

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 25	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2015 - * 63 Amendment No. (req. for Amendments *)
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Filing by BATS Exchange
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"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
Date Expires * <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) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

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

Amendments to the fee schedule of BATS Exchange, Inc. with respect to BATS Options pricing.

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

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 *)
 VP, Associate General Counsel

Date 08/12/2015
 By Anders Franzon (Name *)

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 EFFF 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

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

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Exhibit Sent As Paper Document

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

Exhibit 4 - Marked Copies

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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

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² BATS Exchange, Inc. (the “Exchange” or “BATS”) 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 BATS 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 modify the "Options Pricing" section of its fee schedule, effective immediately, in order to modify pricing charged by the Exchange's options platform ("BATS Options") including: (i) to add definitions of Broker Dealer, Joint Back Office, and Non-BATS Market Maker; (ii) to update the definitions of Customer and Market Maker; (iii) to make certain corresponding changes associated with these new and updated definitions; and (iv) to create a new Professional Penny Pilot Add Volume Tier.

The Exchange is proposing to add the definitions of Broker Dealer, Joint Back Office, and Non-BATS Market Maker to the BATS Options fee schedule. More specifically, the Exchange is proposing to add the following definitions: (i) "Broker Dealer" applies to any order for the account of a broker dealer, including a foreign broker dealer, that clears in the Customer range at the Options Clearing Corporation ("OCC"); (ii) "Joint Back Office" applies to any transaction identified by a Member for clearing in the Firm Range at the OCC that is identified with an origin code as Joint Back Office. A Joint Back Office participant is a Member that maintains a Joint Back Office arrangement with a clearing broker-dealer; and (iii) "Non-BATS Market Maker" applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is not registered with the Exchange as a Market Maker, but is registered as a market maker on another options exchange. In conjunction with the

proposed new defined terms above, the Exchange proposes to amend the fee schedule in multiple places (including the Standard Rates and Fee Codes and Associated Fees tables along with Footnotes 2, 3, 4, 6, 7, and 8) such that pricing for Broker Dealer and Joint Back Office transactions are the same as for Firm transactions and Non-BATS Market Maker transactions are the same as Market Maker transactions. In certain places, this includes using the term “Non-Customer” in order to capture pricing that relates to Professional, Firm, Market Maker, Broker Dealer, Joint Back Office, and Non-BATS Market Maker transactions.

In conjunction with these proposed additions, the Exchange is also proposing to amend the current definitions of Customer, Market Maker, and Firm on the BATS Options fee schedule. Currently, the fee schedule states that “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the OCC, excluding any transaction for a “Professional” as defined in Exchange Rule 16.1; “Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC; and “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC. In order to make these definitions work with proposed new definitions for Broker Dealer, Non-BATS Market Maker, and Joint Back Office described above, the Exchange is proposing that the definitions should read as follows: (i) “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the OCC, excluding any transaction for a Broker Dealer or a “Professional” as defined in Exchange Rule 16.1; (ii) “Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is registered with the Exchange as a Market Maker as defined in

Rule 16.1(a)(37); and (iii) “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC, excluding any Joint Back office transaction.

Finally, the Exchange is proposing to add a new “Professional Penny Pilot Add Volume Tier”. Currently, Professional orders that add liquidity in Penny Pilot Securities receive a standard \$0.40 rebate. Under the proposed new tier, a Member that has a combined ADAV⁴ in Customer, as proposed to be defined above, and Professional⁵ orders equal to or greater than 0.20% of average TCV⁶ would receive a \$0.43 rebate per contract for each Professional order that adds liquidity in Penny Pilot Securities.⁷

Implementation Date

As noted above, 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

⁴ “ADAV” means average daily added volume calculated as the number of contracts added per day.

⁵ “Professional” applies to any transaction identified by a Member as such pursuant to Exchange Rule 16.1.

⁶ “TCV” means total consolidated volume calculated as the volume reported by all exchanges to the 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 and on any day with a scheduled early market close.

⁷ “Penny Pilot Securities” are those issues quoted pursuant to Exchange Rule 21.5, Interpretation and Policy .01.

Act.⁸ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,⁹ 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 to be excessive.

Volume-based rebates and fees such as the ones currently maintained on BATS Options have been widely adopted by equities and options exchanges and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes.

The Exchange believes that the proposed addition of the Professional Penny Pilot Add Volume Tier is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because it marks an increased rebate (from \$0.40 per contract to \$0.43 per contract) available to all Members where the Member has a combined ADAV in Customer and Professional orders equal to or greater than 0.20% of average TCV. Such an increased rebate will provide Members entering Professional orders with the opportunity to receive higher rebates while simultaneously encouraging greater participation on BATS Options in both Professional and Customer orders, which

⁸ 15 U.S.C. 78f.

⁹ 15 U.S.C. 78f(b)(4).

the Exchange believes will result in higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes, which will benefit all participants on BATS Options.

The Exchange believes that the proposed additional definitions, amendments to the existing definitions, and the corresponding changes throughout the fee schedule represent a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because the amendments are designed to allow Members to more precisely mark the capacity of orders entered on the Exchange. The proposed changes to the definitions will not affect fees or rebates and the corresponding changes are designed to make this clear. Further, the additional order capacities will bring the Exchange generally in line with industry standards and Member expectations, making the Exchange's pricing easier to understand.

The Exchange reiterates 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 to be excessive.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. With respect to the proposed new Professional Penny Pilot Add Volume Tier, the Exchange does not believe that the change burdens competition, but instead, that it enhances competition, as it is intended to increase the competitiveness of and draw additional volume to BATS Options.

With respect to the proposed changes to the definitions and the corresponding

changes throughout the fee schedule, the Exchange does not believe that any such changes burden competition, but instead, that they enhance competition by bringing the Exchange's fee schedule and capacities generally in line with industry standards which will make it easier for Members to understand.

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 Act¹⁰ and Rule 19b-4(f)(2) thereunder,¹¹ 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

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

¹¹ 17 CFR 240.19b-4(f)(2).

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.

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-BATS-2015-63)

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of BATS 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 Exchange, Inc. (the “Exchange” or “BATS”) 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 amend the fee schedule applicable to Members⁵ and non-members of the Exchange pursuant to BATS Rules 15.1(a) and (c).

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

The text of the proposed rule change is available at the Exchange's website at 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 the "Options Pricing" section of its fee schedule, effective immediately, in order to modify pricing charged by the Exchange's options platform ("BATS Options") including: (i) to add definitions of Broker Dealer, Joint Back Office, and Non-BATS Market Maker; (ii) to update the definitions of Customer and Market Maker; (iii) to make certain corresponding changes associated with these new and updated definitions; and (iv) to create a new Professional Penny Pilot Add Volume Tier.

The Exchange is proposing to add the definitions of Broker Dealer, Joint Back Office, and Non-BATS Market Maker to the BATS Options fee schedule. More specifically, the Exchange is proposing to add the following definitions: (i) "Broker Dealer" applies to any order for the account of a broker dealer, including a foreign broker dealer, that clears in the Customer range at the Options Clearing Corporation ("OCC");

(ii) “Joint Back Office” applies to any transaction identified by a Member for clearing in the Firm Range at the OCC that is identified with an origin code as Joint Back Office. A Joint Back Office participant is a Member that maintains a Joint Back Office arrangement with a clearing broker-dealer; and (iii) “Non-BATS Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is not registered with the Exchange as a Market Maker, but is registered as a market maker on another options exchange. In conjunction with the proposed new defined terms above, the Exchange proposes to amend the fee schedule in multiple places (including the Standard Rates and Fee Codes and Associated Fees tables along with Footnotes 2, 3, 4, 6, 7, and 8) such that pricing for Broker Dealer and Joint Back Office transactions are the same as for Firm transactions and Non-BATS Market Maker transactions are the same as Market Maker transactions. In certain places, this includes using the term “Non-Customer” in order to capture pricing that relates to Professional, Firm, Market Maker, Broker Dealer, Joint Back Office, and Non-BATS Market Maker transactions.

In conjunction with these proposed additions, the Exchange is also proposing to amend the current definitions of Customer, Market Maker, and Firm on the BATS Options fee schedule. Currently, the fee schedule states that “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the OCC, excluding any transaction for a “Professional” as defined in Exchange Rule 16.1; “Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC; and “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC. In order to make these definitions

work with proposed new definitions for Broker Dealer, Non-BATS Market Maker, and Joint Back Office described above, the Exchange is proposing that the definitions should read as follows: (i) “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the OCC, excluding any transaction for a Broker Dealer or a “Professional” as defined in Exchange Rule 16.1; (ii) “Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is registered with the Exchange as a Market Maker as defined in Rule 16.1(a)(37); and (iii) “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC, excluding any Joint Back office transaction.

Finally, the Exchange is proposing to add a new “Professional Penny Pilot Add Volume Tier”. Currently, Professional orders that add liquidity in Penny Pilot Securities receive a standard \$0.40 rebate. Under the proposed new tier, a Member that has a combined ADAV⁶ in Customer, as proposed to be defined above, and Professional⁷ orders equal to or greater than 0.20% of average TCV⁸ would receive a \$0.43 rebate per contract for each Professional order that adds liquidity in Penny Pilot Securities.⁹

⁶ “ADAV” means average daily added volume calculated as the number of contracts added per day.

⁷ “Professional” applies to any transaction identified by a Member as such pursuant to Exchange Rule 16.1.

⁸ “TCV” means total consolidated volume calculated as the volume reported by all exchanges to the 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 and on any day with a scheduled early market close.

⁹ “Penny Pilot Securities” are those issues quoted pursuant to Exchange Rule 21.5, Interpretation and Policy .01.

Implementation Date

As noted above, 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.¹⁰ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹¹ 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 to be excessive.

Volume-based rebates and fees such as the ones currently maintained on BATS Options have been widely adopted by equities and options exchanges and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes.

¹⁰ 15 U.S.C. 78f.

¹¹ 15 U.S.C. 78f(b)(4).

The Exchange believes that the proposed addition of the Professional Penny Pilot Add Volume Tier is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because it marks an increased rebate (from \$0.40 per contract to \$0.43 per contract) available to all Members where the Member has a combined ADAV in Customer and Professional orders equal to or greater than 0.20% of average TCV. Such an increased rebate will provide Members entering Professional orders with the opportunity to receive higher rebates while simultaneously encouraging greater participation on BATS Options in both Professional and Customer orders, which the Exchange believes will result in higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes, which will benefit all participants on BATS Options.

The Exchange believes that the proposed additional definitions, amendments to the existing definitions, and the corresponding changes throughout the fee schedule represent a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because the amendments are designed to allow Members to more precisely mark the capacity of orders entered on the Exchange. The proposed changes to the definitions will not affect fees or rebates and the corresponding changes are designed to make this clear. Further, the additional order capacities will bring the Exchange generally in line with industry standards and Member expectations, making the Exchange's pricing easier to understand.

The Exchange reiterates 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 to be excessive.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. With respect to the proposed new Professional Penny Pilot Add Volume Tier, the Exchange does not believe that the change burdens competition, but instead, that it enhances competition, as it is intended to increase the competitiveness of and draw additional volume to BATS Options.

With respect to the proposed changes to the definitions and the corresponding changes throughout the fee schedule, the Exchange does not believe that any such changes burden competition, but instead, that they enhance competition by bringing the Exchange's fee schedule and capacities generally in line with industry standards which will make it easier for Members to understand.

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.

(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 Act¹² and paragraph (f) of Rule 19b-4 thereunder.¹³ 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.

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-BATS-2015-63 on the subject line.

Paper Comments:

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

All submissions should refer to File No. SR-BATS-2015-63. 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

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f).

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-BATS-2015-63 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.¹⁴

Robert W. Errett
Deputy Secretary

¹⁴ 17 CFR 200.30-3(a)(12).

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

BATS Options Exchange Fee Schedule

Effective [July 1]August 12, 2015

* * * * *

Standard Rates:

	Penny Pilot Securities				Non-Penny Pilot Securities				Mini Options						
	Add		Remove		Add		Remove		Add		Remove				
	Code	Rates	Code	Rates	Code	Rates	Code	Rates	Code	Rates	Code	Rates			
Customer	PY	(\$0.25) (\$0.40) (\$0.48) (\$0.50)	PC	\$0.45	NY	(\$0.85)	NC	\$0.80	MA	Free	MR	Free			
Professional	PA	(\$0.40) (\$0.43)	PP	\$0.49 \$0.48 \$0.47 \$0.43	NA	(\$0.65)	NP	\$0.89							
Firm/BD/JBO	PF	(\$0.36) (\$0.40) (\$0.42) (\$0.43)			NF	(\$0.40) (\$0.50) (\$0.60) (\$0.65)									
Market Maker/Non-BATS Market Maker	PM	(\$0.35) (\$0.40) (\$0.42)			NM	(\$0.42) (\$0.45) (\$0.52)									

Fee Codes and Associated Fees:

Fee Code	Description	Fee/(Rebate)
2C	(No change).	
2F	Routed to C2 ([Pro/Firm/MM] <u>Non-Customer</u>)	0.95
AC-AD	(No change).	0.52
AF	Routed to ARCA ([Pro/Firm/MM] <u>Non-Customer</u>), Penny Pilot	0.65
AG	Routed to ARCA ([Pro/Firm/MM] <u>Non-Customer</u>), Non-Penny	0.95
BC-BD	(No change).	
BF	Routed to BX Options ([Pro/Firm/MM] <u>Non-Customer</u>), Penny Pilot	0.65
BG	Routed to BX Options ([Pro/Firm/MM] <u>Non-Customer</u>), Non-Penny	0.95
CC	(No change).	
CF	Routed to CBOE ([Pro/Firm/MM] <u>Non-Customer</u>)	0.75
D1	(No change).	

D2	Directed ISO to BX Options ([Pro/Firm/MM]Non-Customer), Non-Penny	0.95
D3	Directed ISO to C2, PHLX ([Pro/Firm/MM]Non-Customer)	0.95
D4-GD	(No change).	
GF	Routed to ISE Gemini ([Pro/Firm/MM]Non-Customer), Penny Pilot	0.65
GG	Routed to ISE Gemini ([Pro/Firm/MM]Non-Customer), Non-Penny	0.95
HC	(No change).	
HF	Routed to PHLX ([Pro/Firm/MM]Non-Customer)	0.70
IC-ID	(No change).	
IF	Routed to ISE ([Pro/Firm/MM]Non-Customer), Penny Pilot	0.65
IG	Routed to ISE ([Pro/Firm/MM]Non-Customer), Non-Penny	0.65
MA-MC	(No change).	
MF	Routed to MIAX ([Pro/Firm/MM]Non-Customer)	0.65
MR-NC	(No change).	
NF ^{4,5,8}	Adds liquidity (Firm/BD/JBO), Non-Penny	(0.40)
NM ^{4,5,7}	Adds liquidity (MM/Non-BATS MM), Non-Penny	(0.42)
NP	Removes liquidity ([Pro/Firm/MM]Non-Customer), Non-Penny	0.89
NY-OC	(No change).	
OF	Routed to BOX ([Pro/Firm/MM]Non-Customer)	0.99
OO	(No change).	
PA ^{4,5,9}	Add liquidity (Pro), Penny Pilot	(0.40)
PC	(No change).	
PF ^{2,4,5}	Adds liquidity (Firm/BD/JBO), Penny Pilot	(0.36)
PM ^{4,5,6}	Adds liquidity (MM/Non-BATS MM), Penny Pilot	(0.35)
PP ³	Removes liquidity ([Pro/Firm/MM]Non-Customer), Penny Pilot	0.49
PY-QD	(No change).	
QF	Routed to NOM ([Pro/Firm/MM]Non-Customer), Penny Pilot	0.65
QG	Routed to NOM ([Pro/Firm/MM]Non-Customer), Non-Penny	0.95
XC	(No change).	
XF	Routed to AMEX ([Pro/Firm/MM]Non-Customer)	0.65
ZC-ZF	(No change).	

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- “Broker Dealer” applies to any order for the account of a broker dealer, including a foreign broker dealer, that clears in the Customer range at the Options Clearing Corporation (“OCC”).
- “Customer” applies to any transaction identified by a Member for clearing in the Customer range at the [Options Clearing Corporation (“OCC”)]OCC, excluding any transaction for a Broker Dealer or a “Professional” as defined in Exchange Rule 16.1.
- “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC, excluding any Joint Back office transaction.

- “Joint Back Office” applies to any transaction identified by a Member for clearing in the Firm range at the OCC that is identified with an origin code as Joint Back Office. A Joint Back Office participant is a Member that maintains a Joint Back Office arrangement with a clearing broker-dealer.
- “Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is registered with the Exchange as a Market Maker as defined in Rule 16.1(a)(37).
- “Non-BATS Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is not registered with the Exchange as a Market Maker, but is registered as a market maker on another options exchange.

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² Firm, Broker Dealer, and Joint Back Office Penny Pilot Add Volume Tiers

Applicable to the following fee codes: PF.

Tier	Rebate per contract for a Firm/BD/JBO order to Add for Penny Pilot Securities	Required Criteria
[Firm Add Volume]Tier 1	(\$0.40)	Member has an ADV equal to or greater than 0.30% of average TCV
[Firm Add Volume]Tier 2	(\$0.42)	Member has an ADV equal to or greater than 1.00% of average TCV
[Firm Add Volume]Tier 3	(\$0.43)	(1) Member has an ADAV in Firm/BD/JBO orders in Penny Pilot Securities (yielding Fee Code PF) equal to or greater than 0.35% of average TCV (2) Member has an ADV equal to or greater than 1.00% of average TCV

³ [Professional, Firm and Market Maker]Non-Customer Penny Pilot Take Volume Tiers

Applicable to fee code PP.

Tier	Fee per contract for a [Professional/Firm/ Market Maker]Non-Customer Order to Remove for Penny Pilot Securities	Required Criteria
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Non-Customer Take Volume Tier 1	\$0.48	Member has an ADV equal to or greater than 1.00% of average TCV
Non-Customer Take Volume Tier 2	\$0.47	Member has an ADV equal to or greater than 1.25% of average TCV
Non-Customer Take Volume Tier 3	\$0.45	(1) Member has an ADAV equal to or greater than 1.00% of average TCV (2) Member has an ADV equal to or greater than 2.00% of average TCV
Non-Customer Take Volume Tier 4	\$0.43	Member has an ADAV in Customer orders equal to or greater than 2.00% of average TCV
Non-Customer Step-Up Take Volume Tier	\$0.47	(1) Member has an Options Step-Up Add TCV from September 2014 baseline equal to or greater than 0.30% (2) Member has an ADV equal to or greater than 0.40% of average TCV

⁴ NBBO Setter Tiers

Applicable to the following fee codes: PA, PF, PM, NA, NF and NM.

Tier	Additional rebate per contract for a [Professional/Firm/ Market Maker] <u>Non-Customer</u> order to Add	Required Criteria
NBBO Setter Tier 1	(\$0.02)	(1) Member has an ADV equal to or greater than 0.30% of average TCV (2) Any order establishing a new NBBO
NBBO Setter Tier 2	(\$0.04)	(1) Member has an ADV equal to or greater than 1.00% of average TCV (2) Any order establishing a new NBBO
NBBO Setter Tier 3	(\$0.04)	(1) Member has an Options Step-Up Add TCV from September 2014 baseline equal to or greater than 0.30% (2) Member has an ADV equal to or greater than 0.40% of average TCV

		(3) Any order establishing a new NBBO
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⁶ Market Maker and Non-BATS Market Maker Penny Pilot Add Volume Tiers

Applicable to fee code PM.

Tier	Rebate per contract for a Market Maker/ <u>Non-BATS Market Maker</u> order to Add for Penny Pilot Securities	Required Criteria
Tier 1	(\$0.40)	Member has an ADV equal to or greater than 0.30% of average TCV
Tier 2	(\$0.42)	(1) Member has an ADAV equal to or greater than 1.00% of average TCV (2) Member has an ADV equal to or greater than 2.00% of average TCV
Tier 3	(\$0.42)	(1) Member has an ADAV in Firm/ <u>BD/JBO</u> orders in Penny Pilot Securities (yielding Fee Code PF) equal to or greater than 0.35% of average TCV (2) Member has an ADV equal to or greater than 1.00% of average TCV

⁷ Market Maker and Non-BATS Market Maker Non-Penny Pilot Add Volume Tiers

Applicable to fee code NM.

Tier	Rebate per contract for a Market Maker/ <u>Non-BATS Market Maker</u> order to Add for Non-Penny Pilot Securities	Required Criteria
Tier 1	(\$0.45)	Member has an ADV equal to or greater than 0.30% of average TCV
Tier 2	(\$0.52)	Member has an ADV equal to or greater than 1.00% of average TCV

⁸ Firm, Broker Dealer, and Joint Back Office Non-Penny Pilot Add Volume Tiers

<u>Tier</u>	<u>Rebate per contract for a Firm/BD/JBO order to Add for Non-Penny Pilot Securities</u>	<u>Required Criteria</u>
Tier 1	(\$0.50)	Member has an ADV equal to or greater than 0.05% of average TCV
Tier 2	(\$0.60)	Member has an ADV equal to or greater than 0.15% of average TCV
Tier 3	(\$0.65)	Member has an ADV equal to or greater than 0.25% of average TCV

⁹ Professional Penny Pilot Add Volume TierApplicable to fee code PA.

<u>Tier</u>	<u>Rebate per contract for a Professional order to Add for Penny Pilot Securities</u>	<u>Required Criteria</u>
<u>Tier 1</u>	<u>(\$0.43)</u>	<u>Member has a combined ADAV in Customer and Professional orders equal to or greater than 0.20% of average TCV</u>

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