

*Required fields are shown with yellow backgrounds and asterisks.*

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
Form 19b-4File No.\* SR - 2012 - \* 42  
Amendment No. (req. for Amendments \*)

Proposed Rule Change by EDGA 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 *	19b-4(f)(1)	19b-4(f)(2)	19b-4(f)(3)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			19b-4(f)(4)	19b-4(f)(5)	19b-4(f)(6)
			<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document

**Description**

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

EDGA Exchange, Inc. is filing with the Securities and Exchange Commission a proposed rule change to amend Rule 13.9, which provides a new market data product to Members and non-Members of the Exchange.

**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 proposed rule change.

First Name \* Jeffrey Last Name \* Rosenstock

Title \* General Counsel

E-mail \* jrosenstock@directedge.com

Telephone \* (201) 942-8295 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 officer.

Date 09/19/2012

By Jeffrey Rosenstock  
(Name \*)

General Counsel

(Title \*)

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.

jrosenstock@directedge.com,

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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

**Form 19b-4 Information (required)**

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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 (required)**

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

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Exhibit Sent As Paper Document

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

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

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Exhibit Sent As Paper Document

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

**Exhibit 4 - Marked Copies**

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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) EDGA Exchange, Inc. (“EDGA” or the “Exchange”) is filing with the Securities and Exchange Commission (the “Commission”) a proposed rule change to amend Rule 13.9, which provides a new market data product to Members<sup>1</sup> and non-Members of the Exchange. The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The Exchange’s Board of Directors approved the proposed rule change on July 11, 2012. This action constitutes the requisite approval under the Exchange’s By-Laws and no other action is necessary for the filing of the proposed rule change. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The individual on the Exchange staff prepared to respond to questions about and comments regarding the proposed rule change is:

Thomas N. McManus  
Chief Regulatory Officer  
EDGA Exchange, Inc.  
(201) 418-3471

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

(a) Purpose

In SR-EDGA-2012-38 (the “Filing”),<sup>2</sup> the Exchange introduced a new market data product, Edge Routed Liquidity Report (“Edge Routed Liquidity Report” or the “Service”) to Members and non-Members of the Exchange (collectively referred to as “Subscribers”). The Edge Routed Liquidity Report is a data feed that contains historical order information for orders routed to away destinations by the Exchange. The Filing stated that Edge Routed Liquidity Report is offered as either a standard report (the “Standard Report”) or a premium report (the “Premium Report”) (the Standard Report and the Premium Report shall be collectively referred to as the “Reports”).

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<sup>1</sup> A Member is any registered broker or dealer that has been admitted to membership in the Exchange.

<sup>2</sup> Securities Exchange Act Release No. 67765 (August 31, 2012), 77 FR 55248 (September 7, 2012) (SR-EDGA-2012-38).

The purpose of this proposed rule change is to amend Rule 13.9 to provide additional information regarding the features of the Standard Report and the Premium Report. The Filing noted that both the Standard Report and the Premium Report provide a view of all marketable orders that are routed to away destinations by the Exchange. The Reports are available to the Subscribers on the morning of the following trading day (T + 1) and include limit price, routed quantity, symbol, side (bid/offer), time of routing, and the National Best Bid and Offer (NBBO) at the time of routing.

However, Premium Report also identifies various categories of routing destinations. First, the Premium Report identifies whether the routing destination is either directed to a destination that is not an exchange (“Non-Exchange Destination”) or directed to another exchange. If the order is routed to a Non-Exchange Destination, the Premium Report will then also specify one of the following Non-Exchange Destination categories: Regular, Fast, Superfast and Midpoint (collectively, the “Categories”). The Category is determined by the applicable routing strategy associated with the relevant order, based on responsiveness of the destination (i.e. latency), number of destinations, and/or type of execution (i.e. midpoint). For example, a routing strategy that leverages many dark pools for low-cost, low impact executions, which takes a greater amount of time to fill an order may be categorized as “Regular” in the Premium Report, whereas a destination specific strategy that has fewer Non-Exchange Destinations and responds more quickly may be categorized as “Superfast” in the Premium Report. Notwithstanding the foregoing, the Premium Report will not identify the specific destination.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Securities Exchange Act of 1934, (the “Act”),<sup>3</sup> in general, and with Section 6(b)(5) of the Act<sup>4</sup> in particular, which requires, among other things, that the Exchange’s rules are not designed to unfairly discriminate between customers, issuers, brokers or dealers and are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

Specifically, the Exchange believes that this proposal is in keeping with those principles by promoting increased transparency through the dissemination of an additional market data feed, which will provide market participants with the opportunity to obtain additional data in furtherance of their investment decisions. The proposed rule change will contribute to providing such additional information and afford Subscribers transparency by categorizing routed liquidity to various Non-Exchange Destinations.

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<sup>3</sup> 15 U.S.C. 78f.

<sup>4</sup> 15 U.S.C. 78f(b)(5).

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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 its 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) or Section 19(b)(7)(D)

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)<sup>5</sup> of the Act and Rule 19b-4(f)(6)<sup>6</sup> thereunder. The proposed rule change effects a change that (A) does not significantly affect the protection of investors or the public interest; (B) does not impose any significant burden on competition; and (C) by its terms, does not become operative for thirty (30) days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five (5) business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

The Exchange believes that this proposal is non-controversial in that it further describes the features of a data product that is offered to all Members and non-Members equally and the receipt and use of the Service is strictly voluntary. Edge Routed Liquidity Report provides Subscribers useful data concerning routed orders, which allows Subscribers to identify missed opportunities so that they can make the necessary trading system changes to better interact with missed liquidity. For the foregoing reasons, this rule filing qualifies for immediate effectiveness as a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4.

The Exchange further respectfully requests that the Commission waive the thirty (30) day delayed operative date so that this proposed rule change may become effective and operative to coincide with the operative date of the Filing, pursuant to Section

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<sup>5</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>6</sup> 17 CFR 240.19b-4(f)(6).

19(b)(3)(A)<sup>7</sup> of the Act and Rule 19b-4(f)(6)<sup>8</sup> thereunder. Waiver of this requirement will allow the Exchange to offer the Edge Routed Liquidity Report, with the revised and clarified distinction of the features available in each of the Reports, on or about the Filing's operative date. The Exchange believes that benefits to Subscribers expected from the proposed rule change should not be delayed. Based on the foregoing, the Exchange believes that its proposal should become effective and operative to coincide with the operative date of the Filing and requests that the Commission waive the thirty (30) day pre-operative waiting period contained in Rule 19b-4(f)(6)(iii) under the Act.<sup>9</sup> Waiver of this requirement is consistent with the protection of investors and the public interest for the reasons described above.

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

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

9. Exhibits

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

Exhibit 5. Text of proposed rule change.

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<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).

<sup>9</sup> 17 CFR 240.19b-4(f)(6)(iii).

EXHIBIT 1SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-EDGA-2012-42)

[Date]

## Self-Regulatory Organizations; EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend EDGA Rule 13.9

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 September 19, 2012, the EDGA Exchange, Inc. (the "Exchange" or the "EDGA") 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 self-regulatory organization. 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 is filing with the Commission a proposed rule change to amend Rule 13.9, which provides a new market data product to Members<sup>3</sup> and non-Members of the Exchange. The text of the proposed rule change is attached as Exhibit 5 and is available on the Exchange's website at [www.directedge.com](http://www.directedge.com), at the Exchange's principal office, and at the Public Reference Room of the Commission.

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

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 self-regulatory organization has prepared summaries, set forth in Sections A, B and C below, of the most significant aspects of such statements.

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

Purpose

In SR-EDGA-2012-38 (the “Filing”),<sup>4</sup> the Exchange introduced a new market data product, Edge Routed Liquidity Report (“Edge Routed Liquidity Report” or the “Service”) to Members and non-Members of the Exchange (collectively referred to as “Subscribers”). The Edge Routed Liquidity Report is a data feed that contains historical order information for orders routed to away destinations by the Exchange. The Filing stated that Edge Routed Liquidity Report is offered as either a standard report (the “Standard Report”) or a premium report (the “Premium Report”) (the Standard Report and the Premium Report shall be collectively referred to as the “Reports”).

The purpose of this proposed rule change is to amend Rule 13.9 to provide additional information regarding the features of the Standard Report and the Premium Report. The Filing noted that both the Standard Report and the Premium Report provide a view of all marketable orders that are routed to away destinations by the Exchange.

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<sup>4</sup> Securities Exchange Act Release No. 67765 (August 31, 2012), 77 FR 55248 (September 7, 2012) (SR-EDGA-2012-38).

The Reports are available to the Subscribers on the morning of the following trading day (T + 1) and include limit price, routed quantity, symbol, side (bid/offer), time of routing, and the National Best Bid and Offer (NBBO) at the time of routing.

However, Premium Report also identifies various categories of routing destinations. First, the Premium Report identifies whether the routing destination is either directed to a destination that is not an exchange (“Non-Exchange Destination”) or directed to another exchange. If the order is routed to a Non-Exchange Destination, the Premium Report will then also specify one of the following Non-Exchange Destination categories: Regular, Fast, Superfast and Midpoint (collectively, the “Categories”). The Category is determined by the applicable routing strategy associated with the relevant order, based on responsiveness of the destination (i.e. latency), number of destinations, and/or type of execution (i.e. midpoint). For example, a routing strategy that leverages many dark pools for low-cost, low impact executions, which takes a greater amount of time to fill an order may be categorized as “Regular” in the Premium Report, whereas a destination specific strategy that has fewer Non-Exchange Destinations and responds more quickly may be categorized as “Superfast” in the Premium Report.

Notwithstanding the foregoing, the Premium Report will not identify the specific destination.

#### Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>5</sup> in general, and with Section 6(b)(5) of the Act<sup>6</sup> in particular, which requires, among other things, that the Exchange’s rules are not designed

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<sup>5</sup> 15 U.S.C. 78f.

<sup>6</sup> 15 U.S.C. 78f(b)(5).

to unfairly discriminate between customers, issuers, brokers or dealers and are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

Specifically, the Exchange believes that this proposal is in keeping with those principles by promoting increased transparency through the dissemination of an additional market data feed, which will provide market participants with the opportunity to obtain additional data in furtherance of their investment decisions. The proposed rule change will contribute to providing such additional information and afford Subscribers transparency by categorizing routed liquidity to various Non-Exchange Destinations.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

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 its 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)<sup>7</sup> of the Act and Rule 19b-4(f)(6)<sup>8</sup> thereunder. The proposed rule change effects a change that (A) does not significantly affect the protection of investors or the public interest; (B) does not impose any significant burden on competition; and (C) by its terms, does not become operative for thirty (30) days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five (5) business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

The Exchange believes that this proposal is non-controversial in that it further describes the features of a data product that is offered to all Members and non-Members equally and the receipt and use of the Service is strictly voluntary. Edge Routed Liquidity Report provides Subscribers useful data concerning routed orders, which allows Subscribers to identify missed opportunities so that they can make the necessary trading system changes to better interact with missed liquidity. For the foregoing reasons, this rule filing qualifies for immediate effectiveness as a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4.

The Exchange further respectfully requests that the Commission waive the thirty (30) day delayed operative date so that this proposed rule change may become effective

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<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).

and operative to coincide with the operative date of the Filing, pursuant to Section 19(b)(3)(A)<sup>9</sup> of the Act and Rule 19b-4(f)(6)<sup>10</sup> thereunder. Waiver of this requirement will allow the Exchange to offer the Edge Routed Liquidity Report, with the revised and clarified distinction of the features available in each of the Reports, on or about the Filing's operative date. The Exchange believes that benefits to Subscribers expected from the proposed rule change should not be delayed. Based on the foregoing, the Exchange believes that its proposal should become effective and operative to coincide with the operative date of the Filing and requests that the Commission waive the thirty (30) day pre-operative waiting period contained in Rule 19b-4(f)(6)(iii) under the Act.<sup>11</sup> Waiver of this requirement is consistent with the protection of investors and the public interest for the reasons described above.

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 Act.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic comments:

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<sup>9</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>10</sup> 17 CFR 240.19b-4(f)(6).

<sup>11</sup> 17 CFR 240.19b-4(f)(6)(iii).

- 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-EDGA-2012-42 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-EDGA-2012-42. 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 Commissions Internet Web site (<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 inspection and copying in the Commission's Public Reference Room. Copies of such filing also will 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 Number SR-EDGA-2012-42 and should be submitted by [insert date 21 days from the date of publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to  
delegated authority.<sup>12</sup>

Secretary

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<sup>12</sup>

17 CFR 200.30-3(a)(12).

**EXHIBIT 5****Additions underlined****Deletions [bracketed]****EDGA Rule Book****CHAPTER XIII. MISCELLANEOUS PROVISIONS**

Rules 13.1 - 13.8 (No change)

**Rule 13.9 Edge Routed Liquidity Report**

The Edge Routed Liquidity Report is a data feed that contains historical order information for listed securities routed to away destinations by EDGA, including: limit price, routed quantity, symbol, side (bid/offer), time of routing, and the National Best Bid and Offer (NBBO) at the time of routing. The Edge Routed Liquidity Report is available as either a standard report or a premium report. Both reports will provide a data feed containing historical order information of all marketable orders that are routed to away destinations by EDGA. The premium report will also identify whether the order is routed to another exchange or to a non-exchange destination. If the order is routed to a non-exchange destination, the premium report will categorize the routing strategy based on the responsiveness of the non-exchange destination, the number of destinations, and/or the type of liquidity sought. These categories include: Regular, Fast, Superfast or Midpoint.

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