

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="5"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2016"/> - * <input type="text" value="61"/> Amendment No. (req. for Amendments *) <input type="text" value="1"/>
--	--	--

Filing by **Bats BZX Exchange, Inc.**  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input 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 type="checkbox"/> 19b-4(f)(6)
			<input 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"/>
--	--

**Description**

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

**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="Chris"/>	Last Name * <input type="text" value="Solgan"/>
Title * <input type="text" value="Assistant General Counsel"/>	
E-mail * <input type="text" value="csolgan@bats.com"/>	
Telephone * <input type="text" value="(646) 856-8723"/>	Fax <input type="text"/>

**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="01/24/2017"/>	<input type="text" value="Assistant General Counsel"/>
By <input type="text" value="csolgan@bats.com"/>	<input type="text" value="csolgan@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 \***

Add Remove View

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 \***

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, 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**

Add Remove View

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.

Bats BZX Exchange, Inc. (the “Exchange” or “BZX”) is filing this Partial Amendment No. 1 to SR-BatsBZX-2016-61 (the “Proposal”), which was originally filed with the Securities and Exchange Commission on October 13, 2016.<sup>1</sup> Pursuant to the Proposal, the Exchange to amend Exchange Rule 11.23, Auctions, to enhance the reopening auction process following a trading halt declared pursuant to the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the “Limit Up-Limit Down Plan” or “Plan”).<sup>2</sup> The Exchange also proposes to amend Rule 11.17, Clearly Erroneous Executions, to exclude executions that are a result of a Halt Auction from being reviewed as clearly erroneous. This Amendment No. 1 proposes to add additional detail regarding the Exchange’s implementation timeframe for the Proposal and to update the proposed rule text to reflect the Commission’s publication of SR-BatsBZX-2016-81,<sup>3</sup> as described below.

First, the Exchange proposes to add additional detail regarding the Exchange’s implementation timeframe for the Proposal. The Proposal states that the Exchange, along with the other primary listing exchanges, committed to filing rule changes with the Commission pursuant to Section 19(b) of the Exchange Act to amend their respective rules for automated reopenings following a Trading Pause in order to adopt a harmonized approach agreed upon by the Participants that would allow for the extension of a Trading Pauses in certain circumstances outlined in the Proposal. The changes were proposed by

---

<sup>1</sup> See Securities Exchange Act Release No. 79162 (October 26, 2016), 81 FR 75857 (November 1, 2016).

<sup>2</sup> See Securities Exchange Act Release No. 67091 (May 31, 2012), 77 FR 33498 (June 6, 2012) (the “Limit Up-Limit Down Release”).

<sup>3</sup> See Securities Exchange Act Release No. 79467 (December 5, 2016), 81 FR 89176 (December 9, 2016).

the Exchange and the primary listing exchanges in connection with Amendment No. 12 to the Plan, which was approved by the Commission on January 19, 2017.<sup>4</sup> The proposed rule changes are designed to be implemented simultaneously among the primary listing exchanges to avoid inconsistent outcomes in the reopening process following a Trading Pause during times of market stress. Importantly, the implementation of Amendment No. 12 and this Proposal are contingent upon the Securities Information Processors' successful implementation of changes to their systems to allow for the new reopening process.

In the Proposal, the Exchange states that it intended to implement the proposed rule change following the Commission's approval of Amendment No. 12 to the Plan (page 11 of the Proposal and page 25 of the Exhibit 1). Subject to such approval, the Exchange anticipates implementing the Proposal within the second half of 2017, and most likely within the third quarter, assuming the Securities Information Processors have implemented their changes and the other primary listing exchanges are able to implement their proposed rule changes simultaneously with the Exchange.

Second, the Exchange proposes to update the proposed rule text to reflect the Commission's publication of SR-BatsBZX-2016-81.<sup>5</sup> In particular, like the Proposal, SR-BatsBZX-2016-81 amended Exchange Rule 11.23(d)(2)(E) (page 34 of the Exhibit 5), Determination of BZX IPO and Halt Auction Prices. The changes proposed in SR-BatsBZX-2016-81 and in the Proposal did not impact the same language nor did those

---

<sup>4</sup> See Securities Exchange Act Release No. 79845.

<sup>5</sup> See Securities Exchange Act Release No. 79467 (December 5, 2016), 81 FR 89176 (December 9, 2016).

changes conflict with each other. The updated text of the changes proposed to Exchange Rule 11.23(d)(2)(E) is below. The language added by SR-BatsBZX-2016-81 is in italics.

([D]E) Determination of BZX IPO and Halt Auction Price. Orders will be executed at the price that maximizes the number of shares executed in the auction. For IPO Auctions for ETPs, orders will be executed at the price level within the Collar Price Range that maximizes the number of shares executed in the auction. For Halt Auctions for ETPs, orders will be executed at the price level within the Halt Auction Collars that maximizes the number of shares executed in the auction. In the event of a volume based tie at multiple price levels, *the price level that results in the minimum total imbalance will be used. In the event of a volume based tie and a tie in minimum total imbalance at multiple price levels*, the price level closest to the issuing price will be used for IPO Auctions and the price level closest to the Final Last Sale Eligible Trade will be used for Halt Auctions. The IPO Auction price will be BZX Official IPO Opening Price.

All other representations in the Proposal remain unchanged and the Exchange does not propose to amend any other sections of the Proposal.

The Exchange believes that the Proposal, as amended, remains consistent with Section 6(b) of the Act<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>7</sup> in particular, for the reasons set forth in the Proposal. This Partial Amendment No. 1 furthers the goals of Section 6(b)(5) of the Act<sup>8</sup> by providing greater specificity regarding the Exchange's anticipated implementation timeframe and therefore avoiding potential investor confusion by updating the proposed rule text to reflect changes made in a separate rule filing by the Exchange and published by the Commission.

---

6 15 U.S.C. 78f(b).

7 15 U.S.C. 78f(b)(5).

8 15 U.S.C. 78f(b)(5).