

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 23	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No.* SR - 2012 - * 45	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 * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>			
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	19b-4(f)(1) <input type="checkbox"/>	19b-4(f)(2) <input checked="" type="checkbox"/>	19b-4(f)(3) <input type="checkbox"/>	19b-4(f)(4) <input type="checkbox"/>	19b-4(f)(5) <input type="checkbox"/>	19b-4(f)(6) <input type="checkbox"/>
Exhibit 2 Sent As Paper Document <input type="checkbox"/>		Exhibit 3 Sent As Paper Document <input type="checkbox"/>						
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 * Jeffrey Last Name * Rosenstrock Title * General Counsel E-mail * jrosenstrock@directedge.com Telephone * (201) 942-8295 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 10/01/2012 By Jeffrey Rosenstrock General Counsel (Name *) (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. jrosenstrock@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

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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

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 Members¹ 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 Exchange’s 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

Currently, Footnote 12 to the Exchange’s fee schedule states that a removal rate of \$0.0029 per share applies where a Market Participant Identifier’s (“MPID”) 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 are defined as Flags B, HA, V, Y, MM, RP, 3, or 4 and removal flags are defined as Flags BB, MT, N, W, PI, PR, or 6. Where a Member does not meet the add liquidity ratio of at least 10%, then the Exchange will charge the default removal rate of \$0.0030 per share, where “default” refers to the standard rates assessed by the Exchange to Members for orders that remove liquidity absent Members qualifying for additional volume tiered pricing.² The Exchange proposes to delete Footnote 12 in its entirety and any references thereto.

¹ As defined in Exchange Rule 1.5(n).

² The Exchange notes that Members may qualify for a removal rate of \$0.0029 per share

Currently, the Exchange's fee schedule displays a discounted removal rate of \$0.0029 per share as the rate for removing liquidity and the rate for Flags N, W, 6, BB, and PI subject to the volume thresholds in Footnotes 1 and 12.³ Because the Exchange proposed to delete Footnote 12 in its entirety, the Exchange proposes to amend the rates displayed for removing liquidity on the fee schedule to \$0.0030 per share, which represents the current default rate. Accordingly, the Exchange proposes to amend the displayed rate for removing liquidity on the EDGX fee schedule and the removal rates for Flags N, W, 6, BB, and PI from \$0.0029 per share to \$0.0030 per share, and these rates will continue to remain subject to the volume tier requirements of the Mega Tier in Footnote 1.

Currently, Footnote 11 on the Exchange's fee schedule states that for Flags EA or ER, if a Member internalizes more than 4% of their average daily volume ("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 as described in Footnote 1, 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. Because the Exchange proposes to eliminate the discounted removal rate for achieving the volume tier requirements in Footnote 12 in its entirety, the Exchange also proposes to eliminate the discounted removal rate for achieving the volume tier requirements in Footnote 12 provided for in Footnote 11. Therefore, the Exchange will charge the default removal rate of \$0.0030 per share regardless of the Member's add liquidity ratio unless that Member qualifies for the discounted removal rate of \$0.0029 per share, as described in the Mega Tier of Footnote 1, should that Member achieve the volume tier requirements.

The Exchange proposes to assess a fee of \$0.0025 per share in lieu of the current fee of \$0.0023 per share for Members' orders that are routed or re-routed to the New York Stock Exchange ("NYSE") and remove liquidity, yielding Flag D. This proposed change represents a pass-through of the rate that Direct Edge ECN LLC d/b/a DE Route ("DE Route"), the Exchange's affiliated routing broker dealer, is charged for routing orders to NYSE, in response to the pricing changes in NYSE's filing with the Securities and Exchange Commission (the "SEC").⁴

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

(b) Statutory Basis

for Flags N, W, 6, BB and PI where they satisfy the volume tier requirements for the Mega Tier in Footnote 1.

³ The Exchange notes that the default removal rate remains \$0.0030 per share.

⁴ See NYSE's Trader Update at <http://www.nyse.com/pdfs/NYSE%20Client%20Notice%20Fees%2010%201%202012.pdf> (discussing NYSE's fee changes effective October 1, 2012).

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Securities and Exchange Act of 1934 (the “Act”),⁵ in general, and furthers the objectives of Section 6(b)(4),⁶ 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 currently offers Members a discounted removal rate of \$0.0029 per share where their add liquidity ratio is equal to or greater than 10%, as described in Footnote 12. The Exchange proposes to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 in its entirety and any references thereto, and the Exchange proposes to charge Members the default removal rate of \$0.0030 per share regardless of their add liquidity ratio. The Exchange believes that its proposal to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 in its entirety represents an equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities because the Exchange will use the additional \$0.0001 per share revenue generated from removing this volume tier to offset the administrative and infrastructure costs associated with operating a national securities exchange. In addition, the Exchange’s proposal is reasonable because it will allow the Exchange to assess a fee for removing liquidity from EDGX that is competitive with other market centers.⁷ The Exchange also notes that with the removal of this tier, Members will continue to be subject to the other fees and tiers listed on the Exchange’s fee schedule. Lastly, the Exchange believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

The Exchange currently offers Members a discounted removal rate of \$0.0029 per share, as described in Footnote 11 and subject to the volume tier requirements in Footnotes 1 and 12, where the 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. Because the Exchange proposed to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 in its entirety and any references thereto, the Exchange also proposes to eliminate the discounted removal rate for

⁵ 15 U.S.C. 78f.

⁶ 15 U.S.C. 78f(b)(4).

⁷ See NASDAQ OMX Group, Inc., Price List – Trading & Connectivity, <http://nasdaqtrader.com/Trader.aspx?id=PriceListTrading2#remove>. The NASDAQOMX Group Inc.’s default rate for removing liquidity in Tape A, B and C securities for all MPIDs is \$0.0030 per share. See also BATS BZX Exchange, Inc., BATS BZX Exchange Fee Schedule (effective September 10, 2012), http://cdn.batstrading.com/resources/regulation/rule_book/BATS-Exchanges_Fee_Schedules.pdf. BATS BZX Exchange, Inc.’s default rate for removing liquidity in Tape A, B and C securities for all MPIDs is \$0.0029 per share.

achieving the volume tier requirements of Footnote 12 provided for in Footnote 11. Accordingly, the Exchange proposes to charge the default removal rate of \$0.0030 per share regardless of a Member's add liquidity ratio unless that Member qualifies for a discounted removal rate of \$0.0029 per share, as described in Footnote 11 and pursuant to the volume tier requirements in the Mega Tier in Footnote 1. The Exchange believes that its proposal to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12, as described in Footnote 11, represents an equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities because the Exchange will use the additional \$0.0001 per share revenue generated from removing this volume tier to offset the administrative and infrastructure costs associated with operating a national securities exchange. In addition, the Exchange's proposal is reasonable because it will allow the Exchange to assess a fee for removing liquidity from EDGX that is competitive with other market centers.⁸ The Exchange also notes that with the removal of this tier, Members will continue to be subject to the other fees and tiers listed on the Exchange's fee schedule. Lastly, the Exchange believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

The rates associated with routing orders to NYSE through DE Route on the Exchange's fee schedule are pass-through rates from DE Route to the Exchange and represent an equitable allocation of reasonable dues, fees, and other charges among Members of the Exchange and other persons using its facilities because the Exchange does not levy additional fees or offer additional rebates for orders that it routes to NYSE through DE Route. The Exchange notes that routing through DE Route is voluntary. Currently, for orders yielding Flag D, NYSE charges DE Route a fee of \$0.0023 per share, which, in turn, is passed through to the Exchange. The Exchange, in turn, charges its Members a fee of \$0.0023 per share as a pass-through. In NYSE's pricing changes for October 1, 2012, NYSE increased the rate it charges its customers, such as DE Route, from \$0.0023 per share to a charge of \$0.0025 per share for orders that are routed or re-routed to NYSE and remove liquidity. Therefore, the Exchange believes that the proposed change for Flag D from a fee of \$0.0023 per share to a fee of \$0.0025 per share is equitable and reasonable because it accounts for the pricing changes on NYSE. In addition, the proposal allows the Exchange to continue to charge its Members a pass-through rate for orders that are routed or re-routed to NYSE and remove liquidity using DE Route. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because 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

⁸Id.

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 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 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 Section 19(b)(3)(A)(ii) of the Act⁹ and paragraph (f)(2) of Rule 19b-4 thereunder.¹⁰

(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

⁹ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁰ 17 CFR 240.19b-4(f)(2).

Federal Register.

Exhibit 5 – Text of the Proposed Rule Change.

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-EDGX-2012-45)

October , 2012

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 October 1, 2012 the EDGX Exchange, Inc. (the "Exchange" or "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 Members³ of the Exchange pursuant to EDGX Rule 15.1(a) and (c). Text of the proposed rule change is attached as Exhibit 5.

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ As defined in Exchange Rule 1.5(n).

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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

Currently, Footnote 12 to the Exchange's fee schedule states that a removal rate of \$0.0029 per share applies where a Market Participant Identifier's ("MPID") 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 are defined as Flags B, HA, V, Y, MM, RP, 3, or 4 and removal flags are defined as Flags BB, MT, N, W, PI, PR, or 6. Where a Member does not meet the add liquidity ratio of at least 10%, then the Exchange will charge the default removal rate of \$0.0030 per share, where "default" refers to the standard rates assessed by the Exchange to Members for orders that remove liquidity absent Members qualifying for additional volume tiered pricing.⁴ The Exchange proposes to delete Footnote 12 in its entirety and any references thereto.

Currently, the Exchange's fee schedule displays a discounted removal rate of \$0.0029 per share as the rate for removing liquidity and the rate for Flags N, W, 6, BB, and PI subject to the volume thresholds in Footnotes 1 and 12.⁵ Because the Exchange proposed to delete Footnote 12 in its entirety, the Exchange proposes to amend the rates displayed for removing liquidity on the fee schedule to \$0.0030 per share, which represents the current default rate. Accordingly, the Exchange proposes to amend the displayed rate for removing liquidity on the EDGX fee

⁴ The Exchange notes that Members may qualify for a removal rate of \$0.0029 per share for Flags N, W, 6, BB and PI where they satisfy the volume tier requirements for the Mega Tier in Footnote 1.

⁵ The Exchange notes that the default removal rate remains \$0.0030 per share.

schedule and the removal rates for Flags N, W, 6, BB, and PI from \$0.0029 per share to \$0.0030 per share, and these rates will continue to remain subject to the volume tier requirements of the Mega Tier in Footnote 1.

Currently, Footnote 11 on the Exchange's fee schedule states that for Flags EA or ER, if a Member internalizes more than 4% of their average daily volume ("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 as described in Footnote 1, 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. Because the Exchange proposes to eliminate the discounted removal rate for achieving the volume tier requirements in Footnote 12 in its entirety, the Exchange also proposes to eliminate the discounted removal rate for achieving the volume tier requirements in Footnote 12 provided for in Footnote 11. Therefore, the Exchange will charge the default removal rate of \$0.0030 per share regardless of the Member's add liquidity ratio unless that Member qualifies for the discounted removal rate of \$0.0029 per share, as described in the Mega Tier of Footnote 1, should that Member achieve the volume tier requirements.

The Exchange proposes to assess a fee of \$0.0025 per share in lieu of the current fee of \$0.0023 per share for Members' orders that are routed or re-routed to the New York Stock Exchange ("NYSE") and remove liquidity, yielding Flag D. This proposed change represents a pass-through of the rate that Direct Edge ECN LLC d/b/a DE Route ("DE Route"), the Exchange's affiliated routing broker dealer, is charged for routing orders to NYSE, in response

to the pricing changes in NYSE's filing with the Securities and Exchange Commission (the "SEC").⁶

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

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of 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 currently offers Members a discounted removal rate of \$0.0029 per share where their add liquidity ratio is equal to or greater than 10%, as described in Footnote 12. The Exchange proposes to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 in its entirety and any references thereto, and the Exchange proposes to charge Members the default removal rate of \$0.0030 per share regardless of their add liquidity ratio. The Exchange believes that its proposal to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 in its entirety represents an equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities because the Exchange will use the additional \$0.0001 per share revenue generated from removing this volume tier to offset the administrative and infrastructure costs associated with operating a national securities exchange. In addition, the Exchange's proposal is reasonable

⁶ See NYSE's Trader Update at <http://www.nyse.com/pdfs/NYSE%20Client%20Notice%20Fees%2010%201%202012.pdf> (discussing NYSE's fee changes effective October 1, 2012).

⁷ 15 U.S.C. 78f.

⁸ 15 U.S.C. 78f(b)(4).

because it will allow the Exchange to assess a fee for removing liquidity from EDGX that is competitive with other market centers.⁹ The Exchange also notes that with the removal of this tier, Members will continue to be subject to the other fees and tiers listed on the Exchange's fee schedule. Lastly, the Exchange believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

The Exchange currently offers Members a discounted removal rate of \$0.0029 per share, as described in Footnote 11 and subject to the volume tier requirements in Footnotes 1 and 12, where the 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. Because the Exchange proposed to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 in its entirety and any references thereto, the Exchange also proposes to eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12 provided for in Footnote 11. Accordingly, the Exchange proposes to charge the default removal rate of \$0.0030 per share regardless of a Member's add liquidity ratio unless that Member qualifies for a discounted removal rate of \$0.0029 per share, as described in Footnote 11 and pursuant to the volume tier requirements in the Mega Tier in Footnote 1. The Exchange believes that its proposal to

⁹ See NASDAQ OMX Group, Inc., Price List – Trading & Connectivity, <http://nasdaqtrader.com/Trader.aspx?id=PriceListTrading2#remove>. The NASDAQOMX Group Inc.'s default rate for removing liquidity in Tape A, B and C securities for all MPIDs is \$0.0030 per share. See also BATS BZX Exchange, Inc., BATS BZX Exchange Fee Schedule (effective September 10, 2012), http://cdn.batstrading.com/resources/regulation/rule_book/BATS-Exchanges_Fee_Schedules.pdf. BATS BZX Exchange, Inc.'s default rate for removing liquidity in Tape A, B and C securities for all MPIDs is \$0.0029 per share.

eliminate the discounted removal rate for achieving the volume tier requirements of Footnote 12, as described in Footnote 11, represents an equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities because the Exchange will use the additional \$0.0001 per share revenue generated from removing this volume tier to offset the administrative and infrastructure costs associated with operating a national securities exchange. In addition, the Exchange's proposal is reasonable because it will allow the Exchange to assess a fee for removing liquidity from EDGX that is competitive with other market centers.¹⁰ The Exchange also notes that with the removal of this tier, Members will continue to be subject to the other fees and tiers listed on the Exchange's fee schedule. Lastly, the Exchange believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

The rates associated with routing orders to NYSE through DE Route on the Exchange's fee schedule are pass-through rates from DE Route to the Exchange and represent an equitable allocation of reasonable dues, fees, and other charges among Members of the Exchange and other persons using its facilities because the Exchange does not levy additional fees or offer additional rebates for orders that it routes to NYSE through DE Route. The Exchange notes that routing through DE Route is voluntary. Currently, for orders yielding Flag D, NYSE charges DE Route a fee of \$0.0023 per share, which, in turn, is passed through to the Exchange. The Exchange, in turn, charges its Members a fee of \$0.0023 per share as a pass-through. In NYSE's pricing changes for October 1, 2012, NYSE increased the rate it charges its customers, such as DE Route, from \$0.0023 per share to a charge of \$0.0025 per share for orders that are routed or re-routed to NYSE and remove liquidity. Therefore, the Exchange believes that the proposed

¹⁰Id.

change for Flag D from a fee of \$0.0023 per share to a fee of \$0.0025 per share is equitable and reasonable because it accounts for the pricing changes on NYSE. In addition, the proposal allows the Exchange to continue to charge its Members a pass-through rate for orders that are routed or re-routed to NYSE and remove liquidity using DE Route. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because 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)(A) of the Act¹¹ and Rule 19b-4(f)(2)¹² 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:

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 Number SR-EDGX-2012-45 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-EDGX-2012-45. 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 Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 19b-4(f)(2).

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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the 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-2012-45 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Kevin M. O'Neill
Deputy Secretary

¹³ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Additions underlined

Deletions [bracketed]

EDGX Exchange Fee Schedule – Effective [September 7] October 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,d}:

Rebates indicated by parentheses ()

Footnotes provide further explanatory text or, where annotated to flags, indicate variable rate changes, provided the conditions in the footnote are met

Category	Adding Liquidity	Removing Liquidity	Routing Liquidity
Securities at or above \$1.00	\$(0.0023) ^{1,a,13}	[\$0.0029] <u>\$0.0030</u> ^{11, 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}	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] <u>0.0025</u>
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 PSX using ROUC or ROUE routing strategy	0.0027
L³	Routed to NASDAQ using INET routing strategy, removes liquidity (Tapes A or C)	0.0030
M^a	Add liquidity on LavaFlow	(0.0024)
N^{1[, 12]}	Remove liquidity from EDGX book (Tape C)	[\$0.0029] <u>\$0.0030</u>
O^{5,a}	Routed to primary exchange's opening cross	0.0005
Q	Routed using ROUC routing strategy	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}	Add liquidity to EDGX book (Tape A)	(0.0023)
W^{1[, 12]}	Remove liquidity from EDGX book (Tape A)	[\$0.0029] <u>\$0.0030</u>
X	Routed	0.0029
Y^{1,a}	Add liquidity to EDGX book (Tape C)	(0.0023)
Z	Routed using ROUZ routing strategy	0.0010
2³	Routed to NASDAQ using INET routing strategy, removes liquidity (Tape B)	0.0030
3^{1,a}	Add liquidity – pre & post market (Tapes A or C)	(0.0023)
4^{1,a}	Add liquidity – pre & post market (Tape B)	(0.0023)
5¹¹	Internalization – pre & post market, per side	0.00035
6^{1[, 12]}	Remove liquidity – pre & post market (All Tapes)	[\$0.0029] <u>\$0.0030</u>
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
BB^{11, 12]}	Remove liquidity from EDGX book (Tape B)	[\$0.0029] \$0.0030
BY¹⁰	Routed to BATS BYX Exchange, removes liquidity (using routing strategies ROUC, ROUE or ROBY)	(0.0002)
CL⁹	Routed to listing market closing process, except for NYSE Arca & BATS BZX	0.0010
EA¹¹	Internalization, adds liquidity	0.00035
ER¹¹	Internalization, removes liquidity	0.00035
HA	Non-Displayed Orders that add liquidity (not including Midpoint Match orders)	(0.0015)
MM	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^{11, 12]}	Remove liquidity from EDGX book against Midpoint Match	[\$0.0029] \$0.0030
PR	Remove liquidity from EDGX book using ROUQ routing strategy	0.0027
RA	Routed to EDGA, adds liquidity	0.0006
RB	Routed to BX, adds liquidity	0.0018
RC	Routed to NSX, adds liquidity	(0.0026)
RP	Non-Displayed Orders, adds liquidity (using Route Peg Order)	(0.0015)
RQ	Routed using ROUQ routing strategy	0.0027
RR	Routed to EDGA using routing strategies IOCX or IOCT, removes liquidity	(0.0004)
RS	Routed to PSX, adds liquidity	(0.0016)
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)
SW⁸	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 \$0.0035 per share for all liquidity posted on EDGX if they add or route at least 2,000,000 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 35,000,000 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, 6, BB and PI. Where a Member does not meet the criteria for the Mega Tier, then a removal rate of \$0.0030 per share applies.

Members can qualify for the Market Depth Tier and receive a rebate of \$0.0033 per share for displayed liquidity added on EDGX if they post greater than or equal to 0.50% of the TCV in ADV on EDGX in total, where at least 2 million shares are Non-Displayed Orders that yield Flag HA.

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 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 internalization (Flags 5, EA or ER) decreases to \$0.0001 per share per side.

For Flags EA or ER, 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].

¹² Intentionally omitted. [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 are defined as B, HA, V, Y, MM, RP, 3, or 4 and removal flags are defined as BB, MT, N, W, PI, PR, 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 Members 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, RP, 3, or 4; (ii) have an "added liquidity" to "removed liquidity" ratio of at least 60% where added flags are defined as B, HA, V, Y, MM, RP, 3, or 4 and removal flags are defined as BB, MT, N, W, PI, PR, or 6; and (iii) have a message-to-trade ratio of less than 6:1.

^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.

^c Reserved.

^d A charge of 1% per month on the past due portion of the balance will be assessed on a Member's account that is past due. This fee will begin to accrue on a daily basis for items not paid within the 30 day payment terms until the item is paid in full. Late fees incurred will be included as line items on subsequent invoices.

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