

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="20"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2015"/> - * <input type="text" value="20"/>	Amendment No. (req. for Amendments *) <input type="text"/>
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Filing by **BATS Exchange**
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

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

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

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

Contact Information

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

First Name * <input type="text" value="Anders"/>	Last Name * <input type="text" value="Franzon"/>
Title * <input type="text" value="VP, Associate General Counsel"/>	
E-mail * <input type="text" value="afranzon@bats.com"/>	
Telephone * <input type="text" value="(913) 815-7154"/>	Fax <input type="text" value="(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 <input type="text" value="03/02/2015"/>	<input type="text" value="VP, Associate General Counsel"/>
By <input type="text" value="Anders Franzon"/>	<input type="text" value="afranzon@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 *

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

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

Exhibit 3 - Form, Report, or Questionnaire

Add Remove View

Exhibit Sent As Paper Document

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

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

Add Remove View

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

Partial Amendment

Add Remove View

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

1. Text of the Proposed Rule Change

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² BATS Exchange, Inc. (the “Exchange” or “BATS”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend the fee schedule applicable to Members³ and non-members of the Exchange pursuant to BATS Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

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

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

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

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A Member is defined as “any registered broker or dealer that has been admitted to membership in the Exchange.” See Exchange Rule 1.5(n).

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

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

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

(a) Purpose

The Exchange proposes to modify the "Options Pricing" section of its fee schedule effective immediately, in order to modify pricing charged by the Exchange's options platform ("BATS Options") including adjusting the rebates associated with Customer Penny Pilot Add Volume Tier 1 and Professional and Firm Penny Pilot Add Volume Tiers 1 and 2, as further described below.

The Exchange proposes to adjust the rebate for Customer⁴ orders in Penny Pilot Securities⁵ that add liquidity and meet Customer Add Volume Tier 1 from \$0.45 per contract to \$0.40 per contract. Currently, the Exchange offers a \$0.45 rebate for Customer orders that add liquidity and meet Customer Add Volume Tier 1, which requires that the Member has an ADV⁶ equal to or greater than 0.05% of average TCV.⁷

⁴ "Customer" applies to any transaction identified by a Member for clearing in the Customer range at the Options Clearing Corporation ("OCC"), excluding any transaction for a "Professional" as defined in Exchange Rule 16.1.

⁵ "Penny Pilot Securities" are those issues quoted pursuant to Exchange Rule 21.5, Interpretation and Policy .01.

⁶ "ADV" means average daily volume calculated as the number of contracts added or removed, combined, per day.

⁷ "TCV" means total consolidated volume calculated as the volume reported by all exchanges to the consolidated transaction reporting plan for the month for which the fees apply, excluding volume on any day that the Exchange experiences an Exchange System Disruption and on any day with a scheduled early market close.

The Exchange notes that such change will be reflected in both the Standard Rates table and the Customer Penny Pilot Add Tiers under footnote 1 of the fee schedule.

The Exchange also proposes to adjust the rebate for Professional⁸ and Firm⁹ orders in Penny Pilot Securities that add liquidity and meet Professional/Firm Step-up Add Volume Tier 1 and Tier 2 from \$0.44 per contract to \$0.42 per contract. The Exchange currently offers a \$0.44 rebate for Professional and Firm orders that add liquidity and meet Professional/Firm Step-Up Add Volume Tier 1 or Tier 2. Meeting Professional/Firm Step-up Add Volume Tier 1 requires that a Member has an Options Step-up Add TCV¹⁰ from June 2014 baseline that is equal to or greater than 0.50%. Meeting Professional/Firm Step-up Add Volume Tier 2 requires that a Member has an Options Step-up Add TCV from September 2014 baseline equal to or greater than 0.30% and an ADV equal to or greater than 0.40% of average TCV. The Exchange is not proposing to amend the requirements for meeting Professional/Firm Step-up Add Volume Tier 1 or Tier 2. The Exchange notes that such changes will be reflected in both the Standard Rates table and the Professional and Firm Penny Pilot Add Volume Tiers under footnote 2 of the fee schedule.

The Exchange proposes to implement the amendments to its fee schedule effective immediately.

⁸ “Professional” applies to any transaction identified by a Member as such pursuant to Exchange Rule 16.1.

⁹ “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC.

¹⁰ “Options Step-up Add TCV” means ADAV as a percentage of TCV in the relevant baseline month subtracted from current ADAV as a percentage of TCV.

(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.¹¹ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹² in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels to be excessive.

Volume-based rebates and fees such as the ones currently maintained on BATS Options have been widely adopted by equities and options exchanges and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes. The Exchange believes the proposed reduction of the rebate for orders that add liquidity for Customers that meet Customer Add Volume Tier 1 is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because it will provide Members with a greater incentive to increase their participation on BATS Options in order to receive a higher rebate by meeting a

¹¹ 15 U.S.C. 78f.

¹² 15 U.S.C. 78f(b)(4).

higher Customer Add Volume Tier. Currently, the difference between the rebate received for orders that qualify for Customer Add Volume Tier 1 and those that qualify for Customer Add Volume Tier 2 is only \$0.03 per contract, but as proposed, the difference would be \$0.08 per contract. As such, the Exchange believes that increasing the difference in the rebates between the tiers will act to incentivize Members to increase their ADV as a percentage of TCV to 0.30% in order to qualify for Customer Add Volume Tier 2 and receive a rebate of \$0.48 per contract. Such increased participation on BATS Options will result in higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes, which will benefit all participants on BATS Options.

The Exchange also believes that the proposed reduction of the rebates for Professional/Firm Step-up Add Volume Tier 1 and Tier 2 is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because, as stated above, the Exchange's tiered pricing structure is designed such that fees and rebates are related to the value of market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes. As such, the Exchange believes that it is reasonable, fair, and equitable to lower the rebates associated with Professional/Firm Step-up Add Volume Tier 1 and Tier 2. In this same light, the Exchange notes that the proposed amendments would bring the rebate for Professional/Firm Step-up Add Volume Tier 1 and Tier 2 in line with that of the Market Maker Add Volume Tier. The Exchange also notes that Professional and Firm orders can continue to receive further enhanced rebates through the NBBO Setter Tiers and that any

order that qualifies for either Professional/Firm Step-Up Add Volume Tier 1 or Tier 2 will also qualify for NBBO Setter Tier 1 where the order sets the national best bid or offer.

The Exchange reiterates that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels to be excessive.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. With respect to the proposed new rebates in Customer Add Volume Tier 1 and Professional/Firm Step-Up Tier 1 and Tier 2, the Exchange does not believe that any such changes burden competition, but instead, that they enhance competition, as they are intended to increase the competitiveness of and draw additional volume to BATS Options. As stated above, the Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if the deem fee structures to be unreasonable or excessive.

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

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

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act¹³ and Rule 19b-4(f)(2) thereunder,¹⁴ 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.

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

Not applicable.

11. Exhibits

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

Exhibit 2 – 4: Not applicable.

Exhibit 5: Text of Proposed Rule Change.

¹³ 15 U.S.C. 78s(b)(3)(A)(ii).

¹⁴ 17 CFR 240.19b-4(f)(2).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-BATS-2015-20)

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

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on _____, BATS EDGX Exchange, Inc. (the “Exchange” or “BATS”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ which renders the proposed rule change effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange filed a proposal to amend the fee schedule applicable to Members⁵ and non-members of the Exchange pursuant to BATS Rules 15.1(a) and (c). Changes to

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 fee schedule pursuant to this proposal are effective upon filing.

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

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

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

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

1. Purpose

The Exchange proposes to modify the "Options Pricing" section of its fee schedule effective immediately, in order to modify pricing charged by the Exchange's options platform ("BATS Options") including adjusting the rebates associated with Customer Penny Pilot Add Volume Tier 1 and Professional and Firm Penny Pilot Add Volume Tiers 1 and 2, as further described below.

The Exchange proposes to adjust the rebate for Customer⁶ orders in Penny Pilot

⁶ "Customer" applies to any transaction identified by a Member for clearing in the Customer range at the Options Clearing Corporation ("OCC"), excluding any transaction for a "Professional" as defined in Exchange Rule 16.1.

Securities⁷ that add liquidity and meet Customer Add Volume Tier 1 from \$0.45 per contract to \$0.40 per contract. Currently, the Exchange offers a \$0.45 rebate for Customer orders that add liquidity and meet Customer Add Volume Tier 1, which requires that the Member has an ADV⁸ equal to or greater than 0.05% of average TCV.⁹ The Exchange notes that such change will be reflected in both the Standard Rates table and the Customer Penny Pilot Add Tiers under footnote 1 of the fee schedule.

The Exchange also proposes to adjust the rebate for Professional¹⁰ and Firm¹¹ orders in Penny Pilot Securities that add liquidity and meet Professional/Firm Step-up Add Volume Tier 1 and Tier 2 from \$0.44 per contract to \$0.42 per contract. The Exchange currently offers a \$0.44 rebate for Professional and Firm orders that add liquidity and meet Professional/Firm Step-Up Add Volume Tier 1 or Tier 2. Meeting Professional/Firm Step-up Add Volume Tier 1 requires that a Member has an Options Step-up Add TCV¹² from June 2014 baseline that is equal to or greater than 0.50%.

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

⁸ “ADV” means average daily volume calculated as the number of contracts added or removed, combined, per day.

⁹ “TCV” means total consolidated volume calculated as the volume reported by all exchanges to the consolidated transaction reporting plan for the month for which the fees apply, excluding volume on any day that the Exchange experiences an Exchange System Disruption and on any day with a scheduled early market close.

¹⁰ “Professional” applies to any transaction identified by a Member as such pursuant to Exchange Rule 16.1.

¹¹ “Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC.

¹² “Options Step-up Add TCV” means ADAV as a percentage of TCV in the relevant baseline month subtracted from current ADAV as a percentage of TCV.

Meeting Professional/Firm Step-up Add Volume Tier 2 requires that a Member has an Options Step-up Add TCV from September 2014 baseline equal to or greater than 0.30% and an ADV equal to or greater than 0.40% of average TCV. The Exchange is not proposing to amend the requirements for meeting Professional/Firm Step-up Add Volume Tier 1 or Tier 2. The Exchange notes that such changes will be reflected in both the Standard Rates table and the Professional and Firm Penny Pilot Add Volume Tiers under footnote 2 of the fee schedule.

The Exchange proposes to implement the amendments to its fee schedule effective immediately.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.¹³ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹⁴ in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels to be excessive.

Volume-based rebates and fees such as the ones currently maintained on BATS

¹³ 15 U.S.C. 78f.

¹⁴ 15 U.S.C. 78f(b)(4).

Options have been widely adopted by equities and options exchanges and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to the value to an exchange's market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes. The Exchange believes the proposed reduction of the rebate for orders that add liquidity for Customers that meet Customer Add Volume Tier 1 is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because it will provide Members with a greater incentive to increase their participation on BATS Options in order to receive a higher rebate by meeting a higher Customer Add Volume Tier. Currently, the difference between the rebate received for orders that qualify for Customer Add Volume Tier 1 and those that qualify for Customer Add Volume Tier 2 is only \$0.03 per contract, but as proposed, the difference would be \$0.08 per contract. As such, the Exchange believes that increasing the difference in the rebates between the tiers will act to incentivize Members to increase their ADV as a percentage of TCV to 0.30% in order to qualify for Customer Add Volume Tier 2 and receive a rebate of \$0.48 per contract. Such increased participation on BATS Options will result in higher levels of liquidity provision and introduction of higher volumes of orders into the price and volume discovery processes, which will benefit all participants on BATS Options.

The Exchange also believes that the proposed reduction of the rebates for Professional/Firm Step-up Add Volume Tier 1 and Tier 2 is a reasonable, fair and equitable, and not unfairly discriminatory allocation of fees and rebates because, as stated

above, the Exchange's tiered pricing structure is designed such that fees and rebates are related to the value of market quality associated with higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns, and introduction of higher volumes of orders into the price and volume discovery processes. As such, the Exchange believes that it is reasonable, fair, and equitable to lower the rebates associated with Professional/Firm Step-up Add Volume Tier 1 and Tier 2. In this same light, the Exchange notes that the proposed amendments would bring the rebate for Professional/Firm Step-up Add Volume Tier 1 and Tier 2 in line with that of the Market Maker Add Volume Tier. The Exchange also notes that Professional and Firm orders can continue to receive further enhanced rebates through the NBBO Setter Tiers and that any order that qualifies for either Professional/Firm Step-Up Add Volume Tier 1 or Tier 2 will also qualify for NBBO Setter Tier 1 where the order sets the national best bid or offer.

The Exchange reiterates that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels to be excessive.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. With respect to the proposed new rebates in Customer Add Volume Tier 1 and Professional/Firm Step-Up Tier 1 and Tier 2, the Exchange does not believe that any such changes burden competition, but instead, that they enhance competition, as they are intended to increase the competitiveness of and draw additional volume to BATS

Options. As stated above, the Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if the deem fee structures to be unreasonable or excessive.

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

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

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁵ and paragraph (f) of Rule 19b-4 thereunder.¹⁶ At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposal is consistent with the Act.

Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f).

(<http://www.sec.gov/rules/sro.shtml>); or

- Send an e-mail to rule-comments@sec.gov. Please include File No. SR-BATS-2015-20 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-BATS-2015-20. 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-BATS-2015-20 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.¹⁷

Kevin M. O'Neill
Deputy Secretary

¹⁷ 17 CFR 200.30-3(a)(12).

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

BATS Options Exchange Fee Schedule

Effective [February 2]March 2, 2015

Standard Rates:

	Penny Pilot Securities				Non-Penny Pilot Securities				Mini Options			
	Add		Remove		Add		Remove		Add		Remove	
	Code	Rates	Code	Rates	Code	Rates	Code	Rates	Code	Rates	Code	Rates
Customer	PY	(\$0.25) (\$[0.45] <u>0.40</u>) (\$0.48) (\$0.50)	PC	\$0.45	NY	(\$0.85)	NC	\$0.80	MA	Free	MR	Free
Professional	PA	(\$0.40) (\$[0.44] <u>0.42</u>)	PP	\$0.48 \$0.47 \$0.45	NA	(\$0.65)	NP	\$0.89				
Firm	PF	(\$0.40) (\$[0.44] <u>0.42</u>)										
Market Maker	PM	(\$0.40) (\$0.42)										

Footnotes:

¹ Customer Penny Pilot Add Tiers

Applicable to fee code PY.

Tier	Rebate per contract for a Customer order to Add for Penny Pilot Securities	Required Criteria

Customer Add Volume Tier 1	(\$[0.45] <u>0.40</u>)	Member has an ADV equal to or greater than 0.05% of average TCV
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² Professional and Firm Penny Pilot Add Volume Tiers

Applicable to the following fee codes: PA and PF.

Tier	Rebate per contract for a Professional/ Firm order to Add for Penny Pilot Securities	Required Criteria
Professional/Firm Step-up Add Volume Tier 1	(\$[0.44] <u>0.42</u>)	Member has an Options Step-up Add TCV from June 2014 baseline equal to or greater than 0.50%
Professional/Firm Step-up Add Volume Tier 2	(\$[0.44] <u>0.42</u>)	(1) Member has an Options Step-Up Add TCV from September 2014 baseline equal to or greater than 0.30% (2) Member has an ADV equal to or greater than 0.40% of average TCV
