Routed to listing market closing process [using ROOC routing strategy], except for NYSE Arca & BATS BZX**	**0.0010**
EA[11]	**Internalization, adds liquidity**	**0.00035**
ER[11]	**Internalization, removes liquidity**	**0.00035**
HA[1,12]	**Non-Displayed Orders that add liquidity (not including Midpoint Match orders)**	**(0.0015)**
MM[1,12]	**Add liquidity to Midpoint Match (using Midpoint Match order type)**	**0.0012**
MT	**Remove liquidity from Midpoint Match (using Midpoint Match order type)**	**0.0012**
OO	**Direct Edge Opening**	**0.0010**
PI [12]	**Remove liquidity from EDGX book against Midpoint Match**	**0.0029**
RA	**Routed to EDGA, adds liquidity**	**(0.0004)**
RB	**Routed to BX, adds liquidity**	**0.0018**
RC	**Routed to NSX, adds liquidity**	**(0.0026)**
RM	**Routed to CHX, adds liquidity**	**FREE**
RR	**Routed to EDGA using routing strategies IOCX or IOCT, removes liquidity**	**0.0007**
RS	**Routed to PSX, adds liquidity**	**(0.0024)**
RW	**Routed to CBSX, adds liquidity**	**0.0017**
RY	**Routed to BATS BYX, adds liquidity**	**0.0003**
RZ	**Routed to BATS BZX, adds liquidity**	**(0.0025)**
SW[8]	**Routed using SWPA/SWPB/SWPC routing strategies (except for removal of liquidity from NYSE)**	**0.0031**

[1] Members can qualify for the Mega Tier and be provided a rebate of $0.0034 per share for all liquidity posted on EDGX if they add or route at least 4,000,000 shares of average daily volume ("ADV") prior to 9:30 AM or after 4:00 PM (includes all flags except 6) AND add a minimum of 20,000,000 shares of ADV on EDGX in total, including during both market hours and pre and post-trading hours. Alternatively, Members can also qualify for the Mega Tier, but will be provided a rebate of $0.0032 per share for all liquidity posted on EDGX if they add or route at least 4,000,000 shares of ADV prior to 9:30 AM or after 4:00 PM (includes all flags except 6) and add a minimum of .20% of the Total Consolidated Volume ("TCV") on a daily basis measured monthly, including during both market hours and pre and post-trading hours. In addition, for meeting the aforementioned criteria, Members will pay a reduced rate for removing liquidity of $0.0029 for Flags N, W, and 6.

Members can qualify for the Mega Tape B Tier and be provided a $0.0034 rebate per share for liquidity added on EDGX in Tape B securities if the Member on a daily basis, measured monthly: (i) posts greater than or equal to .10% of the TCV in ADV more than their January 2012 ADV added to EDGX; and (ii) posts greater than or equal to .10% of the TCV in ADV in Tape B securities more than their January 2012 ADV added to EDGX.

Members can also qualify for the Mega Tier and be provided a $0.0032 rebate per share for liquidity added on EDGX in either of two ways: (i) if the Member on a daily basis, measured monthly, posts 0.75% of the TCV in ADV; or (ii) if the Member on a daily basis, measured monthly, posts 0.12% of the TCV in ADV more than their February 2011 ADV added to EDGX. 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.

Members can qualify for the Ultra Tier and be provided a $0.0031 rebate per share for liquidity added on EDGX if the Member on a daily basis, measured monthly, posts 0.50% of TCV in ADV to EDGX.

Members can qualify for the Mini Tape B Tier and be provided a $0.0030 rebate per share for liquidity added on EDGX in Tape B securities if the Member on a daily basis, measured monthly: (i) posts greater than or equal to .05% of the TCV in ADV more than their January 2012 ADV added to EDGX; and (ii) posts greater than or equal to .05% of the TCV in ADV in Tape B securities more than their January 2012 ADV added to EDGX.

Members can qualify for the Super Tier and be provided a $0.0028 rebate per share for liquidity added on EDGX if the Member on a daily basis, measured monthly, posts 10,000,000 shares or more of ADV to EDGX.

Members that post 0.065% of the TCV in ADV more than their February 2011 ADV added to EDGX will qualify for a $0.0028 per share rebate (unless they otherwise qualify for a higher rebate).

Any Member meeting the following criteria: (i) adding 10,000,000 shares or more of ADV of liquidity to EDGX, (ii) where such added liquidity on EDGX is at least 5,000,000 shares of ADV greater than the previous calendar month; and (iii) but for the liquidity added on EDGX, such Member would have qualified for a better rebate with respect to liquidity added on another exchange or ECN that the Member previously qualified for in the three calendar months prior to meeting the above-described criteria in (i) and (ii), shall be reimbursed the difference between the rebate received and the rebate potentially received, so long as source documentation evidencing the above is provided to the Exchange within fifteen (15) calendar days from the end of the relevant month. A Member can only receive reimbursement with respect to two consecutive calendar months. With respect to the second calendar month's reimbursement, the relevant period in determining whether criteria (iii) is satisfied is the period three calendar months prior to the first of the two consecutive calendar months the Member meets the above-described criteria in (i) and (ii).

[2] Intentionally omitted.

[3] 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 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.

[4] Intentionally omitted.

[5] Capped at $10,000 per month per Member.

[6] 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).

[7] Intentionally omitted.

[8] Flag D is assigned and a fee of $0.0023 per share is assessed if either an SWPA, SWPB, or SWPC routing strategy removes liquidity from NYSE.

[9] 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 & BATS BZX's closing processes.

[10] Stocks priced below $1.00 are charged $0.0010 per share.

[11] If a Member posts 10,000,000 shares or more of ADV to EDGX, then the Member's rate for [customer] internalization (Flags EA or ER) decreases to $0.0001 per share per side. If a Member internalizes more than 4% of their ADV on EDGX (added, removed, and routed liquidity) and the Member, at a minimum, meets the criteria for the Mega Tier rebate of $0.0032 per share in footnote 1, above, then the Member receives the applicable rebate in footnote 1 for adding liquidity, or is charged the applicable removal rate in footnote 1 or 12.[receives a rebate of $0.00015 per share.]

[12] A removal rate of $0.0029 per share applies where an MPID's add liquidity ratio is equal to or greater than 10%. The add liquidity ratio is defined as "added" flags/("added" flags + "removal" flags) x 100, where added flags [include] are defined as B, HA, V, Y, MM, 3, or 4 and removal flags [include] are defined as MT, N, W, PI, or 6. The removal rate of $0.0029 per share applies to single MPIDs only as share volume calculations for wholly owned affiliates cannot be aggregated across multiple MPIDs on a prospective basis. Where a Member does not meet the add liquidity ratio of at least 10%, then a removal rate of $0.0030 per share applies.

[13] A Member can qualify for an Investor Tier and be provided a rebate of $0.0030 per share if they meet the following criteria: (i) on a daily basis, measured monthly, posts an ADV of at least 8 million shares on EDGX where added flags are defined as B, HA, V, Y, MM, 3, or 4; (ii) have an "added liquidity" to "removed liquidity" ratio of at least 70% where added flags are defined as B, HA, V, Y, MM, 3, or 4 and removal flags are defined as MT, N, W, PI, or 6; and (iii) have a message-to-trade ratio of less than 4:1.

[a] Upon a Member's request, EDGX will aggregate share volume calculations for wholly owned affiliates on a prospective basis.

[b] Trading activity on days when the market closes early does not count toward volume tiers.

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