

## OMB APPROVAL

OMB Number: 3235-0045  
 Estimated average burden  
 hours per response.....38

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of \* 16

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

File No.\* SR - 2017 - \* 17

Amendment No. (req. for Amendments \*)

Filing by Bats BYX 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) \*

☐

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 \*).

The Exchange proposes a rule change realted to fees.

### Contact Information

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

First Name \* Chris Last Name \* Solgan  
 Title \* Assistant General Counsel  
 E-mail \* csolgan@bats.com  
 Telephone \* (646) 856-8723 Fax

### Signature

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

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

(Title \*)

Date 07/31/2017

By Chris Solgan

(Name \*)

Assistant 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.

csolgan@bats.com

SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549	
For complete Form 19b-4 instructions please refer to the EFFT website.	
<div>Form 19b-4 Information *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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.
<div>Exhibit 1 - Notice of Proposed Rule Change *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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)
<div>Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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)
<div>Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document <input type="checkbox"/></div>	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.
<div>Exhibit 3 - Form, Report, or Questionnaire</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document <input type="checkbox"/></div>	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.
<div>Exhibit 4 - Marked Copies</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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.
<div>Exhibit 5 - Proposed Rule Text</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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.
<div>Partial Amendment</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

## 1. Text of the Proposed Rule Change

(a) Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act” or “Exchange Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> Bats BYX Exchange, Inc. (“BYX” or the “Exchange”) proposes to amend its fees and rebates 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.

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

(b) Not applicable.

(c) Not applicable.

## 2. Procedures of the Self-Regulatory Organization

The Exchange submits the proposed rule change pursuant to authority delegated by the Board of Directors of the Exchange on February 11, 2014. Exchange staff will advise the 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 and, therefore, the Exchange’s internal procedures with respect to the proposed change are complete.

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

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

Chris Solgan  
Assistant General Counsel  
(646) 856-8723

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 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).

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

(a) Purpose

The Exchange proposes to amend its fee schedule to modify existing Tier 3 and add a new tier under footnote 1, Add/Remove Volume Tiers. The Exchange currently offers five tiers under footnote 1 that offer reduced fees for displayed orders that yield fee codes B,<sup>4</sup> V<sup>5</sup> and Y,<sup>6</sup> and an enhanced rebate for orders that remove liquidity yielding fee codes BB,<sup>7</sup> N<sup>8</sup> and W.<sup>9</sup> The Exchange proposes to amend the criteria necessary to receive the enhanced rebate under Tier 3 under footnote 1. Tier 3 provides a rebate of \$0.0015 per share for orders where that Member has an ADAV<sup>10</sup> equal to or greater than 0.55% of the TCV.<sup>11</sup> The Exchange proposes to increase the tier's requirements to now

---

<sup>4</sup> Fee code B is appended to displayed orders that add liquidity to BYX (Tape B) and is assessed a fee of \$0.0018 per share. See the Exchange's fee schedule available at [http://www.bats.com/us/equities/membership/fee\\_schedule/byx/](http://www.bats.com/us/equities/membership/fee_schedule/byx/).

<sup>5</sup> Fee code V is appended to displayed orders that add liquidity to BYX (Tape A) and is assessed a fee of \$0.0018 per share. Id.

<sup>6</sup> Fee code Y is appended to displayed orders that add liquidity to BYX (Tape C) and is assessed a fee of \$0.0018 per share. Id.

<sup>7</sup> Fee code BB is appended to orders that remove liquidity from BYX (Tape B) and is assessed a rebate of \$0.0010 per share. Id.

<sup>8</sup> Fee code N is appended to orders that remove liquidity from BYX (Tape C) and is assessed a rebate of \$0.0010 per share. Id.

<sup>9</sup> Fee code W is appended to orders that remove liquidity from BYX (Tape A) and is assessed a rebate of \$0.0010 per share. See the Exchange's fee schedule available at [http://www.bats.com/us/equities/membership/fee\\_schedule/byx/](http://www.bats.com/us/equities/membership/fee_schedule/byx/).

<sup>10</sup> "ADAV" means average daily volume calculated as the number of shares added per day on a monthly basis. Id.

<sup>11</sup> "TCV" means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. Id.

require the Member to have an ADAV equal to or greater than 0.80% of the TCV. The Exchange does not propose to amend the tier's rebate.

The Exchange also proposes to add a new tier under footnote 1, to be known as Tier 5,<sup>12</sup> under which a Member would be charged a reduced fee of \$0.0012 per share on orders that yield fee codes B, V and Y, where that Member's Market Participant Identifier ("MPID") has an ADAV equal to or greater than 0.55% of the TCV.

The Exchange proposes to implement the above changes to its fee schedule on August 1, 2017.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>13</sup> in general, and furthers the objectives of Section 6(b)(4),<sup>14</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

The Exchange believes that the proposed tier under footnote 1 is equitable and reasonable because such pricing programs reward a Member's growth pattern on the Exchange and such increased volume will allow the Exchange to continue to provide and potentially expand its incentive programs. The Exchange believes that providing the same reduced rate to Members under Tiers 3 and 5 while requiring more stringent requirements under Tier 3 than Tier 5 is equitable and reasonable as the proposed criteria

---

<sup>12</sup> With the addition of proposed Tier 5 under footnote 1, the Exchange proposes to renumber current Tier 5 as Tier 6.

<sup>13</sup> 15 U.S.C. 78f.

<sup>14</sup> 15 U.S.C. 78f(b)(4).

reasonable reflect the segment of the Member's order flow that is to be measured. Under Tier 3, the Member as a whole must meet a higher standard than their individual MPID under Tier 5. The Exchange believes this is equitable and reasonable because a Member may have multiple MPIDs that it may aggregate volume across to meet Tier 3's criteria, while Tier 5 is limited to the individual MPID. The Exchange further believes that the proposed tier and modifications are reasonable, fair and equitable because the liquidity from the proposed changes would benefit all investors by deepening the Exchange's liquidity pool, offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, promoting market transparency and improving investor protection. These pricing programs are also not unfairly discriminatory in that it is available to all Members.

In addition, volume-based fees such as that proposed herein have been widely adopted by 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: (i) the value to an exchange's market quality; (ii) associated higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns; and (iii) the introduction of higher volumes of orders into the price and volume discovery processes. The Exchange believes that the proposed tier is a reasonable, fair and equitable, and not an unfairly discriminatory allocation of fees and rebates, because it will provide Members with an additional incentive to reach certain thresholds on the Exchange.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that this change represents a significant departure

from previous pricing offered by the Exchange or from pricing offered by the Exchange's competitors. The proposed rates would apply uniformly to all Members, and Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets. Further, excessive fees would serve to impair an exchange's ability to compete for order flow and members rather than burdening competition. The Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members.

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

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

6. Extension of Time Period for Commission Action

Not applicable.

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

Pursuant to Section 19(b)(3)(A)(ii) of the Act<sup>15</sup> and Rule 19b-4(f)(2) thereunder,<sup>16</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.

---

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

<sup>16</sup> 17 CFR 240.19b-4(f)(2).

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

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

Not applicable.

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

Not applicable.

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

Not applicable.

11. Exhibits

Exhibit 1: Form of Notice of Proposed Rule Change for Publication in the Federal Register.

Exhibit 2 – 4: Not applicable.

Exhibit 5: Text of the Proposed Rule Change.



EXHIBIT 1

## SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-\_\_\_\_\_; File No. SR-BatsBYX-2017-17)

Self-Regulatory Organizations; Bats BYX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use on Bats BYX 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 \_\_\_\_\_, Bats BYX 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).

---

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

The text of the proposed rule change is available at the Exchange's website at [www.bats.com](http://www.bats.com), at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

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

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

1. Purpose

The Exchange proposes to amend its fee schedule to modify existing Tier 3 and add a new tier under footnote 1, Add/Remove Volume Tiers. The Exchange currently offers five tiers under footnote 1 that offer reduced fees for displayed orders that yield fee codes B,<sup>6</sup> V<sup>7</sup> and Y,<sup>8</sup> and an enhanced rebate for orders that remove liquidity yielding fee codes BB,<sup>9</sup> N<sup>10</sup> and W.<sup>11</sup> The Exchange proposes to amend the criteria necessary to

---

<sup>6</sup> Fee code B is appended to displayed orders that add liquidity to BYX (Tape B) and is assessed a fee of \$0.0018 per share. See the Exchange's fee schedule available at [http://www.bats.com/us/equities/membership/fee\\_schedule/byx/](http://www.bats.com/us/equities/membership/fee_schedule/byx/).

<sup>7</sup> Fee code V is appended to displayed orders that add liquidity to BYX (Tape A) and is assessed a fee of \$0.0018 per share. Id.

<sup>8</sup> Fee code Y is appended to displayed orders that add liquidity to BYX (Tape C) and is assessed a fee of \$0.0018 per share. Id.

<sup>9</sup> Fee code BB is appended to orders that remove liquidity from BYX (Tape B) and is assessed a rebate of \$0.0010 per share. Id.

receive the enhanced rebate under Tier 3 under footnote 1. Tier 3 provides a rebate of \$0.0015 per share for orders where that Member has an ADAV<sup>12</sup> equal to or greater than 0.55% of the TCV.<sup>13</sup> The Exchange proposes to increase the tier's requirements to now require the Member to have an ADAV equal to or greater than 0.80% of the TCV. The Exchange does not propose to amend the tier's rebate.

The Exchange also proposes to add a new tier under footnote 1, to be known as Tier 5,<sup>14</sup> under which a Member would be charged a reduced fee of \$0.0012 per share on orders that yield fee codes B, V and Y, where that Member's Market Participant Identifier ("MPID") has an ADAV equal to or greater than 0.55% of the TCV.

The Exchange proposes to implement the above changes to its fee schedule on August 1, 2017.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,<sup>15</sup> in general, and furthers the objectives of Section

---

<sup>10</sup> Fee code N is appended to orders that remove liquidity from BYX (Tape C) and is assessed a rebate of \$0.0010 per share. Id.

<sup>11</sup> Fee code W is appended to orders that remove liquidity from BYX (Tape A) and is assessed a rebate of \$0.0010 per share. See the Exchange's fee schedule available at [http://www.bats.com/us/equities/membership/fee\\_schedule/byx/](http://www.bats.com/us/equities/membership/fee_schedule/byx/).

<sup>12</sup> "ADAV" means average daily volume calculated as the number of shares added per day on a monthly basis. Id.

<sup>13</sup> "TCV" means total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the month for which the fees apply. Id.

<sup>14</sup> With the addition of proposed Tier 5 under footnote 1, the Exchange proposes to renumber current Tier 5 as Tier 6.

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

6(b)(4),<sup>16</sup> in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

The Exchange believes that the proposed tier under footnote 1 is equitable and reasonable because such pricing programs reward a Member's growth pattern on the Exchange and such increased volume will allow the Exchange to continue to provide and potentially expand its incentive programs. The Exchange believes that providing the same reduced rate to Members under Tiers 3 and 5 while requiring more stringent requirements under Tier 3 than Tier 5 is equitable and reasonable as the proposed criteria reasonably reflect the segment of the Member's order flow that is to be measured. Under Tier 3, the Member as a whole must meet a higher standard than their individual MPID under Tier 5. The Exchange believes this is equitable and reasonable because a Member may have multiple MPIDs that it may aggregate volume across to meet Tier 3's criteria, while Tier 5 is limited to the individual MPID. The Exchange further believes that the proposed tier and modifications are reasonable, fair and equitable because the liquidity from the proposed changes would benefit all investors by deepening the Exchange's liquidity pool, offering additional flexibility for all investors to enjoy cost savings, supporting the quality of price discovery, promoting market transparency and improving investor protection. These pricing programs are also not unfairly discriminatory in that it is available to all Members.

In addition, volume-based fees such as that proposed herein have been widely adopted by exchanges and are equitable because they are open to all Members on an

---

<sup>16</sup> 15 U.S.C. 78f(b)(4).

equal basis and provide additional benefits or discounts that are reasonably related to: (i) the value to an exchange's market quality; (ii) associated higher levels of market activity, such as higher levels of liquidity provision and/or growth patterns; and (iii) the introduction of higher volumes of orders into the price and volume discovery processes. The Exchange believes that the proposed tier is a reasonable, fair and equitable, and not an unfairly discriminatory allocation of fees and rebates, because it will provide Members with an additional incentive to reach certain thresholds on the Exchange.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that this change represents a significant departure from previous pricing offered by the Exchange or from pricing offered by the Exchange's competitors. The proposed rates would apply uniformly to all Members, and Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets. Further, excessive fees would serve to impair an exchange's ability to compete for order flow and members rather than burdening competition. The Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members.

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

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments

from Members or other interested parties.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>17</sup> and paragraph (f) of Rule 19b-4 thereunder.<sup>18</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:

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-BatsBYX-2017-17 on the subject line.

Paper Comments:

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

All submissions should refer to File No. SR-BatsBYX-2017-17. This file number should be included on the subject line if e-mail is used. To help the Commission process and

---

<sup>17</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>18</sup> 17 CFR 240.19b-4(f).

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-BatsBYX-2017-17 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>19</sup>

Robert W. Errett  
Deputy Secretary

---

<sup>19</sup> 17 CFR 200.30-3(a)(12).

EXHIBIT 5

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

**Bats BYX Exchange Fee Schedule**

Effective [July 24]August 1, 2017

\* \* \* \* \*

**Footnotes:****<sup>1</sup> Add/Remove Volume Tiers**

Applicable to the following fee codes: B, V and Y.

<b>Tier</b>	<b>Fee Per Share to Add</b>	<b>Required Criteria</b>
Tier 1 - Tier 2	(No change).	
Tier 3	\$0.0012	Member has an ADAV $\geq$ [0.55] <u>0.80</u> % of the TCV
Tier 4	(No change).	
<u>Tier 5</u>	<u>\$0.0012</u>	<u>MPID has an ADAV <math>\geq</math> 0.55% of the TCV</u>

Applicable to the following fee codes: BB, N, and W.

<b>Tier</b>	<b>Rebate Per Share to Remove</b>	<b>Required Criteria</b>
Tier [5] <u>6</u>	(\$0.0015)	Member has an ADV $\geq$ 0.05% of the TCV

\* \* \* \* \*