

OMB APPROVAL

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 hours per response.....38

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 27

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

File No.* SR - 2014 - * 040

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"/>
			Rule		
Pilot	Extension of Time Period for Commission Action *	Date Expires *	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<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 * afranzon@bats.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 12/12/2014

By Anders Franzon

(Name *)

VP, Associate General Counsel

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.

afranzon@bats.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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 *

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 *

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, 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

Add Remove View

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

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

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 make several non-substantive amendments to 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 are 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 February 11, 2014. 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.

The persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A Member is defined as “any registered broker or dealer that has been admitted to membership in the Exchange.” See Exchange Rule 1.5(n).

Eric Swanson
EVP, General Counsel
(913) 815-7000

Anders Franzon
VP, Associate General Counsel
(913) 815-7154

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

(a) Purpose

The Exchange proposes to make a number of clarifying, non-substantive changes to its fee schedule in order to convert the existing fee schedule into a chart format, including eliminating certain redundancies from and providing additional clarity to the language in the existing fee schedule. The Exchange believes that these changes will provide greater transparency to Members about how the Exchange assesses fees and calculates rebates, as well as allowing Members to more easily validate their bills on a monthly basis. The Exchange notes that none of these changes substantively amend any fee or rebate, nor do they alter the manner in which the Exchange assesses fees or calculates rebates. Specifically, the Exchange is proposing the following:

- To make clear that rebates are indicated by parentheses.
- To state the following: the rates listed in the Standard Rates table apply unless a Member's transaction is assigned a fee code other than a standard fee code. If a Member's transaction is assigned a fee code other than a standard fee code, the rates listed in the Fee Codes table will apply. Footnotes provide further explanatory text or, where annotated to fee codes, indicate variable rate changes, provided the conditions in the footnote are met. Unless otherwise noted, all routing fees or rebates in the

Fee Codes and Associated Fees table are for removing liquidity from the destination venue.

- To add a section and chart titled “Standard Rates,” which will include the standard fees and rebates for securities priced both at or above \$1.00 and below \$1.00 for adding liquidity, removing liquidity, and routing and removing liquidity from another venue as well as the standard fee codes associated with these rates.
- To add a section titled “Fee Codes and Associated Fees,” which will include the fee or rebate, the fee code, and a description for each possible execution that could occur on the Exchange or on another venue.
- To add a section titled “Definitions,” which will include definitions that are defined in the current fee schedule. The Exchange also notes that “Other Non-Displayed Liquidity” will not be included in “Definitions” because, as proposed, it is captured in the section titled “Fee Codes and Associated Fees.” These include the definitions listed below, which are identical to definitions contained on the Exchange’s current fee schedule. All references to “per share” mean “per share executed.” “ADAV” means average daily volume calculated as the number of shares added per day on a monthly basis. The Exchange excludes from its calculation of ADAV shares added on any day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours (“Exchange System Disruption”), on any day with a scheduled early market close and on the last Friday in June (the “Russell Reconstitution

Day”). Routed shares are not included in ADAV calculation. With prior notice to the Exchange, a Member may aggregate ADAV with other Members that control, are controlled by, or are under common control with such Member (as evidenced on such Member’s Form BD). “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. The Exchange excludes from its calculation of TCV volume on any day that the Exchange experiences an Exchange System Disruption, on any day with a scheduled early market close and the Russell Reconstitution Day.

- To add a section titled “General Notes,” that will include the following notes: unless otherwise indicated, rebates and charges for adding, removing or routing liquidity are listed as per share rebates and charges; the Exchange notes that to the extent a Member does not qualify for any of the tiers listed below, the rates listed in the above section titled “Fee Codes and Associated Fees” will apply; to the extent a Member qualifies for higher rebates and/or lower fees than those provided by a tier for which such Member qualifies, the higher rebates and/or lower fees shall apply; and variable rates provided by tiers apply only to executions in securities priced at or above \$1.00.
- To add a series of footnotes describing already existing enhanced rebates including Add Volume Tier, Mid-Point Peg Tier, and NBBO Setter Tier

that are not covered in the Fee Codes and Associated Fees section described above.

- To add a series of footnotes describing all fees and rebates for securities priced below \$1.00 that either execute on the Exchange or another venue, to the extent applicable.
- To add new sections and charts titled “Logical Port Fees” and “Market Data Fees,” which, other than being in chart form, will be identical to the current fee schedule.
- To eliminate the lead-in text that reads “The following is the Schedule of Fees (pursuant to Rule 15.1(a) and (c)) for BATS Y-Exchange, Inc. (“BYX Exchange” or “BYX”).”

The Exchange proposes to implement the amendments to its fee schedule effective immediately.

(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 Sections 6(b)(4) of the Act and 6(b)(5) 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

⁴ 15 U.S.C. 78f.

⁵ 15 U.S.C. 78f(b)(4) and (5).

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 the proposed changes are reasonable and equitable because they are non-substantive and the Exchange is not changing any fees or rebates that apply to trading activity on the Exchange or routed executions. Further, the changes are designed to make the fee schedule easier to read and for Members to validate the bills that they receive from the Exchange. The Exchange also believes that the proposal is non-discriminatory because it applies uniformly to all Members, and again, the Exchange is not making any changes to existing fees and rebates. Finally, the Exchange believes that the proposed fee schedule will be clearer and less confusing for investors and will eliminate potential investor confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

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

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. To the contrary, the Exchange believes that the changes will both make the fee schedule easier to read and simultaneously provide Members with an easier way to validate their bills on a monthly basis, both of which the Exchange believes are important components of customer service and which will allow the Exchange to better compete for order flow. The Exchange reiterates that the changes are only to the format of the fee schedule and are entirely non-substantive. As stated above, the Exchange notes that it operates in a highly competitive market in which market

participants can readily direct order flow to competing venues if the deem fee structures to be unreasonable or excessive.

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.

Exhibit 2 – 4: Not applicable.

Exhibit 5: Text of Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-BYX-2014-040)

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to 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 _____, 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 filed a proposal to make several non-substantive amendments to the fee schedule applicable to Members⁵ and non-members of the Exchange pursuant to

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 defined as “any registered broker or dealer that has been admitted to membership in the Exchange.” See Exchange Rule 1.5(n).

BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

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 make a number of clarifying, non-substantive changes to its fee schedule in order to convert the existing fee schedule into a chart format, including eliminating certain redundancies from and providing additional clarity to the language in the existing fee schedule. The Exchange believes that these changes will provide greater transparency to Members about how the Exchange assesses fees and calculates rebates, as well as allowing Members to more easily validate their bills on a monthly basis. The Exchange notes that none of these changes substantively amend any fee or rebate, nor do they alter the manner in which the Exchange assesses fees or calculates rebates. Specifically, the Exchange is proposing the following:

- To make clear that rebates are indicated by parentheses.

- To state the following: the rates listed in the Standard Rates table apply unless a Member's transaction is assigned a fee code other than a standard fee code. If a Member's transaction is assigned a fee code other than a standard fee code, the rates listed in the Fee Codes table will apply. Footnotes provide further explanatory text or, where annotated to fee codes, indicate variable rate changes, provided the conditions in the footnote are met. Unless otherwise noted, all routing fees or rebates in the Fee Codes and Associated Fees table are for removing liquidity from the destination venue.
- To add a section and chart titled "Standard Rates," which will include the standard fees and rebates for securities priced both at or above \$1.00 and below \$1.00 for adding liquidity, removing liquidity, and routing and removing liquidity from another venue as well as the standard fee codes associated with these rates.
- To add a section titled "Fee Codes and Associated Fees," which will include the fee or rebate, the fee code, and a description for each possible execution that could occur on the Exchange or on another venue.
- To add a section titled "Definitions," which will include definitions that are defined in the current fee schedule. The Exchange also notes that "Other Non-Displayed Liquidity" will not be included in "Definitions" because, as proposed, it is captured in the section titled "Fee Codes and Associated Fees." These include the definitions listed below, which are identical to definitions contained on the Exchange's current fee schedule.

All references to “per share” mean “per share executed.” “ADAV” means average daily volume calculated as the number of shares added per day on a monthly basis. The Exchange excludes from its calculation of ADAV shares added on any day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours (“Exchange System Disruption”), on any day with a scheduled early market close and on the last Friday in June (the “Russell Reconstitution Day”). Routed shares are not included in ADAV calculation. With prior notice to the Exchange, a Member may aggregate ADAV with other Members that control, are controlled by, or are under common control with such Member (as evidenced on such Member’s Form BD). “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. The Exchange excludes from its calculation of TCV volume on any day that the Exchange experiences an Exchange System Disruption, on any day with a scheduled early market close and the Russell Reconstitution Day.

- To add a section titled “General Notes,” that will include the following notes: unless otherwise indicated, rebates and charges for adding, removing or routing liquidity are listed as per share rebates and charges; the Exchange notes that to the extent a Member does not qualify for any of the tiers listed below, the rates listed in the above section titled “Fee Codes and Associated Fees” will apply; to the extent a Member qualifies for

higher rebates and/or lower fees than those provided by a tier for which such Member qualifies, the higher rebates and/or lower fees shall apply; and variable rates provided by tiers apply only to executions in securities priced at or above \$1.00.

- To add a series of footnotes describing already existing enhanced rebates including Add Volume Tier, Mid-Point Peg Tier, and NBBO Setter Tier that are not covered in the Fee Codes and Associated Fees section described above.
- To add a series of footnotes describing all fees and rebates for securities priced below \$1.00 that either execute on the Exchange or another venue, to the extent applicable.
- To add new sections and charts titled “Logical Port Fees” and “Market Data Fees,” which, other than being in chart form, will be identical to the current fee schedule.
- To eliminate the lead-in text that reads “The following is the Schedule of Fees (pursuant to Rule 15.1(a) and (c)) for BATS Y-Exchange, Inc. (“BYX Exchange” or “BYX”).”

The Exchange proposes to implement the amendments to its fee schedule effective immediately.

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 Sections 6(b)(4) of the Act and 6(b)(5) 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 the proposed changes are reasonable and equitable because they are non-substantive and the Exchange is not changing any fees or rebates that apply to trading activity on the Exchange or routed executions. Further, the changes are designed to make the fee schedule easier to read and for Members to validate the bills that they receive from the Exchange. The Exchange also believes that the proposal is non-discriminatory because it applies uniformly to all Members, and again, the Exchange is not making any changes to existing fees and rebates. Finally, the Exchange believes that the proposed fee schedule will be clearer and less confusing for investors and will eliminate potential investor confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

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

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

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(4) and (5).

of the Act, as amended. To the contrary, the Exchange believes that the changes will both make the fee schedule easier to read and simultaneously provide Members with an easier way to validate their bills on a monthly basis, both of which the Exchange believes are important components of customer service and which will allow the Exchange to better compete for order flow. The Exchange reiterates that the changes are only to the format of the fee schedule and are entirely non-substantive. As stated above, the Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if the deemed fee structures to be unreasonable or excessive.

(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 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 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).

⁹ 17 CFR 240.19b-4(f).

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-2014-040 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-2014-040. 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-2014-040 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 December [1]12, 2014

[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.”]

Rebates for Removing Liquidity – Securities Priced \$1.00 or Above

\$0.0016 rebate per share

No rebate to remove Mid-Point Peg liquidity

Fees to Add Liquidity – Securities Priced \$1.00 or Above

Fees to Add Displayed Liquidity

\$0.0013 charge per share for orders that set the national best bid or offer (“NBBO”) for Members with ADAV¹ equal to or greater than 0.3% of average TCV²

\$0.0014 charge per share for all other executions by Members with ADAV equal to or greater than 0.3% of average TCV

\$0.0018 charge per share for executions by Members that do not qualify for a reduced charge as set forth above

\$0.0030 charge per share for orders subject to price sliding that receive price improvement when executed

Fees to Add Mid-Point Peg Liquidity

\$0.0005 charge per share for Members with ADAV equal to or greater than 0.3% of average TCV

\$0.0010 charge per share for all other Members

Fees to Add Other Non-Displayed Liquidity³

\$0.0024 charge per share

\$0.0030 charge per share for non-displayed orders that receive price improvement when executed

Opening and Re-Opening Process

No fee or rebate for executions in the Opening or Re-Opening Process

Securities Priced Below \$1.00

0.10% charge of the total dollar value to remove liquidity for securities priced below \$1.00 traded on the BYX Exchange order book

No liquidity rebate for securities priced below \$1.00 traded on the BYX Exchange order book

Retail Price Improvement Program Pricing for All Securities Priced \$1.00 or Above

\$0.0025 rebate per share for a Retail Order that removes liquidity, except for a Retail Order that removes displayed liquidity or Mid-Point Peg liquidity⁴

\$0.0025 charge per share for any Retail Price Improving Order that adds liquidity and is removed by a Retail Order

¹ “ADAV” means average daily volume calculated as the number of shares added per day on a monthly basis, excluding shares added on any day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours (“Exchange System Disruption”), on any day with a scheduled early market close and on the last Friday in June (the “Russell Reconstitution Day”); routed shares are not included in ADAV calculation; with prior notice to the Exchange, a Member may aggregate ADAV with other Members that control, are controlled by, or are under common control with such Member (as evidenced on such Member’s Form BD).

² “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply, excluding volume on any day that the Exchange experiences an Exchange System Disruption, on any day with a scheduled early market close and the Russell Reconstitution Day.

³ “Other Non-Displayed Liquidity” for purposes of this fee schedule includes Non-Displayed Limit orders, Supplemental Peg Orders and all forms of Pegged orders other than Mid-Point Peg orders. The fee for adding non-displayed liquidity does not apply to Reserve or Discretionary orders.

⁴ The standard rebate/fee for accessing liquidity applies to any Retail Order that removes displayed liquidity or Mid-Point Peg liquidity.

Standard Routing Pricing – Best Execution Routing

\$0.0020 charge per share for shares executed at a dark liquidity venue through DRT routing

\$0.0029 charge per share for shares executed at any other venue through Parallel D, Parallel 2D, ROUT or ROUX routing

\$0.0033 charge per share for shares executed at any other venue through Parallel T or SWPA/B routing

Note: Default Best Execution Routing = DRT + Parallel D

Discounted Destination Specific Routing (“One Under/Better”) to Specified Markets

- Remove liquidity at NYSE through Destination Specific, RDOT or RDOX routing: \$0.0026 charge per share

- Remove liquidity at NYSE ARCA through Destination Specific routing for Tape B: \$0.0027 charge per share

- Remove liquidity at NYSE ARCA through Destination Specific routing for Tapes A and C: \$0.0029 charge per share

- Remove liquidity at NASDAQ through Destination Specific or INET routing: \$0.0029 charge per share

- Remove liquidity at NASDAQ BX through Destination Specific routing: \$0.0016 rebate per share

Add Liquidity Through Routing to Specified Markets

- Add liquidity at BZX through Post to Away routing: \$0.0020 rebate per share
- Add liquidity at EDGX through Post to Away routing: \$0.0020 rebate per share
- Add liquidity at EDGA through Post to Away routing: \$0.0005 charge per share
- Add liquidity at NYSE through Post to Away, RDOT or RDOX routing: \$0.0015 rebate per share
- Add liquidity at NYSE ARCA through Post to Away routing for Tape B: \$0.0022 rebate per share
- Add liquidity at NYSE ARCA through Post to Away routing for Tapes A and C: \$0.0021 rebate per share
- Add liquidity at NYSE MKT through Post to Away routing: \$0.0015 rebate per share
- Add liquidity at NASDAQ through Post to Away or INET routing: \$0.0015 rebate per share
- Add liquidity at NASDAQ BX through Post to Away routing: \$0.0020 charge per share

Other Non-Standard Routing Options – Specific Routing Strategies and Securities Priced Below \$1.00

- Remove liquidity at a DRT venue other than through the SLIM routing strategy: \$0.0020 charge per share
- Remove liquidity at EDGA through Destination Specific routing: \$0.0002 rebate per share
- Remove liquidity through ROLF or Destination Specific routing at any other non-DRT venue: \$0.0030 charge per share
- Remove liquidity through Post to Away routing: \$0.0029 charge per share
- Remove liquidity through RDOT, RDOX or Post to Away when re-routed by NYSE: \$0.0030 charge per share
- ICMT, IOCM and RMPT routed executions: \$0.0012 charge per share
- Directed ISO's: \$0.0033 charge per share
- Routed and executed in listing market's opening or re-opening cross: \$0.0015 per share
- Routed and executed in listing market's closing process: \$0.0010
- Remove liquidity in securities priced below \$1.00 for Parallel D, Parallel 2D, ROUT, ROUX, Post to Away, ICMT, IOCM and RMPT routed executions: 0.29% charge of the total dollar value
- Remove liquidity in securities priced below \$1.00 for Parallel T and SWPA/B routed executions: 0.33% charge of the total dollar value
- Add liquidity in securities priced below \$1.00 for RDOT, RDOX, INET, and Post to Away routed executions: no charge or rebate

TRIM Routing Strategy

- TRIM orders executed at NASDAQ BX: \$0.0015 rebate per share
- TRIM2 orders executed at NASDAQ BX: \$0.0010 rebate per share
- TRIM/TRIM2 orders executed at EDGA: \$0.0002 rebate per share
- TRIM/TRIM2 orders executed at a DRT venue: \$0.0020 charge per share
- TRIM orders executed at NYSE: \$0.0026 charge per share
- TRIM orders executed at BZX Exchange: \$0.0030 charge per share

SLIM Routing Strategy

- SLIM orders executed at BZX Exchange: \$0.0030 charge per share
- SLIM orders executed at NYSE: \$0.0026 charge per share
- SLIM orders executed at any other venue, including any DRT venue: \$0.0027 charge per share

Logical Port Fees⁵

- \$400.00 per month per logical port other than a Multicast PITCH Spin Server Port or GRP Port
- Multicast PITCH customers: \$400 per set of primary (A or C feed) Multicast PITCH Spin Server Ports and \$400 per primary (A or C feed) GRP Port⁶

Data Products

- BYX Exchange PITCH Feed: \$500 per month for internal use only; \$2,500 per month for external distribution
- BYX Exchange Top Feed: \$500 per month for internal use only; \$2,500 per month for external distribution
- BYX Exchange Last Sale Feed: \$500 per month for internal use only; \$2,500 per month for external distribution

⁵ Logical port fees are limited to logical ports within the primary data center. No logical port fees will be assessed for redundant secondary data center ports.

⁶ Multicast PITCH is available through one of two primary feeds, either the A or C feed. All secondary feed Multicast PITCH Spin Server and GRP Ports are provided for redundancy at no additional cost.]

Transaction Fees:

- Rebates indicated by parentheses ().
- The rates listed in the Standard Rates table apply unless a Member's transaction is assigned a fee code other than a standard fee code. If a Member's transaction is assigned a fee code other than a standard fee code, the rates listed in the Fee Codes table will apply.
- Footnotes provide further explanatory text or, where annotated to fee codes, indicate variable rate changes, provided the conditions in the footnote are met.
- Unless otherwise noted, all routing fees or rebates in the Fee Codes and Associated Fees table are for removing liquidity from the destination venue.

Standard Rates:

<u>Category</u>	<u>Adding Liquidity</u>	<u>Removing Liquidity</u>	<u>Routing and Removing Liquidity</u>
<u>Securities at or above \$1.00</u>	<u>\$0.0018</u>	<u>(\$0.0016)</u>	<u>\$0.0029</u>
<u>Securities below \$1.00</u>	<u>Free</u>	<u>0.10% of total dollar value</u>	<u>0.29% of total dollar value</u>
<u>Standard Fee Codes</u>	<u>B, V, Y</u>	<u>N, W, BB</u>	<u>X</u>

Fee Codes and Associated Fees:

<u>Fee Code</u>	<u>Description</u>	<u>Fee/(Rebate)</u>
<u>10¹⁰</u>	<u>Routed to NYSE Arca, adds liquidity (Tape B)</u>	<u>(0.0022)</u>
<u>8¹⁰</u>	<u>Routed to NYSE MKT, adds liquidity</u>	<u>(0.0015)</u>
<u>9¹⁰</u>	<u>Routed to NYSE Arca, adds liquidity (Tapes A or C)</u>	<u>(0.0021)</u>
<u>A¹⁰</u>	<u>Routed to NASDAQ, adds liquidity</u>	<u>(0.0015)</u>
<u>B^{1,3,7}</u>	<u>Displayed order, adds liquidity to BYX (Tape B)</u>	<u>0.0018</u>
<u>BA</u>	<u>Routed to NYSE Arca using Destination Specific routing strategy (Tape B)</u>	<u>0.0027</u>
<u>BB⁶</u>	<u>Removes liquidity from BYX (Tape B)</u>	<u>(0.0016)</u>
<u>BJ</u>	<u>Routed to EDGA using Destination Specific, TRIM or TRIM2 routing strategy</u>	<u>(0.0002)</u>
<u>BO</u>	<u>Routed using ROLF or Destination Specific routing strategy unless otherwise specified</u>	<u>0.0030</u>
<u>C</u>	<u>Routed to NASDAQ BX using Destination Specific routing strategy</u>	<u>(0.0016)</u>
<u>CL</u>	<u>Routed to listing market closing process</u>	<u>0.0010</u>
<u>D</u>	<u>Routed to NYSE using Destination Specific, RDOT, RDOX, TRIM or SLIM routing strategy</u>	<u>0.0026</u>
<u>F¹⁰</u>	<u>Routed to NYSE, adds liquidity</u>	<u>(0.0015)</u>
<u>G</u>	<u>Routed to NYSE Arca using Destination Specific routing strategy (Tapes A or C)</u>	<u>0.0029</u>
<u>HA^{4,7}</u>	<u>Non-displayed order, adds liquidity</u>	<u>0.0024</u>
<u>HI^{4,7}</u>	<u>Non-displayed order that receives price improvement, adds liquidity</u>	<u>0.0030</u>
<u>J</u>	<u>Routed to NASDAQ using Destination Specific or INET routing strategy</u>	<u>0.0029</u>
<u>MM^{2,7}</u>	<u>Non-displayed order, adds liquidity using Mid-Point Peg</u>	<u>0.0010</u>
<u>MT⁶</u>	<u>Removes Mid-Point Peg liquidity from BYX</u>	<u>Free</u>
<u>N⁶</u>	<u>Removes liquidity from BYX (Tape C)</u>	<u>(0.0016)</u>
<u>O</u>	<u>Routed to listing market opening or re-opening cross</u>	<u>0.0015</u>
<u>OO</u>	<u>BYX Opening or Re-opening</u>	<u>Free</u>
<u>P¹⁰</u>	<u>Routed to EDGX, adds liquidity</u>	<u>(0.0020)</u>
<u>PX⁸</u>	<u>Routed using RMPT or routed to EDGX MPM using ICMT or IOCM routing strategy</u>	<u>0.0012</u>
<u>R</u>	<u>Re-routed by NYSE using RDOT, RDOX or Post to Away routing strategy</u>	<u>0.0030</u>
<u>RA¹⁰</u>	<u>Routed to EDGA, adds liquidity</u>	<u>0.0005</u>
<u>RB¹⁰</u>	<u>Routed to NASDAQ BX, adds liquidity</u>	<u>0.0020</u>
<u>RP⁷</u>	<u>Non-displayed order, adds liquidity using Supplemental Peg</u>	<u>0.0024</u>
<u>RZ¹⁰</u>	<u>Routed to BZX, adds liquidity</u>	<u>(0.0020)</u>
<u>S</u>	<u>Directed ISO</u>	<u>0.0033</u>
<u>SW⁹</u>	<u>Routed using Parallel T or SWPA/B routing strategy</u>	<u>0.0033</u>
<u>SX</u>	<u>Routed using SLIM routing strategy (except to BZX or NYSE)</u>	<u>0.0027</u>
<u>SZ</u>	<u>Routed to BZX using SLIM or TRIM routing strategy</u>	<u>0.0030</u>
<u>TV</u>	<u>Routed to NASDAQ BX using TRIM2 routing strategy</u>	<u>(0.0010)</u>
<u>TX</u>	<u>Routed to NASDAQ BX using TRIM routing strategy</u>	<u>(0.0015)</u>

<u>V^{1,3,7}</u>	<u>Displayed order, adds liquidity to BYX (Tape A)</u>	<u>0.0018</u>
<u>VI⁷</u>	<u>Displayed order subject to price sliding that receives price improvement, adds liquidity</u>	<u>0.0030</u>
<u>W⁶</u>	<u>Removes liquidity from BYX (Tape A)</u>	<u>(0.0016)</u>
<u>X⁸</u>	<u>Routed to a displayed market to remove liquidity using Parallel D, Parallel 2D, ROUT, ROUX or Post to Away routing strategy</u>	<u>0.0029</u>
<u>Y^{1,3,7}</u>	<u>Displayed order, adds liquidity to BYX (Tape C)</u>	<u>0.0018</u>
<u>Z</u>	<u>Routed to a dark liquidity venue (except through SLIM)</u>	<u>0.0020</u>
<u>ZP⁷</u>	<u>Retail Price Improving Order, adds liquidity</u>	<u>0.0025</u>
<u>ZR^{5,6}</u>	<u>Retail Order, removes liquidity against a Retail Price Improving Order</u>	<u>(0.0025)</u>

Definitions:

- All references to “per share” mean “per share executed.”
- “ADAV” means average daily volume calculated as the number of shares added per day on a monthly basis.
 - The Exchange excludes from its calculation of ADAV shares added on any day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours (“Exchange System Disruption”), on any day with a scheduled early market close and on the last Friday in June (the “Russell Reconstitution Day”).
 - Routed shares are not included in ADAV calculation.
 - With prior notice to the Exchange, a Member may aggregate ADAV with other Members that control, are controlled by, or are under common control with such Member (as evidenced on such Member’s Form BD).
- “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply.
 - The Exchange excludes from its calculation of TCV volume on any day that the Exchange experiences an Exchange System Disruption, on any day with a scheduled early market close and the Russell Reconstitution Day.

General Notes:

- Unless otherwise indicated, rebates and charges for adding, removing or routing liquidity are listed as per share rebates and charges.
- The Exchange notes that to the extent a Member does not qualify for any of the tiers listed below, the rates listed in the above section titled “Fee Codes and Associated Fees” will apply.
- To the extent a Member qualifies for higher rebates and/or lower fees than those provided by a tier for which such Member qualifies, the higher rebates and/or lower fees shall apply.
- Variable rates provided by tiers apply only to executions in securities priced at or above \$1.00.

Footnotes:1. Add Volume TierApplicable to the following fee codes: B, V and Y.

<u>Fee per share to Add</u>	<u>Required Criteria</u>
<u>\$0.0014</u>	<u>ADAV equal to or greater than 0.30% of the TCV</u>

2. Mid-Point Peg TierApplicable to the fee code MM.

<u>Fee per share to Add Mid-Point Peg Liquidity</u>	<u>Required Criteria</u>
<u>\$0.0005</u>	<u>ADAV equal to or greater than 0.30% of the TCV</u>

3. NBBO Setter TierApplicable to the following fee codes: B, V and Y.

<u>Additional Incentive per share to Add</u>	<u>Required Criteria</u>
<u>(\$0.0001)</u>	<u>(1) ADAV equal to or greater than 0.30% of the TCV</u> <u>(2) Any order establishing a new national best bid or offer ("NBBO")</u>

4. The fee for adding non-displayed liquidity does not apply to Reserve or Discretionary orders.
5. The standard rebate/fee for accessing liquidity applies to any Retail Order that removes displayed liquidity or Mid-Point Peg liquidity.
6. Remove liquidity from BYX for securities priced below \$1.00: 0.10% charge of the total dollar value.
7. Add liquidity to BYX for securities priced below \$1.00: no charge or rebate.
8. Remove liquidity in securities priced below \$1.00 for Parallel D, Parallel 2D, ROUT, ROUX, Post to Away, ICMT, IOCM and RMPT routed executions: 0.29% charge of the total dollar value.
9. Remove liquidity in securities priced below \$1.00 for Parallel T and SWPA/B routed executions: 0.33% charge of the total dollar value.
10. Add liquidity in securities priced below \$1.00 for RDOT, RDOX, INET, and Post to Away routed executions: no charge or rebate.

Logical Port Fees:

<u>Service</u>	<u>Fee</u>
<u>Logical Ports (excluding Multicast PITCH Spin Server Port or GRP Port)</u>	<u>\$400/port/month</u>
<u>Multicast PITCH Spin Server</u>	<u>\$400/set of primary (A or C feed)</u>
<u>GRP Ports</u>	<u>\$400/primary (A or C feed)</u>

- Logical port fees are limited to logical ports within the primary data center. No logical port fees will be assessed for redundant secondary data center ports.
- Multicast PITCH is available through one of two primary feeds, either the A or C feed. All secondary feed Multicast PITCH Spin Server and GRP Ports are provided for redundancy at no additional cost.

Market Data Fees:BYX Exchange PITCH Feed:

<u>Delivery</u>	<u>Fee</u>
<u>Internal Distributor</u>	<u>\$500/month</u>
<u>External Distributor</u>	<u>\$2,500/month</u>

BYX Exchange Top Feed:

<u>Delivery</u>	<u>Fee</u>
<u>Internal Distributor</u>	<u>\$500/month</u>
<u>External Distributor</u>	<u>\$2,500/month</u>

BYX Exchange Last Sale Feed:

<u>Delivery</u>	<u>Fee</u>
<u>Internal Distributor</u>	<u>\$500/month</u>
<u>External Distributor</u>	<u>\$2,500/month</u>