

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 23	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2017 - * 30	Amendment No. (req. for Amendments *)															
Filing by Bats EDGX Exchange, Inc. Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934																		
Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Section 19(b)(2) * <input type="checkbox"/></td> <td style="width: 33%;">Section 19(b)(3)(A) * <input checked="" type="checkbox"/></td> <td style="width: 33%;">Section 19(b)(3)(B) * <input type="checkbox"/></td> </tr> <tr> <td colspan="3" style="text-align: center;">Rule</td> </tr> <tr> <td><input type="checkbox"/> 19b-4(f)(1)</td> <td><input type="checkbox"/> 19b-4(f)(4)</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> 19b-4(f)(2)</td> <td><input type="checkbox"/> 19b-4(f)(5)</td> <td></td> </tr> <tr> <td><input type="checkbox"/> 19b-4(f)(3)</td> <td><input type="checkbox"/> 19b-4(f)(6)</td> <td></td> </tr> </table>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>	Rule			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)		<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)		<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>																
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 checked="" type="checkbox"/>	Exhibit 3 Sent As Paper Document <input checked="" type="checkbox"/>																	
Description																		
Provide a brief description of the action (limit 250 characters, required when Initial is checked *).																		
The Exchange proposes a rule change related to Fees.																		
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 *	SVP, Associate General Counsel																	
E-mail *	afranzone@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 *)																		
Date	06/12/2017	SVP, Associate General Counsel																
By	Anders Franzon	afranzone@bats.com																
(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.																		

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

Add Remove View

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

Partial Amendment

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

1. Text of the Proposed Rule Change

(a) Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² Bats EDGX Exchange, Inc. (“EDGX” or the “Exchange”) 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 Exchange Rule 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

The text of the proposed rule change is 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 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:

Joanne Moffic-Silver

Anders Franzon

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 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).

Executive Vice President, General
Counsel, and Corporate Secretary
(312) 786-7462

SVP, Associate General Counsel
(913) 815-7154

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 amend its fee schedule applicable to its equities trading platform ("EDGX Equities") to: (i) modify the rates associated with fee codes AA, RA and RR; and (ii) decrease the condition necessary to qualify for the enhanced rebate provided pursuant to the Investor Depth Tier under footnote 1. The Exchange notes that Bats EDGA Exchange, Inc. ("EDGA") is implementing certain pricing changes effective June 1, 2017, including modification of various fees and rebates to add and remove liquidity with a displayed or IOC order to a flat fee of \$0.0003 per share to add or remove liquidity with a displayed or IOC order.⁴ The proposed changes to AA, RA, and RR are proposed in light of these changes.

Fee Code AA

The Exchange proposes to modify the rate associated with orders yielding fee code AA, which results from an order routed to EDGA using ALLB routing strategy,⁵ from a \$0.0002 per share rebate to a fee of \$0.0003 per share for securities priced at or above \$1.00. The Exchange does not propose to modify the rate for orders yielding fee

⁴ See Press Release, Bats Announces Fee Overhaul of EDGA Equities Exchange (May 30, 2017), available at <http://ir.cboe.com/press-releases/2017/05-30-2017.aspx>.

⁵ ALLB is a routing option under which the order checks the System for available shares and is then sent to the Bats BYX Exchange, Inc. ("BYX"), EDGA, and Bats BZX Exchange, Inc. ("BZX" collectively with the Exchange, BYX, and EDGA, the "BGM Affiliated Exchanges"). See the Exchange's routing strategies available at http://cdn.batstrading.com/resources/features/bats_exchange_routing-strategies.pdf. See also Exchange Rule 11.11(g)(3).

code AA for securities priced below \$1.00, which are currently not charged a fee nor provided a rebate.

Fee Code RA

The Exchange proposes to decrease the fee associated with orders yielding fee code RA, which results from an order routed to EDGA which adds liquidity, from a fee of \$0.0005 per share to a fee of \$0.0003 per share for securities priced at or above \$1.00. The Exchange does not propose to modify the rate for orders yielding fee code RA for securities priced below \$1.00, which are currently not charged a fee nor provided a rebate.

Fee Code RR

The Exchange proposes to decrease the rate associated with orders yielding fee RR, which result from an order routed to EDGA using the Destination Specific routing strategy (also known as “DIRC”),⁶ from a rebate of \$0.0002 per share to a fee of \$0.0003 per share for all securities priced at or above \$1.00. The Exchange does not propose to modify the rate for securities priced below \$1.00.

Investor Depth Tier

The Exchange currently offers nine Add Volume Tiers under footnote 4, which provide enhanced rebates ranging from of \$0.0025 to \$0.0032 per share for qualifying orders which yield fee codes B,⁷ V,⁸ Y,⁹ 3¹⁰ and 4.¹¹ The Exchange proposes to modify

⁶ See the Exchange’s routing strategies available at http://cdn.batstrading.com/resources/features/bats_exchange_routing-strategies.pdf. See also Rule 11.11(g)(14).

⁷ Fee code B is appended to displayed orders which add liquidity to Tape B and is provided a rebate of \$0.0020 per share. See the Exchange’s fee schedule available at http://www.bats.com/us/equities/membership/fee_schedule/edgx/.

the criteria necessary to achieve the Investor Depth Tier as described below.

- Currently, under the Investor Depth Tier a Member may be provided an enhanced rebate of \$0.0033 per share where that Member: (i) adds an ADV¹² greater than or equal to 0.15% of the TCV;¹³ (ii) has an “added liquidity” as a percentage of “added plus removed liquidity” greater than or equal to 85%; and (iii) adds an ADV greater than or equal to 400,000 shares as non-displayed orders that yield fee code HA,¹⁴ HI,¹⁵ and/or MM.¹⁶ As amended, under the Investor Depth Tier a

⁸ Fee code V is appended to displayed orders which add liquidity to Tape A and is provided a rebate of \$0.0020 per share.

⁹ Fee code Y is appended to displayed orders which add liquidity to Tape C and is provided a rebate of \$0.0020 per share. Id.

¹⁰ Fee code 3 is appended to displayed orders which add liquidity to Tape A or C during the post-market or pre-market sessions and is provided a rebate of \$0.0020 per share. Id.

¹¹ Fee code 4 is appended to displayed orders which add liquidity to Tape B during the post-market or pre-market sessions and is provided a rebate of \$0.0020 per share. Id.

¹² “ADV” means average daily volume calculated as the number of shares added to, removed from, or routed by, the Exchange, or any combination or subset thereof, per day. ADV is calculated on a monthly basis. Id.

¹³ “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. See the Exchange’s fee schedule available at http://www.bats.com/us/equities/membership/fee_schedule/edgx/.

¹⁴ Fee code HA is appended to non-displayed orders which add liquidity on the Exchange and are provided an enhanced rebate of \$0.0015 for securities priced at or above \$1.00, and \$0.0003 for securities priced below \$1.00. Id.

¹⁵ Fee code HI is appended to non-displayed orders which receive price improvement and add liquidity on the Exchange and are neither charged a fee nor provided a rebate. Id.

¹⁶ Fee code MM is appended to non-displayed orders which add liquidity on the Exchange using Mid-Point Peg and are provided an enhanced rebate of \$0.0015 for securities priced at or above \$1.00, and \$0.0003 for securities priced below \$1.00. Id.

Member may be provided an enhanced rebate of \$0.0033 per share where that Member: (i) adds an ADV greater than or equal to 0.12% of the TCV; (ii) has an “added liquidity” as a percentage of “added plus removed liquidity” greater than or equal to 85%; and (iii) adds an ADV greater than or equal to 400,000 shares as non-displayed orders that yield fee code HA, HI, and/or MM.

Implementation Date

The Exchange proposes to implement the above changes to its fee schedule immediately.¹⁷

(b) Statutory Basis

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Act,¹⁸ in general, and furthers the objectives of Section 6(b)(4),¹⁹ 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 or incentives to be insufficient. The proposed rule changes reflect a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange.

Modification of the Investor Depth Add Tier

¹⁷ The Exchange initially submitted the proposed fee change on June 1, 2017. (SR-Bats EDGX-2017-27). On, June 12, 2017 the Exchange withdrew SR-Bats EDGX-2017-27 and submitted this filing.

¹⁸ 15 U.S.C. 78f.

¹⁹ 15 U.S.C. 78f(b)(4).

The Exchange believes that the proposed modifications to the tiered pricing structure are reasonable, fair and equitable, and non-discriminatory. The Exchange operates in a highly competitive market in which market participants may readily send order flow to many competing venues if they deem fees at the Exchange to be excessive or incentives provided to be insufficient. The proposed structure remains intended to attract order flow to the Exchange by offering market participants a competitive pricing structure. The Exchange believes it is reasonable to offer and incrementally modify incentives intended to help to contribute to the growth of the Exchange.

Volume-based pricing such as that proposed herein have been widely adopted by exchanges, including the Exchange, 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: (i) the value to an exchange's market quality; (ii) associated higher levels of market activity, such as higher levels of liquidity provisions and/or growth patterns; and (iii) introduction of higher volumes of orders into the price and volume discovery processes.

Fee Codes AA, RA, and RR

As noted above, EDGA is implementing certain pricing changes effective June 1, 2017, including modification of various fees and rebates to and remove liquidity with a displayed or IOC order to a flat fee of \$0.0003 per share to add or remove liquidity with a displayed or IOC order.²⁰ The changes to fee codes AA, RA, and RR are proposed in light of these changes and reflect a pass-through of the pricing provided by EDGA. As the pricing in securities priced at or above \$1.00 reflects the same pricing a Member

²⁰ See supra, note 4.

would receive for participation on EDGA directly and the pricing in securities priced below \$1.00 is based on the current pricing model applied by the Exchange, the Exchange believes the proposed fees are reasonable and equitably allocated. The Exchange further believes the proposed fees are non-discriminatory because they apply uniformly to all Members.

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. The Exchange does not believe that any of the proposed changes to the Exchange's routing pricing burden competition, as they are based on the pricing on other venues. Similarly, the Exchange does not believe that the proposed change to the Exchange's tiered pricing structure burden competition, but instead, that they enhance competition as they are intended to increase the competitiveness of EDGX by modifying pricing incentives in order to attract order flow and incentivize participants to increase their participation on the Exchange. 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 structures to be unreasonable or excessive. The proposed changes are generally intended to enhance the rebates for liquidity added to the Exchange, which is intended to draw additional liquidity to the Exchange. The Exchange does not believe the proposed amendments would burden intramarket competition as they would be available to all Members uniformly.

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)

Pursuant to Section 19(b)(3)(A)(ii) of the Act²¹ and Rule 19b-4(f)(2) thereunder,²² the Exchange has designated this proposal as establishing or changing a due, fee, or other charge applicable to the Exchange's Members and non-members, which renders the proposed rule change effective upon filing.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

8. Proposed Rule change Based on Rules 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 Proposed Rule Change for Publication in the

²¹ 15 U.S.C. 78s(b)(3)(A)(ii).

²² 17 CFR 240.19b-4(f)(2).

Federal Register.

Exhibit 5: Text of the Proposed Rule Change.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-BatsEDGX-2017-30)

Self-Regulatory Organizations; Bats EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Fees for Use on Bats EDGX 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 EDGX Exchange, Inc. (the “Exchange” or “EDGX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the 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 EDGX 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.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 amend its fee schedule applicable to its equities trading platform ("EDGX Equities") to: (i) modify the rates associated with fee codes AA, RA and RR; and (ii) decrease the condition necessary to qualify for the enhanced rebate provided pursuant to the Investor Depth Tier under footnote 1. The Exchange notes that Bats EDGA Exchange, Inc. ("EDGA") is implementing certain pricing changes effective June 1, 2017, including modification of various fees and rebates to add and remove liquidity with a displayed or IOC order to a flat fee of \$0.0003 per share to add or remove liquidity with a displayed or IOC order.⁶ The proposed changes to AA, RA, and RR are proposed in light of these changes.

⁶ See Press Release, Bats Announces Fee Overhaul of EDGA Equities Exchange (May 30, 2017), available at <http://ir.cboe.com/press-releases/2017/05-30-2017.aspx>.

Fee Code AA

The Exchange proposes to modify the rate associated with orders yielding fee code AA, which results from an order routed to EDGA using ALLB routing strategy,⁷ from a \$0.0002 per share rebate to a fee of \$0.0003 per share for securities priced at or above \$1.00. The Exchange does not propose to modify the rate for orders yielding fee code AA for securities priced below \$1.00, which are currently not charged a fee nor provided a rebate.

Fee Code RA

The Exchange proposes to decrease the fee associated with orders yielding fee code RA, which results from an order routed to EDGA which adds liquidity, from a fee of \$0.0005 per share to a fee of \$0.0003 per share for securities priced at or above \$1.00. The Exchange does not propose to modify the rate for orders yielding fee code RA for securities priced below \$1.00, which are currently not charged a fee nor provided a rebate.

Fee Code RR

The Exchange proposes to decrease the rate associated with orders yielding fee RR, which result from an order routed to EDGA using the Destination Specific routing

⁷ ALLB is a routing option under which the order checks the System for available shares and is then sent to the Bats BYX Exchange, Inc. (“BYX”), EDGA, and Bats BZX Exchange, Inc. (“BZX” collectively with the Exchange, BYX, and EDGA, the “BGM Affiliated Exchanges”). See the Exchange’s routing strategies available at http://cdn.batstrading.com/resources/features/bats_exchange_routing-strategies.pdf. See also Exchange Rule 11.11(g)(3).

strategy (also known as “DIRC”),⁸ from a rebate of \$0.0002 per share to a fee of \$0.0003 per share for all securities priced at or above \$1.00. The Exchange does not propose to modify the rate for securities priced below \$1.00.

Single MPID Investor Tier

The Exchange currently offers nine Add Volume Tiers under footnote 4, which provide enhanced rebates ranging from of \$0.0025 to \$0.0032 per share for qualifying orders which yield fee codes B,⁹ V,¹⁰ Y,¹¹ 3¹² and 4.¹³ The Exchange proposes to modify the criteria necessary to achieve the Investor Depth Tier as described below.

- Currently, under the Investor Depth Tier a Member may be provided an enhanced rebate of \$0.0033 per share where that Member: (i) adds an ADV¹⁴ greater than or

⁸ See the Exchange’s routing strategies available at http://cdn.batstrading.com/resources/features/bats_exchange_routing-strategies.pdf. See also Rule 11.11(g)(14).

⁹ Fee code B is appended to displayed orders which add liquidity to Tape B and is provided a rebate of \$0.0020 per share. See the Exchange’s fee schedule available at http://www.bats.com/us/equities/membership/fee_schedule/edgx/.

¹⁰ Fee code V is appended to displayed orders which add liquidity to Tape A and is provided a rebate of \$0.0020 per share.

¹¹ Fee code Y is appended to displayed orders which add liquidity to Tape C and is provided a rebate of \$0.0020 per share. Id.

¹² Fee code 3 is appended to displayed orders which add liquidity to Tape A or C during the post-market or pre-market sessions and is provided a rebate of \$0.0020 per share. Id.

¹³ Fee code 4 is appended to displayed orders which add liquidity to Tape B during the post-market or pre-market sessions and is provided a rebate of \$0.0020 per share. Id.

¹⁴ “ADV” means average daily volume calculated as the number of shares added to, removed from, or routed by, the Exchange, or any combination or subset thereof, per day. ADV is calculated on a monthly basis. Id.

equal to 0.15% of the TCV;¹⁵ (ii) has an “added liquidity” as a percentage of “added plus removed liquidity” greater than or equal to 85%; and (iii) adds an ADV greater than or equal to 400,000 shares as non-displayed orders that yield fee code HA,¹⁶ HI,¹⁷ and/or MM.¹⁸ As amended, under the Investor Depth Tier a Member may be provided an enhanced rebate of \$0.0033 per share where that Member: (i) adds an ADV greater than or equal to 0.12% of the TCV; (ii) has an “added liquidity” as a percentage of “added plus removed liquidity” greater than or equal to 85%; and (iii) adds an ADV greater than or equal to 400,000 shares as non-displayed orders that yield fee code HA, HI, and/or MM.

Implementation Date

The Exchange proposes to implement the above changes to its fee schedule immediately.¹⁹

2. Statutory Basis

¹⁵ “TCV” means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. See the Exchange’s fee schedule available at http://www.bats.com/us/equities/membership/fee_schedule/edgx/.

¹⁶ Fee code HA is appended to non-displayed orders which add liquidity on the Exchange and are provided an enhanced rebate of \$0.0015 for securities priced at or above \$1.00, and \$0.0003 for securities priced below \$1.00. Id.

¹⁷ Fee code HI is appended to non-displayed orders which receive price improvement and add liquidity on the Exchange and are neither charged a fee nor provided a rebate. Id.

¹⁸ Fee code MM is appended to non-displayed orders which add liquidity on the Exchange using Mid-Point Peg and are provided an enhanced rebate of \$0.0015 for securities priced at or above \$1.00, and \$0.0003 for securities priced below \$1.00. Id.

¹⁹ The Exchange initially submitted the proposed fee change on June 1, 2017. (SR-Bats EDGX-2017-27). On, June 12, 2017 the Exchange withdrew SR-Bats EDGX-2017-27 and submitted this filing.

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Act,²⁰ in general, and furthers the objectives of Section 6(b)(4),²¹ 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 or incentives to be insufficient. The proposed rule changes reflect a competitive pricing structure designed to incentivize market participants to direct their order flow to the Exchange.

Modification of the Investor Depth Add Tier

The Exchange believes that the proposed modifications to the tiered pricing structure are reasonable, fair and equitable, and non-discriminatory. The Exchange operates in a highly competitive market in which market participants may readily send order flow to many competing venues if they deem fees at the Exchange to be excessive or incentives provided to be insufficient. The proposed structure remains intended to attract order flow to the Exchange by offering market participants a competitive pricing structure. The Exchange believes it is reasonable to offer and incrementally modify incentives intended to help to contribute to the growth of the Exchange.

Volume-based pricing such as that proposed herein have been widely adopted by exchanges, including the Exchange, and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are

²⁰ 15 U.S.C. 78f.

²¹ 15 U.S.C. 78f(b)(4).

reasonably related to: (i) the value to an exchange's market quality; (ii) associated higher levels of market activity, such as higher levels of liquidity provisions and/or growth patterns; and (iii) introduction of higher volumes of orders into the price and volume discovery processes.

Fee Codes AA, RA, and RR

As noted above, EDGA is implementing certain pricing changes effective June 1, 2017, including modification of various fees and rebates to and remove liquidity with a displayed or IOC order to a flat fee of \$0.0003 per share to add or remove liquidity with a displayed or IOC order.²² The changes to fee codes AA, RA, and RR are proposed in light of these changes and reflect a pass-through of the pricing provided by EDGA. As the pricing in securities priced at or above \$1.00 reflects the same pricing a Member would receive for participation on EDGA directly and the pricing in securities priced below \$1.00 is based on the current pricing model applied by the Exchange, the Exchange believes the proposed fees are reasonable and equitably allocated. The Exchange further believes the proposed fees are non-discriminatory because they apply uniformly to all Members.

(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. The Exchange does not believe that any of the proposed changes to the Exchange's routing pricing burden competition, as they are based on the pricing on other venues. Similarly, the Exchange does not believe that the proposed change to the Exchange's

²² See supra, note 4.

tiered pricing structure burden competition, but instead, that they enhance competition as they are intended to increase the competitiveness of EDGX by modifying pricing incentives in order to attract order flow and incentivize participants to increase their participation on the Exchange. 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 structures to be unreasonable or excessive. The proposed changes are generally intended to enhance the rebates for liquidity added to the Exchange, which is intended to draw additional liquidity to the Exchange. The Exchange does not believe the proposed amendments would burden intramarket competition as they would be available to all Members uniformly.

(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 Act²³ and paragraph (f) of Rule 19b-4 thereunder.²⁴ 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

²³ 15 U.S.C. 78s(b)(3)(A).

²⁴ 17 CFR 240.19b-4(f).

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-BatsEDGX-2017-30 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-BatsEDGX-2017-30. 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-BatsEDGX-2017-30 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.²⁵

Robert W. Errett
Deputy Secretary

²⁵ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

Bats EDGX Exchange Fee Schedule

Effective June 12, 2017

Fee Codes and Associated Fees:

Fee Code	Description	Fee/(Rebate) Securities at or above \$1.00	Fee/(Rebate) Securities below \$1.00
10 - A	(No change).		
AA	Routed to EDGA using ALLB routing strategy	[(0.00020)] <u>0.00030</u>	FREE
AY - R	(No change).		
RA	Routed to EDGA, adds liquidity	[0.00050] <u>0.00030</u>	FREE
RB - RQ	(No change).		
RR	Routed to EDGA using DIRC routing strategy	[(0.00020)] <u>0.00030</u>	0.30% of Dollar Value
RT - ZR	(No change).		

Footnotes:**¹Add Volume Tiers:**

The rebates to add provided by the below add volume tiers are applicable to the following fee codes: B, V, Y, 3, and 4.

Tier	Rebate Per Share to Add	Required Criteria
Mega Tier 1 - Investor Tier	(No change).	
Investor Depth	(\$0.0033)	(1) Member adds an ADV \geq <u>0.12</u> [0.15]% of the TCV; and (2) Member has an “added liquidity” as a percentage of “added plus removed liquidity” \geq 85%; and

		(3) Member adds an ADV \geq 400,000 shares as Non-displayed orders that yield fee code HA, HI, and/or MM.
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