

Required fields are shown with yellow backgrounds and asterisks.

Filing by Bats BZX 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) *
<input type="checkbox"/>	<input type="checkbox"/>
	Section 3C(b)(2) *
	<input type="checkbox"/>

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

**Description**

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

The Exchange proposes a rule change to modify fees for connectivity and its communication and routing service known as Bats Connect.

**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 *	Last Name *
Chris	Solgan
Title *	
Assistant General Counsel	
E-mail *	
csolgan@bats.com	
Telephone *	Fax
(646) 856-8723	


**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	Assistant General Counsel	
12/27/2016		
By		
Chris Solgan		
(Name *)		



csolgan@bats.com

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

**Form 19b-4 Information \***

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

**Exhibit 1 - Notice of Proposed Rule Change \***

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

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

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

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

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

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

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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

## 1. Text of the Proposed Rule Change

(a) Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act” or “Exchange Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> Bats BZX Exchange, Inc. (“BZX” or the “Exchange”) proposes to amend its fees and rebates applicable to Members<sup>3</sup> and non-Members of the Exchange pursuant to BZX Rule 15.1(a) and (c) to modify its fees for physical ports, logical ports, and for the use of a communication and routing service known as Bats Connect. The text of the proposed rule change is attached as Exhibit 5.

(b) Inapplicable.

(c) Inapplicable.

## 2. Procedures of the Self-Regulatory Organization

The Exchange submits the proposed rule change pursuant to authority delegated by the Board of Directors of the Exchange on February 11, 2014. Exchange staff will advise the Exchange’s Board of Directors of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change and, therefore, the Exchange’s internal procedures with respect to the proposed change are complete.

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

Eric Swanson  
Executive Vice President and  
General Counsel

Chris Solgan  
Assistant General Counsel  
(646) 856-8723

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 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).

(913) 815-7000

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

(a) Purpose

The Exchange proposes to modify its fees for physical ports, logical ports, and for the use of a communication and routing service known as Bats Connect. Each of these proposed changes are described below.

Physical Ports

A physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently maintains a presence in two third-party data centers: (i) the primary data center where the Exchange's business is primarily conducted on a daily basis, and (ii) a secondary data center, which is predominantly maintained for business continuity purposes. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: \$2,000 per physical port that connects to the System<sup>4</sup> via 1 gigabyte circuit; and \$4,000 per physical port that connects to the System via 10 gigabyte circuit. The Exchange proposes to increase the fee per physical port that connects to the System via a 10 gigabyte circuit from \$4,000 per month to \$6,000 per month in order cover its increased infrastructure costs associated with establishing physical ports to connect to the Exchange's Systems and enable it to continue to maintain and improve its market technology and services. The Exchange

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<sup>4</sup> The term "System" is defined as "the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away." See Exchange Rule 1.5(aa).

does not propose to amend the fee for a 1 gigabyte circuit, which will remain \$2,000 per month.

#### Logical Ports

The Exchange currently charges for logical ports (including Multicast PITCH Spin Server and GRP ports) \$500 per port per month. A logical port represents a port established by the Exchange within the Exchange's system for trading and billing purposes. Each logical port established is specific to a Member or non-Member and grants that Member or non-Member the ability to operate a specific application, such as FIX order entry or PITCH data receipt. Logical port fees are limited to logical ports in the Exchange's primary data center and no logical port fees are assessed for redundant secondary data center ports. The Exchange assesses the monthly per logical port fees to all Members' and non-Members' logical ports. The Exchange now proposes to increase charges for logical ports (including Multicast PITCH Spin Server and GRP ports) from \$500 per port per month to \$550 per month. Like as for the proposed fee increase for physical ports described above, the proposed increase in logical port fees is intended to cover increased infrastructure costs associated with establishing ports to connect to the Exchange's Systems and to enable the Exchange to continue to maintain and improve its market technology and services.

#### Bats Connect

The Exchange proposes to increase select fees related to the use of Bats Connect. Bats Connect is offered by the Exchange on a voluntary basis in a capacity similar to a

vendor.<sup>5</sup> In sum, Bats Connect is a communication service that provides subscribers an additional means to receive market data from and route orders to any destination connected to the Exchange's network. Bats Connect does not provide any advantage to subscribers for connecting to the Exchange's affiliates<sup>6</sup> as compared to other methods of connectivity. The servers of the subscriber need not be located in the same facilities as the Exchange in order to subscribe to Bats Connect. Subscribers may also seek to utilize Bats Connect in the event of a market disruption where other alternative connection methods become unavailable.

The Exchange charges a monthly connectivity fee to subscribers utilizing Bats Connect to route orders to other exchanges and broker-dealers that are connected to the Exchange's network via unicast access. The amount of the connectivity fee varies based solely on the bandwidth selected by the subscriber. Specifically, as set forth under the Unicast Access – Order Entry section of the fee schedule, the Exchange charges \$350 for 1 Mb, \$700 for 5 Mb, \$950 for 10 Mb, \$1,500 for 25 Mb, \$2,500 for 50 Mb, and \$3,500 for 100 Mb. The Exchange proposes to increase those fees as follows: \$500 for 1 Mb, \$1,000 for 5 Mb, and \$1,250 for 10 Mb. The proposed increases are designed to cover increased costs related to hardware, installation, and testing, as well as increased expenses involved in maintaining and managing the service. The Exchange does not propose to increase the fees for the 25 Mb, 50 Mb and 100 Mb connections as those fees will remain \$1,500, \$2,500, and \$3,500, respectively.

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<sup>5</sup> See Exchange Rule 13.8.

<sup>6</sup> The Exchange's affiliated exchanges are Bats EDGX Exchange, Inc. ("EDGX"), Bats EDGA Exchange, Inc. ("EDGA"), and Bats BYX Exchange, Inc. ("BYX").

Bats Connect also allows subscribers to receive market data feeds from the exchanges connected to the Exchange's network. In such case, the subscriber pays the Exchange a connectivity fee, which are set forth under the Market Data Connectivity section of the fee schedule and vary based solely on the amount of bandwidth required to transmit the selected data product to the subscriber.<sup>7</sup> The proposed connectivity fees currently range from no charge to \$11,500 based on the market data product the subscriber selects. The Exchange proposes to increase select connectivity fees for market data as follows:

<b>Data Feed</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
UQDF/UTDF/OMDF	\$650	\$1,200
CQS/CTS	\$1,000	\$1,400
OPRA	\$3,500	\$4,500
Nasdaq TotalView	\$1,300	\$1,500
Nasdaq BX TotalView	\$650	\$1,000
Nasdaq PSX TotalView	\$350	\$750
NYSE Integrated	\$11,500	\$14,500
NYSE ArcaBook	\$1,000	\$1,250
NYSE MKT OpenBook Ultra	\$150	\$500
NYSE Alerts	\$250	\$500
NYSE Imbalances	\$100	\$500
NYSE Arca Trades	\$250	\$500
BBDS/TDDS	\$100	\$500

The proposed increases are designed to allow the Exchange to cover the increased costs related to the amount of bandwidth required to provide connectivity to receive market data as well as the costs of maintaining that infrastructure.

<sup>7</sup> Subscribers pays any fees charged by the exchange providing the market data feed directly to that exchange.

The Exchange also charges a discounted fee of \$4,160 per month for subscribers who purchase connectivity to a bundle of select market data products, known as the U.S. Equities Select + SIP Bundle. The following market data products are included in the bundle: UQDF/UTDF/OMDF, CQS/CTS, Nasdaq TotalView, Nasdaq BX TotalView, Nasdaq PSX TotalView, NYSE ArcaBook, NYSE MKT OpenBook Ultra, and BBDS/TTDS.<sup>8</sup> Absent the discount, a subscriber purchasing connectivity through Bats Connect for each of these market data products would currently pay a total monthly fee of \$5,200. Instead, a subscriber who purchases connectivity to each of the above market data products is charged a monthly fee of \$4,160, which represents a 20% discount. The Exchange proposes to add NYSE OpenBook Ultra to the bundle. Also, in light of the proposed changes outlined above, the Exchange proposes to increase the discounted rate of the bundle to \$5,910 per month, which would now represent a 40% discount from the rate of \$9,850 a subscriber purchasing connectivity through Bats Connect for each of these market data products would be charged under the proposed rule change.

Lastly, the Exchange proposes to charge a discounted fee of \$6,390 per month for subscribers who purchase connectivity to the OPRA, UQDF/UTDF/OMDF, and CQS/CTS data feeds, to be known as the OPRA + SIP Bundle. Absent the discount, a subscriber purchasing connectivity through Bats Connect for each of these market data products would pay a total monthly fee of \$7,100. Instead, a subscriber who purchases connectivity to each of the above market data products is charged a monthly fee of \$6,390, which represents a 10% discount.

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<sup>8</sup> The Exchange also proposes to correct a typographical error in referencing BBDS/TDDS in its description of the U.S. Equity Select + SIP bundle.



### Implementation Date

The Exchange proposes to implement this amendment to its fee schedule on January 3, 2017.<sup>9</sup>

### (b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>10</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>11</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. The Exchange also notes that it operates in a highly-competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

The Exchange believes that the proposal represents an equitable allocation of reasonable dues, fees, and other charges as its fees for physical connectivity are reasonably constrained by competitive alternatives. If a particular exchange charges

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<sup>9</sup> The Exchange notes that the date of its fee schedule was previously updated to January 3, 2017 in SR-BatsBZX-2016-87 (December 6, 2017). See Securities Exchange Act Release No. 79636 (December 21, 2016).

<sup>10</sup> 15 U.S.C. 78f.

<sup>11</sup> 15 U.S.C. 78f(b)(4).

excessive fees for connectivity, affected Members and non-Members may opt to terminate their connectivity arrangements with that exchange, and adopt a possible range of alternative strategies, including routing to the applicable exchange through another participant or market center or taking that exchange's data indirectly. Accordingly, if the Exchange charges excessive fees, it would stand to lose not only connectivity revenues but also revenues associated with the execution of orders routed to it, and, to the extent applicable, market data revenues. The Exchange believes that this competitive dynamic imposes powerful restraints on the ability of any exchange to charge unreasonable fees for connectivity.

Furthermore, the proposed rule change is also an equitable allocation of reasonable dues, fees, and other charges as the Exchange believes that the increased fees obtained will enable it to cover its increased infrastructure costs associated with establishing physical ports to connect to the Exchange's Systems. The additional revenue from the increased fees will also enable the Exchange to continue to maintain and improve its market technology and services.

#### Physical Ports

The Exchange believes that the proposed fees for a 10 gigabyte circuit of \$6,000 per month is reasonable in that they are less than analogous fees charged by the Nasdaq Stock Market LLC ("Nasdaq") and NYSE Arca, Inc. ("Arca"), which range from \$10,000 - \$15,000 per month for 10 gigabyte circuits.<sup>12</sup> The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all

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<sup>12</sup> See Nasdaq Rule 7034(b) and the NYSE Arca fee schedule available at [https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE\\_Arca\\_Marketplace\\_Fees.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf) (dated December 2, 2016).

Members and non-Members. Members and non-Members will continue to choose whether they want more than one physical port and choose the method of connectivity based on their specific needs. All Exchange Members that voluntarily select various service options will be charged the same amount for the same services. As is true of all physical connectivity, all Members and non-Members have the option to select any connectivity option, and there is no differentiation with regard to the fees charged for the service.

#### Logical Ports

The Exchange believes that the increase of fees for logical ports represents an equitable allocation of reasonable dues, fees and other charges. The Exchange believes that its proposed changes to logical port fees are reasonable in light of the benefits to Exchange participants of direct market access and receipt of data. The Exchange believes its proposed fees are reasonable because Nasdaq and NYSE Arca charge comparable rates for logical ports to access such markets.<sup>13</sup>

#### Bats Connect

The Exchange also believes that its proposed fees for Bats Connect provide for the equitable allocation of reasonable dues, fees and other charges among members and other persons using its facilities. First, the Exchange charges a connectivity fee to subscribers utilizing Bats Connect to route orders to other exchanges and market centers that are connected to the Exchange's network, which varies based solely on the amount

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<sup>13</sup> See Nasdaq Rule 7015(b) (charging a fee of \$575 per month for FIX Trading Ports) and the NYSE Arca fee schedule available at [https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE\\_Arca\\_Marketplace\\_Fees.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf) (dated December 2, 2016) (charging a fee of \$550 per month for ports for order/quote entry).

of bandwidth selected by the subscriber. The proposed increased connectivity fees remain reasonable and competitive as compared to similar fees charged by other exchanges. For purposes of order routing, the Exchange proposes to now charge \$500 for 1 Mb, \$1,000 for 5 Mb, and \$1,250 for 10 Mb. The New York Stock Exchange, Inc. (“NYSE”) currently charges \$300 for 1 Mb, \$700 for 5 Mb, and \$900 for 10 Mb.<sup>14</sup> In addition, the proposed rates continue to be less than what a subscriber would pay to connect directly to another exchange.<sup>15</sup> The Exchange notes that, overall, the connectivity fee for routing of orders to other market centers proposed by the Exchange is similar to that charged by the NYSE.

Second, with regard to utilizing Bats Connect to receive market data products from other exchanges, the Exchange only charges subscribers a connectivity fee, the amount of which is based solely on the amount of bandwidth required to transmit that specific data product to the subscribers. The Exchange believes it is necessary to increase the rates for select market data feeds as described herein to address changes in bandwidth necessary to receive such feeds. The increased fees will also enable the Exchange to continue to cover the increased infrastructure costs while also enabling it to continue to maintain and improve the service.

The amounts of the connectivity fees continue to be reasonable as compared to similar fees charged by other exchanges. For example, for market data connectivity,

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<sup>14</sup> See Section 3.6.1 of NYSE’s SFTI Americas Product and Service List available at <http://www.nyxdata.com/docs/connectivity>.

<sup>15</sup> See e.g., Nasdaq Rule 7034(b) and the Co-Location section of the NYSE Arca fee schedule available at [https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE\\_Arca\\_Marketplace\\_Fees.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf) (dated December 2, 2016).

Nasdaq charges \$1,412 per month for CQS/CTS data feed, and the Exchange proposes to charge \$1,400 per month connectivity for CQS/CTS data feed.<sup>16</sup>

The Exchange believes it is reasonable to offer such discounted pricing to subscribers who purchase connectivity to a bundle of market data products as it would enable them to reduce their overall connectivity costs for the receipt of market data. The Exchange is not required by any rule or regulation to make Bats Connect available; nor are subscribers required by any rule or regulation to utilize Bats Connect. Accordingly, subscribers can discontinue use at any time and for any reason, including due to an assessment of the reasonableness of fees charged. Moreover, the Exchange believes the proposed fees are reasonable and equitable because they continue to be based on the Exchange's costs to cover the amount of bandwidth required to provide connectivity to the select bundle of data feeds. The proposed fees will continue to allow the Exchange to recoup this cost, while providing subscribers with an alternative means to connect to the select bundle of data feeds at a discounted rate.

Lastly, the Exchange believes the proposed fees are reasonable and equitable because they are based on the Exchange's costs to cover hardware, installation, testing and connection, as well as expenses involved in maintaining and managing the service. The proposed fees allow the Exchange to recoup these costs, while providing subscribers with an alternative means to connect to other exchange and market centers. The Exchange believes that the proposed fees are reasonable and equitable in that they reflect the costs and the benefit of providing alternative connectivity.

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<sup>16</sup> See Nasdaq Rule 7034 (setting forth Nasdaq's connectivity fees for receipt of third party market data products).

#### 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. As discussed above, the Exchange believes that fees for connectivity are constrained by the robust competition for order flow among exchanges and non-exchange markets. The Exchange does not believe that the proposed changes represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Additionally, Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Further, excessive fees for connectivity would serve to impair an exchange's ability to compete for order flow rather than burdening competition.

Lastly, the Exchange does not believe the proposed fees for Bats Connect will result in any burden on competition. The proposed rule change is designed to provide subscribers with an alternative means to access other market centers on the Exchange's network if they choose or in the event of a market disruption where other alternative connection methods become unavailable. Bats Connect is not the exclusive method to connect to these market centers and subscribers may utilize alternative methods to connect to the product if they believe the Exchange's proposed pricing is unreasonable or otherwise. Therefore, the Exchange does not believe the proposed rule change will have any effect on competition.

#### 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments

from Members or other interested parties.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

(a) This proposed rule change is filed pursuant to paragraph (A) of Section 19(b)(3) of the Act.

(b) This proposed rule change establishes dues, fees or other charges among its members and, as such, may take effect upon filing with the Commission pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>17</sup> and paragraph (f)(2) of Rule 19b-4 thereunder.<sup>18</sup>

(c) Inapplicable.

(d) Inapplicable.

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

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 – Form of Notice of Proposed Rule Change for Publication in the Federal

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<sup>17</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>18</sup> 17 CFR 240.19b-4(f)(2).

Register.

Exhibit 5 – Text of the Proposed Rule Change.



EXHIBIT 1

## SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-\_\_\_\_\_; File No. SR-BatsBZX-2016-89)

Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Modify Fees for Connectivity and its Communication and Routing Service Known as Bats Connect

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on \_\_\_\_\_, Bats BZX Exchange, Inc. (the “Exchange” or “BZX”) 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 Act<sup>3</sup> and Rule 19b-4(f)(2) thereunder,<sup>4</sup> 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 Members<sup>5</sup> and non-members of the Exchange pursuant to BZX Rules 15.1(a) and (c) to modify its fees for physical ports, logical ports, and for the use of a communication and routing

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>4</sup> 17 CFR 240.19b-4(f)(2).

<sup>5</sup> 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).

service known as Bats Connect.

The text of the proposed rule change is available at the Exchange's website at [www.bats.com](http://www.bats.com), at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to modify its fees for physical ports, logical ports, and for the use of a communication and routing service known as Bats Connect. Each of these proposed changes are described below.

Physical Ports

A physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently maintains a presence in two third-party data centers: (i) the primary data center where the Exchange's business is primarily conducted on a daily basis, and (ii) a secondary data center, which is predominantly maintained for business continuity purposes. The Exchange currently assesses the following physical connectivity fees for

Members and non-Members on a monthly basis: \$2,000 per physical port that connects to the System<sup>6</sup> via 1 gigabyte circuit; and \$4,000 per physical port that connects to the System via 10 gigabyte circuit. The Exchange proposes to increase the fee per physical port that connects to the System via a 10 gigabyte circuit from \$4,000 per month to \$6,000 per month in order cover its increased infrastructure costs associated with establishing physical ports to connect to the Exchange's Systems and enable it to continue to maintain and improve its market technology and services. The Exchange does not propose to amend the fee for a 1 gigabyte circuit, which will remain \$2,000 per month.

#### Logical Ports

The Exchange currently charges for logical ports (including Multicast PITCH Spin Server and GRP ports) \$500 per port per month. A logical port represents a port established by the Exchange within the Exchange's system for trading and billing purposes. Each logical port established is specific to a Member or non-Member and grants that Member or non-Member the ability to operate a specific application, such as FIX order entry or PITCH data receipt. Logical port fees are limited to logical ports in the Exchange's primary data center and no logical port fees are assessed for redundant secondary data center ports. The Exchange assesses the monthly per logical port fees to all Members' and non-Members' logical ports. The Exchange now proposes to increase charges for logical ports (including Multicast PITCH Spin Server and GRP ports) from

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<sup>6</sup> The term "System" is defined as "the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away." See Exchange Rule 1.5(aa).

\$500 per port per month to \$550 per month. Like as for the proposed fee increase for physical ports described above, the proposed increase in logical port fees is intended to cover increased infrastructure costs associated with establishing ports to connect to the Exchange's Systems and to enable the Exchange to continue to maintain and improve its market technology and services.

#### Bats Connect

The Exchange proposes to increase select fees related to the use of Bats Connect. Bats Connect is offered by the Exchange on a voluntary basis in a capacity similar to a vendor.<sup>7</sup> In sum, Bats Connect is a communication service that provides subscribers an additional means to receive market data from and route orders to any destination connected to the Exchange's network. Bats Connect does not provide any advantage to subscribers for connecting to the Exchange's affiliates<sup>8</sup> as compared to other methods of connectivity. The servers of the subscriber need not be located in the same facilities as the Exchange in order to subscribe to Bats Connect. Subscribers may also seek to utilize Bats Connect in the event of a market disruption where other alternative connection methods become unavailable.

The Exchange charges a monthly connectivity fee to subscribers utilizing Bats Connect to route orders to other exchanges and broker-dealers that are connected to the Exchange's network via unicast access. The amount of the connectivity fee varies based solely on the bandwidth selected by the subscriber. Specifically, as set forth under the

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<sup>7</sup> See Exchange Rule 13.8.

<sup>8</sup> The Exchange's affiliated exchanges are Bats EDGX Exchange, Inc. ("EDGX"), Bats EDGA Exchange, Inc. ("EDGA"), and Bats BYX Exchange, Inc. ("BYX").

Unicast Access – Order Entry section of the fee schedule, the Exchange charges \$350 for 1 Mb, \$700 for 5 Mb, \$950 for 10 Mb, \$1,500 for 25 Mb, \$2,500 for 50 Mb, and \$3,500 for 100 Mb. The Exchange proposes to increase those fees as follows: \$500 for 1 Mb, \$1,000 for 5 Mb, and \$1,250 for 10 Mb. The proposed increases are designed to cover increased costs related to hardware, installation, and testing, as well as increased expenses involved in maintaining and managing the service. The Exchange does not propose to increase the fees for the 25 Mb, 50 Mb and 100 Mb connections as those fees will remain \$1,500, \$2,500, and \$3,500, respectively.

Bats Connect also allows subscribers to receive market data feeds from the exchanges connected to the Exchange's network. In such case, the subscriber pays the Exchange a connectivity fee, which are set forth under the Market Data Connectivity section of the fee schedule and vary based solely on the amount of bandwidth required to transmit the selected data product to the subscriber.<sup>9</sup> The proposed connectivity fees currently range from no charge to \$11,500 based on the market data product the subscriber selects. The Exchange proposes to increase select connectivity fees for market data as follows:

<b>Data Feed</b>	<b>Current Fee</b>	<b>Proposed Fee</b>
UQDF/UTDF/OMDF	\$650	\$1,200
CQS/CTS	\$1,000	\$1,400
OPRA	\$3,500	\$4,500
Nasdaq TotalView	\$1,300	\$1,500
Nasdaq BX TotalView	\$650	\$1,000
Nasdaq PSX TotalView	\$350	\$750

<sup>9</sup> Subscribers pays any fees charged by the exchange providing the market data feed directly to that exchange.

NYSE Integrated	\$11,500	\$14,500
NYSE ArcaBook	\$1,000	\$1,250
NYSE MKT OpenBook Ultra	\$150	\$500
NYSE Alerts	\$250	\$500
NYSE Imbalances	\$100	\$500
NYSE Arca Trades	\$250	\$500
BBDS/TDDS	\$100	\$500

The proposed increases are designed to allow the Exchange to cover the increased costs related to the amount of bandwidth required to provide connectivity to receive market data as well as the costs of maintaining that infrastructure.

The Exchange also charges a discounted fee of \$4,160 per month for subscribers who purchase connectivity to a bundle of select market data products, known as the U.S. Equities Select + SIP Bundle. The following market data products are included in the bundle: UQDF/UTDF/OMDF, CQS/CTS, Nasdaq TotalView, Nasdaq BX TotalView, Nasdaq PSX TotalView, NYSE ArcaBook, NYSE MKT OpenBook Ultra, and BBDS/TTDS.<sup>10</sup> Absent the discount, a subscriber purchasing connectivity through Bats Connect for each of these market data products would currently pay a total monthly fee of \$5,200. Instead, a subscriber who purchases connectivity to each of the above market data products is charged a monthly fee of \$4,160, which represents a 20% discount. The Exchange proposes to add NYSE OpenBook Ultra to the bundle. Also, in light of the proposed changes outlined above, the Exchange proposes to increase the discounted rate of the bundle to \$5,910 per month, which would now represent a 40% discount from the

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<sup>10</sup> The Exchange also proposes to correct a typographical error in referencing BBDS/TDDS in its description of the U.S. Equity Select + SIP bundle.

rate of \$9,850 a subscriber purchasing connectivity through Bats Connect for each of these market data products would be charged under the proposed rule change.

Lastly, the Exchange proposes to charge a discounted fee of \$6,390 per month for subscribers who purchase connectivity to the OPRA, UQDF/UTDF/OMDF, and CQS/CTS data feeds, to be known as the OPRA + SIP Bundle. Absent the discount, a subscriber purchasing connectivity through Bats Connect for each of these market data products would pay a total monthly fee of \$7,100. Instead, a subscriber who purchases connectivity to each of the above market data products is charged a monthly fee of \$6,390, which represents a 10% discount.

#### Implementation Date

The Exchange proposes to implement this amendment to its fee schedule on January 3, 2017.<sup>11</sup>

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>12</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>13</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. The Exchange also notes that it operates in a highly-competitive market in which market participants can readily direct order flow to competing venues if they deem

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<sup>11</sup> The Exchange notes that the date of its fee schedule was previously updated to January 3, 2017 in SR-BatsBZX-2016-87 (December 6, 2017). See Securities Exchange Act Release No. 79636 (December 21, 2016).

<sup>12</sup> 15 U.S.C. 78f.

<sup>13</sup> 15 U.S.C. 78f(b)(4).

fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

The Exchange believes that the proposal represents an equitable allocation of reasonable dues, fees, and other charges as its fees for physical connectivity are reasonably constrained by competitive alternatives. If a particular exchange charges excessive fees for connectivity, affected Members and non-Members may opt to terminate their connectivity arrangements with that exchange, and adopt a possible range of alternative strategies, including routing to the applicable exchange through another participant or market center or taking that exchange's data indirectly. Accordingly, if the Exchange charges excessive fees, it would stand to lose not only connectivity revenues but also revenues associated with the execution of orders routed to it, and, to the extent applicable, market data revenues. The Exchange believes that this competitive dynamic imposes powerful restraints on the ability of any exchange to charge unreasonable fees for connectivity.

Furthermore, the proposed rule change is also an equitable allocation of reasonable dues, fees, and other charges as the Exchange believes that the increased fees obtained will enable it to cover its increased infrastructure costs associated with establishing physical ports to connect to the Exchange's Systems. The additional revenue



from the increased fees will also enable the Exchange to continue to maintain and improve its market technology and services.

#### Physical Ports

The Exchange believes that the proposed fees for a 10 gigabyte circuit of \$6,000 per month is reasonable in that they are less than analogous fees charged by the Nasdaq Stock Market LLC (“Nasdaq”) and NYSE Arca, Inc. (“Arca”), which range from \$10,000 - \$15,000 per month for 10 gigabyte circuits.<sup>14</sup> The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members and non-Members. Members and non-Members will continue to choose whether they want more than one physical port and choose the method of connectivity based on their specific needs. All Exchange Members that voluntarily select various service options will be charged the same amount for the same services. As is true of all physical connectivity, all Members and non-Members have the option to select any connectivity option, and there is no differentiation with regard to the fees charged for the service.

#### Logical Ports

The Exchange believes that the increase of fees for logical ports represents an equitable allocation of reasonable dues, fees and other charges. The Exchange believes that its proposed changes to logical port fees are reasonable in light of the benefits to Exchange participants of direct market access and receipt of data. The Exchange believes

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<sup>14</sup> See Nasdaq Rule 7034(b) and the NYSE Arca fee schedule [available at https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE\\_Arca\\_Marketplace\\_Fees.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf) (dated December 2, 2016).

its proposed fees are reasonable because Nasdaq and NYSE Arca charge comparable rates for logical ports to access such markets.<sup>15</sup>

#### Bats Connect

The Exchange also believes that its proposed fees for Bats Connect provide for the equitable allocation of reasonable dues, fees and other charges among members and other persons using its facilities. First, the Exchange charges a connectivity fee to subscribers utilizing Bats Connect to route orders to other exchanges and market centers that are connected to the Exchange's network, which varies based solely on the amount of bandwidth selected by the subscriber. The proposed increased connectivity fees remain reasonable and competitive as compared to similar fees charged by other exchanges. For purposes of order routing, the Exchange proposes to now charge \$500 for 1 Mb, \$1,000 for 5 Mb, and \$1,250 for 10 Mb. The New York Stock Exchange, Inc. ("NYSE") currently charges \$300 for 1 Mb, \$700 for 5 Mb, and \$900 for 10 Mb.<sup>16</sup> In addition, the proposed rates continue to be less than what a subscriber would pay to connect directly to another exchange.<sup>17</sup> The Exchange notes that, overall, the connectivity fee for routing of orders to other market centers proposed by the Exchange is similar to that charged by the NYSE.

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<sup>15</sup> See Nasdaq Rule 7015(b) (charging a fee of \$575 per month for FIX Trading Ports) and the NYSE Arca fee schedule available at [https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE\\_Arca\\_Marketplace\\_Fees.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf) (dated December 2, 2016) (charging a fee of \$550 per month for ports for order/quote entry).

<sup>16</sup> See Section 3.6.1 of NYSE's SFTI Americas Product and Service List available at <http://www.nyxdata.com/docs/connectivity>.

<sup>17</sup> See e.g., Nasdaq Rule 7034(b) and the Co-Location section of the NYSE Arca fee schedule available at [https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE\\_Arca\\_Marketplace\\_Fees.pdf](https://www.nyse.com/publicdocs/nyse/markets/nyse-arca/NYSE_Arca_Marketplace_Fees.pdf) (dated December 2, 2016).

Second, with regard to utilizing Bats Connect to receive market data products from other exchanges, the Exchange only charges subscribers a connectivity fee, the amount of which is based solely on the amount of bandwidth required to transmit that specific data product to the subscribers. The Exchange believes it is necessary to increase the rates for select market data feeds as described herein to address changes in bandwidth necessary to receive such feeds. The increased fees will also enable the Exchange to continue to cover the increased infrastructure costs while also enabling it to continue to maintain and improve the service.

The amounts of the connectivity fees continue to be reasonable as compared to similar fees charged by other exchanges. For example, for market data connectivity, Nasdaq charges \$1,412 per month for CQS/CTS data feed, and the Exchange proposes to charge \$1,400 per month connectivity for CQS/CTS data feed.<sup>18</sup>

The Exchange believes it is reasonable to offer such discounted pricing to subscribers who purchase connectivity to a bundle of market data products as it would enable them to reduce their overall connectivity costs for the receipt of market data. The Exchange is not required by any rule or regulation to make Bats Connect available; nor are subscribers required by any rule or regulation to utilize Bats Connect. Accordingly, subscribers can discontinue use at any time and for any reason, including due to an assessment of the reasonableness of fees charged. Moreover, the Exchange believes the proposed fees are reasonable and equitable because they continue to be based on the Exchange's costs to cover the amount of bandwidth required to provide connectivity to

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<sup>18</sup> See Nasdaq Rule 7034 (setting forth Nasdaq's connectivity fees for receipt of third party market data products).

the select bundle of data feeds. The proposed fees will continue to allow the Exchange to recoup this cost, while providing subscribers with an alternative means to connect to the select bundle of data feeds at a discounted rate.

Lastly, the Exchange believes the proposed fees are reasonable and equitable because they are based on the Exchange's costs to cover hardware, installation, testing and connection, as well as expenses involved in maintaining and managing the service. The proposed fees allow the Exchange to recoup these costs, while providing subscribers with an alternative means to connect to other exchange and market centers. The Exchange believes that the proposed fees are reasonable and equitable in that they reflect the costs and the benefit of providing alternative connectivity.

(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. As discussed above, the Exchange believes that fees for connectivity are constrained by the robust competition for order flow among exchanges and non-exchange markets. The Exchange does not believe that the proposed changes represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Additionally, Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Further, excessive fees for connectivity would serve to impair an exchange's ability to compete for order flow rather than burdening competition.

Lastly, the Exchange does not believe the proposed fees for Bats Connect will result in any burden on competition. The proposed rule change is designed to provide

subscribers with an alternative means to access other market centers on the Exchange's network if they choose or in the event of a market disruption where other alternative connection methods become unavailable. Bats Connect is not the exclusive method to connect to these market centers and subscribers may utilize alternative methods to connect to the product if they believe the Exchange's proposed pricing is unreasonable or otherwise. Therefore, the Exchange does not believe the proposed rule change will have any effect on competition.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from Members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>19</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>20</sup> 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

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<sup>19</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>20</sup> 17 CFR 240.19b-4(f).

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](mailto:rule-comments@sec.gov). Please include File No. SR-BatsBZX-2016-89 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-BatsBZX-2016-89. 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-BatsBZX-2016-89 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.<sup>21</sup>

Robert W. Errett  
Deputy Secretary

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<sup>21</sup> 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Proposed new language is underlined; proposed deletions are in [brackets].

**Bats BZX Exchange Fee Schedule**

**Effective January 3, 2017**

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**Logical Port Fees:**

Service	Fee
Logical Ports (excluding Multicast PITCH Spin Server Port or GRP Port)	[\$500] <u>550</u> /port/month
Multicast PITCH Spin Server	[\$500] <u>550</u> /set of primary (A or C feed)
Multicast PITCH GRP Ports	[\$500] <u>550</u> /primary (A or C feed)

(No change).

**Physical Connection Fees:**

Service	Fee per Physical Port
1G physical port	(No change).
10G physical port	[\$4,000] <u>6,000</u> /month

(No change).

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**Bats Connect:****Market Data Connectivity\*:**

Data Feed	Fee Per Month
UQDF/UTDF/OMDF	[\$650] <u>1,200</u>
CQS/CTS	[\$1,000] <u>1,400</u>
OPRA	[\$3,500] <u>4,500</u>
Nasdaq Glimpse	(No change).
Nasdaq TotalView	[\$1,300] <u>1,500</u>
Nasdaq BX TotalView	[\$650] <u>1,000</u>
Nasdaq PSX TotalView	[\$350] <u>750</u>
NYSE OpenBook Ultra	(No change).
NYSE Integrated	[\$11,500] <u>14,500</u>
NYSE ArcaBook	[\$1,000] <u>1,250</u>
NYSE ArcaBook Refresh	(No change).
NYSE MKT OpenBook Ultra	[\$150] <u>500</u>



NYSE Alerts	\$[250] <u>500</u>
NYSE MKT Alerts	(No change).
NYSE Imbalances	\$[100] <u>500</u>
NYSE MKT Imbalances	(No change).
NYSE Trades	(No change).
NYSE Arca Trades	\$[250] <u>500</u>
NYSE MKT Trades	(No change).
BBDS/TDDS	\$[100] <u>500</u>
U.S. Equity Select + SIP Bundle ([20] <u>40</u> % Discount)**	\$[4,160] <u>5,910</u>
<u>OPRA + SIP Bundle (10% Discount)***</u>	<u>\$6,390</u>
BZX/BYX/EDGX/EDGA	(No change).

\* Fee covers both A and B feeds (over independent cross-connects) and is for connectivity only.

\*\* U.S. Equity Select + SIP Bundle includes the following market data products: UQDF/UTDF/OMDF, CQS/CTS, Nasdaq TotalView, Nasdaq BX TotalView, Nasdaq PSX TotalView, NYSE OpenBook Ultra, NYSE ArcaBook, NYSE MKT OpenBook Ultra, and BBDS/TD[T]DS.

\*\*\*OPRA + SIP Bundle includes the following market data products: OPRA, UQDF/UTDF/OMDF, and CQS/CTS.

Firms are required to pay any exchange related data fees directly to that exchange.

#### Unicast Access – Order Entry:

<b>Bandwidth</b>	<b>Fee Per Month</b>
1Mb	\$[350] <u>500</u>
5Mb	\$[700] <u>1,000</u>
10Mb	\$[950] <u>1,250</u>
25Mb - 100Mb	(No change).

The Unicast Access – Order Entry fee shall not be charged for bandwidth required to access BZX, BYX, EDGA, EDGX, BZX Options, and EDGX Options.

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