

## OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 18

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

File No.\* SR - 2014 - \* 005

Amendment No. (req. for Amendments \*)

Filing by BATS Y-Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			Rule		
Pilot	Extension of Time Period for Commission Action *	Date Expires *	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Security-Based Swap Submission pursuant  
to the Securities Exchange Act of 1934

Section 806(e)(1) \*

Section 806(e)(2) \*

Section 3C(b)(2) \*

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Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document



## Description

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

Amendments to the fee schedule of BATS Y-Exchange, Inc.

## Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name \* Anders Last Name \* Franzon  
 Title \* VP, Associate General Counsel  
 E-mail \* afranzone@bats.com  
 Telephone \* (913) 815-7154 Fax (913) 815-7119

## Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title \*)

Date 04/01/2014

By Anders Franzon

(Name \*)

VP, Associate General Counsel

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

Persona Not Validated - 1394738712393,

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFT 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 \***

Add Remove View

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

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

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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**

Add Remove View

Exhibit Sent As Paper Document

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

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

Add Remove View

Exhibit Sent As Paper Document

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

**Exhibit 4 - Marked Copies**

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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

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> BATS Y-Exchange, Inc. (the “Exchange” or “BYX”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the fee schedule applicable to Members<sup>3</sup> and non-members of the Exchange pursuant to BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

(a) The text of the proposed rule change is attached as Exhibit 5. Material proposed to be added is underlined. Material proposed to be deleted is enclosed in brackets.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on February 11, 2014. Exchange staff will advise the Board of Directors of the Exchange of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

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

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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.

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

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

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

(a) Purpose

The Exchange recently amended its fee schedule, effective April 1, 2014, to modify the rebates it provides for orders that remove liquidity and the fees it charges to add liquidity.<sup>4</sup> Specifically, the Exchange adopted a standard rebate of \$0.0015 per share for all orders that remove liquidity in securities priced \$1.00 and above, with the exception of Mid-Point Peg Order<sup>5</sup> liquidity ("Mid-Point Peg liquidity"). For executions that add displayed liquidity in securities priced \$1.00 or above, the Exchange adopted a standard liquidity adding fee of \$0.0017 per share, subject to reduced fees for Members that qualify for tiered pricing based on volume added to the Exchange.

The Exchange proposes to increase both the standard rebate to remove liquidity and the standard fee to add displayed liquidity by \$0.0001 per share. Thus, for executions that remove liquidity in securities priced \$1.00 and above, with the exception of Mid-Point Peg liquidity, the Exchange proposes to increase the standard rebate of \$0.0015 per share to \$0.0016 per share. For executions that add displayed liquidity in securities priced \$1.00 or above, the Exchange proposes to increase the standard liquidity adding fee of \$0.0017 per share to \$0.0018 per share, subject to reduced fees for

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<sup>4</sup> See SR-BYX-2014-004, available at [http://batstrading.com/regulation/rule\\_filings/byx/](http://batstrading.com/regulation/rule_filings/byx/).

<sup>5</sup> As defined in Exchange Rule 11.9(c)(9).

Members that qualify for tiered pricing based on volume added to the Exchange. The Exchange does not propose any other changes to the recently adopted changes.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.<sup>6</sup> Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>7</sup> in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive.

The changes to Exchange execution fees and rebates proposed by this filing are intended to attract order flow to the Exchange by continuing to offer competitive pricing while also allowing the Exchange to continue to offer incentives to provide aggressively priced displayed liquidity.

With respect to the proposed changes to the pricing structure for removing liquidity from the Exchange, the Exchange believes that its proposal is reasonable because the change provides only a slight additional increase to the recently adopted changes. The Exchange also believes that the rebate for removing liquidity in securities priced \$1.00 or above are reasonable and equitably allocated because the proposed

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<sup>6</sup> 15 U.S.C. 78f.

<sup>7</sup> 15 U.S.C. 78f(b)(4).

changes will increase the rebate for all orders that remove liquidity (other than orders that remove Mid-Point Peg liquidity). The proposed rebates are equitably allocated and not unfairly discriminatory because the rebates will apply equally to all Members.

With respect to the slight increase to the fees charged to add displayed liquidity in securities priced \$1.00 or above, the Exchange believes that the proposed fees are reasonable, equitably allocated and not unfairly discriminatory as they are designed to attract additional removing liquidity to the Exchange. So, while the Exchange is proposing to increase fees on a per share basis, it is simultaneously providing higher rebates to all Members for removing liquidity. Thus, although the change increases the fee for orders that provide liquidity, it provides an offsetting increase in the rebate for orders removing liquidity. The tiered pricing structure and reduced fees for Members that qualify are equitably allocated and not unfairly discriminatory for the reasons described when the pricing structure was adopted.<sup>8</sup>

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. Because the market for order execution is extremely competitive, Members may choose to preference other market centers ahead of the Exchange if they believe that they can receive better fees or rebates elsewhere. Further, such changes are necessarily competitive because they are intended to provide incentives to Members that will result in increased activity on the Exchange.

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<sup>8</sup> See supra note 4.

The Exchange also believes that its pricing for removing liquidity is appropriately competitive vis-à-vis the Exchange's competitors, with at least one such competitor, NASDAQ OMX BX, Inc. ("NASDAQ BX"), offering a similar pricing model.<sup>9</sup> In a competitive environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and alternative liquidity sources. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. The proposed changes are, in fact, a direct response to an adjustment by NASDAQ BX in response to the Exchange's recent change to its pricing structure.<sup>10</sup> Thus, the modifications described herein are a direct response to competition, which should be viewed as a positive signal that a competitive market exists. If the changes are unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of Members or competing order execution venues to maintain their competitive standing in the financial markets. Finally, the Exchange does not believe that any of the changes represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors.

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<sup>9</sup> See NASDAQ BX Pricing List available at [http://www.nasdaqtrader.com/Trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/Trader.aspx?id=bx_pricing).

<sup>10</sup> See Nasdaq Equity Trader Alert #2014-28 available at <http://www.nasdaqtrader.com/TraderNews.aspx?id=ETA2014-28>.

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

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

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>11</sup> and Rule 19b-4(f)(2) thereunder,<sup>12</sup> the Exchange has designated this proposal as establishing or changing a due, fee, or other charge applicable to the Exchange's Members and non-members, which renders the proposed rule change effective upon filing.

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

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

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

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<sup>11</sup> 15 U.S.C. 78s(b)(3)(A)(ii).

<sup>12</sup> 17 CFR 240.19b-4(f)(2).



10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

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

Exhibits 2 – 4: Not applicable.

Exhibit 5: Text of Proposed Rule Change.

EXHIBIT 1

## SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-\_\_\_\_\_; File No. SR-BYX-2014-005)

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Related to Fees for Use of BATS Y-Exchange, Inc.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 1, 2014, BATS Y-Exchange, Inc. (the “Exchange” or “BYX”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the 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 BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

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

The text of the proposed rule change is available at the Exchange's website at <http://www.batstrading.com>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

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

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

1. Purpose

The Exchange recently amended its fee schedule, effective April 1, 2014, to modify the rebates it provides for orders that remove liquidity and the fees it charges to add liquidity.<sup>6</sup> Specifically, the Exchange adopted a standard rebate of \$0.0015 per share for all orders that remove liquidity in securities priced \$1.00 and above, with the exception of Mid-Point Peg Order<sup>7</sup> liquidity ("Mid-Point Peg liquidity"). For executions that add displayed liquidity in securities priced \$1.00 or above, the Exchange adopted a standard liquidity adding fee of \$0.0017 per share, subject to reduced fees for Members that qualify for tiered pricing based on volume added to the Exchange.

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<sup>6</sup> See SR-BYX-2014-004, available at [http://batstrading.com/regulation/rule\\_filings/byx/](http://batstrading.com/regulation/rule_filings/byx/).

<sup>7</sup> As defined in Exchange Rule 11.9(c)(9).

The Exchange proposes to increase both the standard rebate to remove liquidity and the standard fee to add displayed liquidity by \$0.0001 per share. Thus, for executions that remove liquidity in securities priced \$1.00 and above, with the exception of Mid-Point Peg liquidity, the Exchange proposes to increase the standard rebate of \$0.0015 per share to \$0.0016 per share. For executions that add displayed liquidity in securities priced \$1.00 or above, the Exchange proposes to increase the standard liquidity adding fee of \$0.0017 per share to \$0.0018 per share, subject to reduced fees for Members that qualify for tiered pricing based on volume added to the Exchange. The Exchange does not propose any other changes to the recently adopted changes.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.<sup>8</sup> Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,<sup>9</sup> in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive.

The changes to Exchange execution fees and rebates proposed by this filing are intended to attract order flow to the Exchange by continuing to offer competitive pricing

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<sup>8</sup> 15 U.S.C. 78f.

<sup>9</sup> 15 U.S.C. 78f(b)(4).

while also allowing the Exchange to continue to offer incentives to provide aggressively priced displayed liquidity.

With respect to the proposed changes to the pricing structure for removing liquidity from the Exchange, the Exchange believes that its proposal is reasonable because the change provides only a slight additional increase to the recently adopted changes. The Exchange also believes that the rebate for removing liquidity in securities priced \$1.00 or above are reasonable and equitably allocated because the proposed changes will increase the rebate for all orders that remove liquidity (other than orders that remove Mid-Point Peg liquidity). The proposed rebates are equitably allocated and not unfairly discriminatory because the rebates will apply equally to all Members.

With respect to the slight increase to the fees charged to add displayed liquidity in securities priced \$1.00 or above, the Exchange believes that the proposed fees are reasonable, equitably allocated and not unfairly discriminatory as they are designed to attract additional removing liquidity to the Exchange. So, while the Exchange is proposing to increase fees on a per share basis, it is simultaneously providing higher rebates to all Members for removing liquidity. Thus, although the change increases the fee for orders that provide liquidity, it provides an offsetting increase in the rebate for orders removing liquidity. The tiered pricing structure and reduced fees for Members that qualify are equitably allocated and not unfairly discriminatory for the reasons described when the pricing structure was adopted.<sup>10</sup>

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<sup>10</sup> See supra note 6.

(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. Because the market for order execution is extremely competitive, Members may choose to preference other market centers ahead of the Exchange if they believe that they can receive better fees or rebates elsewhere. Further, such changes are necessarily competitive because they are intended to provide incentives to Members that will result in increased activity on the Exchange.

The Exchange also believes that its pricing for removing liquidity is appropriately competitive vis-à-vis the Exchange's competitors, with at least one such competitor, NASDAQ OMX BX, Inc. ("NASDAQ BX"), offering a similar pricing model.<sup>11</sup> In a competitive environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and alternative liquidity sources. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. The proposed changes are, in fact, a direct response to an adjustment by NASDAQ BX in response to the Exchange's recent change to its pricing structure.<sup>12</sup> Thus, the modifications described herein are a direct response to competition, which should be viewed as a positive signal that a competitive market exists. If the changes are

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<sup>11</sup> See NASDAQ BX Pricing List available at [http://www.nasdaqtrader.com/Trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/Trader.aspx?id=bx_pricing).

<sup>12</sup> See Nasdaq Equity Trader Alert #2014-28 available at <http://www.nasdaqtrader.com/TraderNews.aspx?id=ETA2014-28>.

unattractive to market participants, it is likely that the Exchange will lose market share as a result. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of Members or competing order execution venues to maintain their competitive standing in the financial markets. Finally, the Exchange does not believe that any of the changes represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors.

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

No written comments were solicited or received.

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>13</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>14</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 concerning the foregoing, including whether the proposal is consistent with the Act. Comments may be submitted by any of the following methods:

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<sup>13</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>14</sup> 17 CFR 240.19b-4(f).

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-BYX-2014-005 on the subject line.

Paper Comments:

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

All submissions should refer to File No. SR-BYX-2014-005. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 am and 3:00 pm. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File No. SR-BYX-2014-005 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>15</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>15</sup> 17 CFR 200.30-3(a)(12).

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

BATS BYX Exchange Fee Schedule  
Effective April 1, 2014

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The following is the Schedule of Fees (pursuant to Rule 15.1(a) and (c)) for BATS Y-Exchange, Inc. ("BYX Exchange" or "BYX"). All references to "per share" mean "per share executed."

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

\$[0.0015]0.0016 rebate per share

\* \* \* \* \*

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

*Fees to Add Displayed Liquidity*

\* \* \* \* \*

\$[0.0017]0.0018 charge per share for executions by Members that do not qualify for a reduced charge as set forth above

\* \* \* \* \*