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Required fields are shown with yellow backgrounds and asterisks.

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

File No.* SR - 2013 - * 004

Amendment No. (req. for Amendments *)

Filing by BATS Y-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) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pilot <input type="checkbox"/> Extension of Time Period for Commission Action * <input type="checkbox"/> Date Expires * <input type="text"/>			Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input checked="" type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 806(e)(1)

Section 806(e)(2)

Section 3C(b)(2)



Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document



Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Amendments to the fee schedule of BATS Y-Exchange, Inc.

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 action.

First Name * Anders Last Name * Franzon
 Title * VP, Associate General Counsel
 E-mail * afranzone@batstrading.com
 Telephone * (913) 815-7154 Fax (913) 815-7119

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.

(Title *)

Date 01/29/2013

By Anders Franzon

(Name *)

VP, Associate General Counsel

Anders Franzon,

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.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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

Exhibit 1 - Notice of Proposed Rule Change *

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice 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

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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

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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

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

1. Text of the Proposed Rule Change

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² BATS Y-Exchange, Inc. (the “Exchange” or “BYX”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the fee schedule applicable to Members³ and non-members of the Exchange pursuant to BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal will be effective upon filing.

(a) The text of the proposed rule change is attached as Exhibit 5. Material proposed to be added is underlined. Material proposed to be deleted is enclosed in brackets.

(b) Not applicable.

(c) Not applicable.

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 September 27, 2010. Exchange staff will advise the Board of Directors of the Exchange of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

Questions regarding this rule filing may be directed to Eric Swanson, Senior Vice President and General Counsel of the Exchange at (913) 815-7000.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A Member is any registered broker or dealer that has been admitted to membership in the Exchange.

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

(a) Purpose

The Exchange proposes to modify its fee schedule in order to amend the fee structure related to its Retail Price Improvement ("RPI") program. Under the RPI program as currently constituted, the Exchange generally provides a rebate of \$0.0025 per share for Retail Orders that remove liquidity from the BYX Exchange order book in certain specified securities and provides a rebate of \$0.0010 per share for a Retail Order that removes liquidity from the BYX Exchange order book in other specified securities. For executions of Type 2 Retail Orders that remove displayed liquidity, however, the Exchange's fee schedule states that it applies standard removal pricing (i.e., either a \$0.0002 per share liquidity removal rebate or an execution free of charge) rather than specific RPI pricing.

The Exchange wishes to note that the standard removal pricing applied to Type 2 Retail Orders that remove displayed liquidity includes Type 2 Retail Orders that remove displayed orders at a price more aggressive than the displayed price of such orders -- this includes displayed orders subject to display-price sliding and displayed discretionary orders. The Exchange proposes to modify the fee schedule, including a related footnote, to extend the application of its standard removal pricing to include Type 1 Retail Orders that remove displayed liquidity, including orders that are displayed at a less aggressive price, but are willing to execute at a non-displayed and more aggressive price (again, displayed orders subject to display-price sliding and displayed discretionary orders).

As proposed, all Retail Orders (both Type 1 and Type 2 Retail Orders) that remove displayed liquidity would be, in all cases, subject to the Exchange's standard

removal fees or rebates, as applicable. Under the proposed pricing structure, a Member that qualifies for the Exchange's \$0.0002 per share liquidity removal rebate will receive such rebate for any Retail Order that removes displayed liquidity, and a Member that does not qualify for the liquidity removal rebate would not receive such rebate, but would instead receive the execution of a Retail Order that removes displayed liquidity free of charge. With this in mind, the Exchange believes that providing a lower rebate or a free execution for incoming Retail Orders that interact with displayed liquidity at price improving prices is reasonable due to the price improvement received; such price improvement will help to offset and likely exceed the reduction in rebates for such orders. Further, the Exchange believes that this change will ensure that Members are properly incented to continue to add aggressively priced, displayed liquidity to the Exchange.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.⁴ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁵ in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange notes that it operates in a

⁴ 15 U.S.C. 78f.

⁵ 15 U.S.C. 78f(b)(4).

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 Exchange believes that its proposal to modify the fee schedule and footnote related to the RPI program is reasonable, equitably allocated and not unfairly discriminatory because this change will result in the application of standard pricing to remove displayed liquidity. The Exchange is concerned that applying higher pricing to displayed orders that are aggressively priced to the extent such orders are displayed by the Exchange and interact with incoming Retail Orders may result in reduced levels of aggressively priced, displayed liquidity on the Exchange. Additionally, the Exchange believes that providing a lower rebate or no rebate to incoming Retail Orders that interact with displayed liquidity is reasonable because, to the extent that such orders interact with displayed liquidity at more aggressive, non-displayed prices, the price improvement received for such executions will help to offset or exceed the reduction in rebates for such orders. Accordingly, the Exchange believes it is reasonable to apply standard pricing to any order displayed by the Exchange, even if removed by a Retail Order pursuant to the RPI program.

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

Because the market for order execution is extremely competitive, Members may choose to preference other market centers ahead of the Exchange if they believe that they can receive better fees or rebates elsewhere. The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that its pricing for displayed orders is appropriately competitive vis-à-vis the Exchange's competitors. Further, the Exchange believes that continuing to incentivize

the entry of aggressively priced, displayed liquidity fosters intra-market competition to the benefit of all market participants that enter orders to the Exchange, including Retail Orders.

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 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)

Pursuant to Section 19(b)(3)(A)(ii) of the Act⁶ and Rule 19b-4(f)(2) thereunder,⁷ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge applicable to the Exchange's Members and non-members, which renders the proposed rule change effective upon filing.

At any time within 60 days of the filing of the 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.

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

Not applicable.

⁶ 15 U.S.C. 78s(b)(3)(A)(ii).

⁷ 17 CFR 240.19b-4(f)(2).

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1: Completed Notice of the Proposed Rule Change for publication in the Federal Register.

Exhibits 2 – 4: Not applicable.

Exhibit 5: Text of Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-BYX-2013-004)

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to Fees for Use of BATS Y-Exchange, Inc.

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 January 29, 2013, BATS Y-Exchange, Inc. (the “Exchange” or “BYX”) 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 Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposed rule change effective upon filing with the Commission. 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 the fee schedule applicable to Members⁵ and non-members of the Exchange pursuant to BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal will be effective upon filing.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

⁵ A Member is any registered broker or dealer that has been admitted to membership in the Exchange.

The text of the proposed rule change is available at the Exchange's website at <http://www.batstrading.com>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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 Exchange 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 Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to modify its fee schedule in order to amend the fee structure related to its Retail Price Improvement ("RPI") program. Under the RPI program as currently constituted, the Exchange generally provides a rebate of \$0.0025 per share for Retail Orders that remove liquidity from the BYX Exchange order book in certain specified securities and provides a rebate of \$0.0010 per share for a Retail Order that removes liquidity from the BYX Exchange order book in other specified securities. For executions of Type 2 Retail Orders that remove displayed liquidity, however, the Exchange's fee schedule states that it applies standard removal pricing (i.e., either a \$0.0002 per share liquidity removal rebate or an execution free of charge) rather than specific RPI pricing.

The Exchange wishes to note that the standard removal pricing applied to Type 2 Retail Orders that remove displayed liquidity includes Type 2 Retail Orders that remove

displayed orders at a price more aggressive than the displayed price of such orders -- this includes displayed orders subject to display-price sliding and displayed discretionary orders. The Exchange proposes to modify the fee schedule, including a related footnote, to extend the application of its standard removal pricing to include Type 1 Retail Orders that remove displayed liquidity, including orders that are displayed at a less aggressive price, but are willing to execute at a non-displayed and more aggressive price (again, displayed orders subject to display-price sliding and displayed discretionary orders).

As proposed, all Retail Orders (both Type 1 and Type 2 Retail Orders) that remove displayed liquidity would be, in all cases, subject to the Exchange's standard removal fees or rebates, as applicable. Under the proposed pricing structure, a Member that qualifies for the Exchange's \$0.0002 per share liquidity removal rebate will receive such rebate for any Retail Order that removes displayed liquidity, and a Member that does not qualify for the liquidity removal rebate would not receive such rebate, but would instead receive the execution of a Retail Order that removes displayed liquidity free of charge. With this in mind, the Exchange believes that providing a lower rebate or a free execution for incoming Retail Orders that interact with displayed liquidity at price improving prices is reasonable due to the price improvement received; such price improvement will help to offset and likely exceed the reduction in rebates for such orders. Further, the Exchange believes that this change will ensure that Members are properly incented to continue to add aggressively priced, displayed liquidity to the Exchange.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a

national securities exchange, and, in particular, with the requirements of Section 6 of the Act.⁶ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁷ in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange 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 Exchange believes that its proposal to modify the fee schedule and footnote related to the RPI program is reasonable, equitably allocated and not unfairly discriminatory because this change will result in the application of standard pricing to remove displayed liquidity. The Exchange is concerned that applying higher pricing to displayed orders that are aggressively priced to the extent such orders are displayed by the Exchange and interact with incoming Retail Orders may result in reduced levels of aggressively priced, displayed liquidity on the Exchange. Additionally, the Exchange believes that providing a lower rebate or no rebate to incoming Retail Orders that interact with displayed liquidity is reasonable because, to the extent that such orders interact with displayed liquidity at more aggressive, non-displayed prices, the price improvement received for such executions will help to offset or exceed the reduction in rebates for such orders. Accordingly, the Exchange believes it is reasonable to apply standard pricing to any order displayed by the Exchange, even if removed by a Retail Order pursuant to the RPI program.

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(4).

(B) Self-Regulatory Organization's Statement on Burden on Competition

Because the market for order execution is extremely competitive, Members may choose to preference other market centers ahead of the Exchange if they believe that they can receive better fees or rebates elsewhere. The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange believes that its pricing for displayed orders is appropriately competitive vis-à-vis the Exchange's competitors. Further, the Exchange believes that continuing to incentivize the entry of aggressively priced, displayed liquidity fosters intra-market competition to the benefit of all market participants that enter orders to the Exchange, including Retail Orders.

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

No written comments were solicited or received.

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 Act⁸ and paragraph (f) of Rule 19b-4 thereunder.⁹ At any time within 60 days of the filing of the 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.

⁸ 15 U.S.C. 78s(b)(3)(A)(ii).

⁹ 17 CFR 240.19b-4(f)(2).

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposal 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-BYX-2013-004 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 No. SR-BYX-2013-004. 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 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 am and 3:00 pm. Copies of such filing will also 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 No. SR-BYX-2013-004 and should be submitted on or before [_____]21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁰

Kevin M. O'Neill
Deputy Secretary

¹⁰ 17 CFR 200.30-3(a)(12).

Note: Proposed new language is underlined. Proposed deletions are enclosed in brackets.

BATS BYX Exchange Fee Schedule

Effective January [2] 29, 2013

The following is the Schedule of Fees (pursuant to Rule 15.1(a) and (c)) for BATS Y-Exchange, Inc. (“BYX Exchange” or “BYX”).

All references to “per share” mean “per share executed.”

* * * * *

Retail Price Improvement Program Pricing

\$0.0025 rebate per share for a Retail Order that removes liquidity from the BYX Exchange order book in an RPI Group 1 Security, except for a [Type 2] Retail Order that removes displayed liquidity⁴

\$0.0010 rebate per share for a Retail Order that removes liquidity from the BYX Exchange order book in an RPI Group 2 Security, except for a [Type 2] Retail Order that removes displayed liquidity⁴

\$0.0025 charge per share for any Retail Price Improving Order or non-displayed³ (hidden) order that adds liquidity to the BYX Exchange order book in an RPI Group 1 Security and is removed by a Retail Order

\$0.0010 charge per share for any Retail Price Improving Order or non-displayed³ (hidden) order that adds liquidity to the BYX Exchange order book in an RPI Group 2 Security and is removed by a Retail Order

RPI Group 1 Securities: AAPL, SPY, FB, FAS, FAZ, IWM, C, GE, GOOG, GLD

RPI Group 2 Securities: SIRI, BAC, NOK, S, MU, F, AMD, JPM, HPQ, XLF

* * * * *

³ Non-displayed order types include all forms of Pegged, Mid-Point Peg and Non-Displayed Limit orders. The non-displayed rebate does not apply to Reserve or Discretionary orders.

⁴ The standard rebate/fee for accessing liquidity applies to any [Type 2] Retail Order that removes displayed liquidity.