SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–74462; File No. SR–EDGA–2015–13]

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

March 10, 2015.

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 February 26, 2015, EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the 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 [3] 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 its fees and rebates applicable to Members [5] of the Exchange pursuant to EDGA Rule 15.1(a) and (c) (''Fee Schedule'') to: (i) Decrease the rebate from $0.00150 per share to $0.00040 per share for orders that yield fee code A, which routes to the Nasdaq Stock Market LLC (''Nasdaq'') and adds liquidity; (ii) add new fee code RN, which routes to Nasdaq using the ROOC routing strategy and adds liquidity; (iii) add a bullet to the General Notes section regarding the rates that would apply when the New York Stock Exchange, Inc. (''NYSE'') or NYSE MKT LLC (''NYSE MKT'') declare an emergency condition under their Rule 49; (iv) add a new pricing tier called the MidPoint Discretionary Order Add Volume Tier; and (v) amend footnote 13 regarding how a Member's volume attributed to fee code 5 will be allocated.

The text of the proposed rule change is available at the Exchange's Web site 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to: (i) Decrease the rebate from $0.00150 per share to $0.00040 per share for orders that yield fee code A, which routes to Nasdaq and adds liquidity; (ii) add new fee code RN, which routes to Nasdaq using the ROOC routing strategy and adds liquidity; (iii) add a bullet to the General Notes section regarding the rates that would apply when the NYSE or NYSE MKT declare an emergency condition under their Rule 49; (iv) add a new pricing tier called the MidPoint Discretionary Order Add Volume Tier; and (v) amend footnote 13 regarding how a Member's volume attributed to fee code 5 will be allocated.

Fee Code A

In securities priced at or above $1.00, the Exchange currently provides a rebate of $0.00150 per share for Members' orders that yield fee code A, which routes to Nasdaq and adds liquidity. The Exchange proposes to amend its Fee Schedule to decrease this rebate to $0.00040 per share for Members' orders that yield fee code A. The proposed change represents a pass through of the rate that BATS Trading, Inc. (''BATS Trading''), the Exchange's affiliated routing broker-dealer, is rebated for routing orders in certain symbols to Nasdaq when it does not qualify for a volume tiered rebate. When BATS Trading routes to Nasdaq, it is rebated a standard rate of $0.00040 per share for orders in select symbols (''Nasdaq's Select Symbol Program'').[6] BATS Trading will pass through this rate on Nasdaq to the Exchange and the Exchange, in turn, will pass through this rate to its Members. The Exchange notes that the proposed change is in response to Nasdaq's January 2015 fee change where Nasdaq decreased the rebate it provides its customers, such as BATS Trading, from a rebate of $0.00150 per share to a rebate of $0.00040 per share for orders in symbols included in Nasdaq's Select Symbol Program.[7]

Fee Code RN

The Exchange proposes to adopt new fee code RN, which would be applied to orders routed to Nasdaq using the ROOC routing strategy that add liquidity. Orders that yield fee code RN will receive a rebate of $0.00150 per share. The ROOC Routing strategy routes orders to participate in the opening, re-opening (following a halt, suspension, or pause), or closing process of a primary listing market (BATS, NYSE, Nasdaq, NYSE MKT, or NYSE Arca) if received before the opening/re-opening/closing time of such market. If shares remain unexecuted after attempting to execute in the opening, re-opening, or closing process, they are either posted to the EDGA Book, executed, or routed to destinations on the System routing table. Proposed fee code RN represents a pass through of the rate that BATS Trading, the Exchange's affiliated routing broker-dealer, is rebated for routing orders to Nasdaq in Tape C securities not included in Nasdaq's Select Symbol Program when it does not qualify for a volume tiered rebate. When BATS Trading routes to Nasdaq using the ROOC routing strategy, it is rebated a standard rate of $0.00150 per share for Tape C securities that are not included in Nasdaq's Select Symbol Program.[8]

[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, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in Section 3(a)(3) of the Act.'' *See* Exchange Rule 1.5(n).

[6] The Exchange notes that to the extent BATS Trading does or does not achieve any volume tiered discount on Nasdaq or routes an order to Nasdaq in a symbol that is not included in Nasdaq's Select Symbol Program to receive a rebate of $0.00040 per share, its rate for Flag A will not change. The Exchange further notes that, due to billing system limitations that do not allow for separate rates by tape, it will pass through the lesser rebate of $0.00040 per share for all Tapes A, B & C securities.

[7] *See* Securities Exchange Act Release No. 73967 (December 30, 2014), 80 FR 594 (January 6, 2015) (SR–Nasdaq–2014–128).

[8] The Exchange notes that to the extent BATS Trading does or does not achieve any volume tiered discount on Nasdaq or routes an order to Nasdaq in a symbol that is included in Nasdaq's Select Symbol Program to receive a rebate of $0.00040 per share, its rate for Flag RN will not change. The Exchange further notes that, due to billing system limitations that do not allow for separate rates by tape, it will pass through the rebate of $0.000150

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BATS Trading will pass through this rate on Nasdaq to the Exchange and the Exchange, in turn, will pass through this rate to its Members. The Exchange notes that fee code A above will be applied to all orders routed to Nasdaq not utilizing the ROOC routing strategy that add liquidity.

NYSE and NYSE MKT Rule 49

The Exchange proposes to add a bullet under the General Notes section of the Fee Schedule to describe the rates that would apply where the NYSE or NYSE MKT declare an emergency condition under their Rule 49. Under NYSE and NYSE MKT Rule 49, the NYSE or NYSE MKT may invoke their emergency powers during an emergency condition and designate NYSE Arca, Inc. (''NYSE Arca'') as their backup facility to receive and process bids and offers and to execute orders on behalf of the NYSE or NYSE MKT. In such case, the Exchange will route any order that was intended to be routed to the NYSE or NYSE MKT to NYSE Arca and the Exchange's System will identify such trades as being executed on NYSE Arca, not the NYSE or NYSE MKT. Because the executions occurred on NYSE Arca, NYSE Arca will charge BATS Trading their applicable fee or rebate, and BATS Trading will pass through that fee or rebate to the Exchange who would, in turn, pass that rate along to its Members. Therefore, the Exchange proposes to add a bullet to its Fee Schedule stating that fee codes applicable to orders routed to NYSE Arca will be applied to orders routed to the NYSE or NYSE MKT where, pursuant to NYSE and NYSE MKT Rule 49, the NYSE or NYSE MKT have designated NYSE Arca as their backup facility to receive and process bids and offers and to execute orders on behalf of the NYSE or NYSE MKT.

MidPoint Discretionary Order Add Volume Tier

The Exchange proposes to add a new tier to footnote 4 entitled the MidPoint Discretionary Order Add Volume Tier. Under the tier, a Member would qualify for a reduced fee of $0.0003 per share where that Member: (i) Adds an ADV of at least 0.25% of the TCV including non-displayed orders that add liquidity; and (ii) adds or removes an ADV of at least 1,500,000 shares yielding fee codes DM or DT. Fee code DM is applied to Non-Displayed orders that add liquidity using MidPoint Discretionary orders [9] and fee code DT is applied to Non-Displayed orders that remove liquidity using MidPoint Discretionary Orders. Orders that yield fee code DM or fee code DT are charged a fee of $0.00050 per share. The addition of the MidPoint Discretionary Order Add Volume Tier is intended to incentive Members to submit an increased number of MidPoint Discretionary orders to the Exchange, thereby increasing the liquidity on the Exchange at the midpoint of the National Best Bid or Offer (''NBBO'').

Footnote 13

In December 2014, the Exchange added footnote 13 to state that a Member's monthly volume attributed to fee code 5 will be divided evenly between the added fee codes and removal fee codes when determining whether that Member satisfied a certain tier.[10] At that time, the Exchange proposed to divide a Member's fee code 5 volume as such because the Exchange's systems could not delineate orders yielding fee code 5 that added from those that removed liquidity for purposes of determining whether a Member satisfied a certain tier.

In January 2014, the Exchange and its affiliate, EDGX Exchange, Inc. (''EDGX'') received approval to effect a merger (the ''Merger'') of the Exchange's parent company, Direct Edge Holdings LLC, with BATS Global Markets, Inc., the parent of BATS (together with BATS, EDGA and EDGX, the ''BGM Affiliated Exchanges'').[11] In the context of the Merger, the BGM Affiliated Exchanges migrated EDGX and EDGA onto the BATS technology platform, which was completed in January 2015. Under the BATS technology platform, the Exchange is now able to delineate orders yield fee code 5 that added from those that removed liquidity for purposes of determining whether a Member satisfies a certain tier. Therefore, the Exchange proposes to amend footnote 13 to state that a Member's monthly volume attributed to fee code 5 will be allocated accordingly between the added fee codes and removal fee codes when determining whether that Member satisfied a certain tier.

Implementation Date

The Exchange proposes to implement these amendments to its Fee Schedule on March 2, 2015.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of Section 6 of the Act,[12] in general, and furthers the objectives of Section 6(b)(4),[13] 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 also 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 proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

Fee Code A

The Exchange believes that its proposal to decrease the pass through rebate for Members' orders that yield fee code A from $0.00150 to $0.00040 per share represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities. Prior to Nasdaq's Select Symbol Program, Nasdaq provided BATS Trading a rebate of $0.00150 per share for orders in yielding fee code A, which BATS Trading passed through to the Exchange and the Exchange passed through to its Members. In January 2015, Nasdaq decreased the standard rebate it provides its customers, such as BATS Trading, from a rebate of $0.00150 per share to a rebate of $0.00040 per share for orders that are routed to Nasdaq in symbols included in its Select Symbol Program.[14] Therefore, the Exchange believes that the proposed change in fee code A from a rebate of $0.00150 per share to a rebate of $0.00040 per share is equitable and reasonable because it accounts for the pricing changes on Nasdaq. In addition, the proposal allows the Exchange to continue to charge its Members a pass-through rate for orders that are routed to Nasdaq. The Exchange further notes that, due to billing system limitations that do not allow for separate rates by security for those included in Nasdaq's Select Symbol

per share for all Tapes A, B & C securities that yield fee code RN.

[9] *See* Exchange Rule 11.8(e) for a description of MidPoint Discretionary orders.

[10] *See* Securities Exchange Act Release No. 73781 (December 8, 2014), 79 FR 73925 (December 12, 2014) (SR–EDGA–2014–31).

[11] *See* Securities Exchange Act Release No. 71449 (January 30, 2014), 79 FR 6961 (February 5, 2014) (SR–EDGX–2013–43; SR–EDGA–2013–34).

[12] 15 U.S.C. 78f.

[13] 15 U.S.C. 78f(b)(4).

[14] *See supra* note 6.

Program, it will pass through the lesser rebate of $0.00040 per share for all Tapes A, B & C securities routed to Nasdaq. The Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

Fee Code RN

The Exchange believes its proposal to adopt new fee code RN, which would be applied to orders routed to Nasdaq using the ROOC routing strategy that add liquidity, represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities because the Exchange does not levy additional fees or offer additional rebates for orders that it routes to Nasdaq through BATS Trading using the ROOC routing strategy. Proposed fee code RN represents a pass through of the rate that BATS Trading, the Exchange's affiliated routing broker-dealer, is rebated for routing orders to Nasdaq in securities not included in Nasdaq's Select Symbol Program when it does not qualify for a volume tiered rebate. When BATS Trading routes to Nasdaq using the ROOC routing strategy, it is rebated a standard rate of $0.00150 per share for Tape C securities that are not included in Nasdaq's Select Symbol Program.[15] Therefore, the Exchange believes to provide proposed fee code RN a rebate of $0.00150 per share is equitable and reasonable because it accounts for pricing on Nasdaq and allows the Exchange to charge its Members a pass-through rate for orders that are routed to Nasdaq using the ROOC routing strategy. The Exchange further notes that, due to billing system limitations that do not allow for separate rates by security for those included in Nasdaq's Select Symbol Program, it will pass through the rebate of $0.00150 per share for all Tapes A, B & C securities routed to Nasdaq yielding fee code RN. The Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

NYSE and NYSE MKT Rule 49

The Exchange believes that adding a bullet under the General Notes section of the Fee Schedule to describe the rates that would apply where the NYSE or NYSE MKT declare an emergency condition under their Rule 49 is reasonable because it is designed to provide greater transparency to Members by describing which rates would apply in such circumstances. In the case when NYSE or NYSE MKT invoke their Rule 49, the Exchange will route any order that was intended for the NYSE or NYSE MKT to NYSE Arca and the Exchange's System will identify such trades as being executed on NYSE Arca, not the NYSE or NYSE MKT. Because the executions occurred on NYSE Arca, NYSE Arca will charge their applicable fee or rebate. The proposed bullet is intended to make clear within the Fee Schedule which rate would apply where the NYSE or NYSE MKT invoke their emergency powers under their Rule 49, thereby eliminating potential investor confusion, removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest. The Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

MidPoint Discretionary Order Add Volume Tier

The Exchange believes the proposed MidPoint Discretionary Order Add Volume Tier represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities because it is designed to incentivize Members to increase their use of MidPoint Discretionary orders on EDGA. MidPoint Discretionary orders provide liquidity at the midpoint of the NBBO. The Exchange believes that Members utilizing MidPoint Discretionary orders that provide liquidity at the midpoint of the NBBO may receive the benefit of price improvement, and providing a decreased fee for such orders that meet the tier's qualifications is a reasonable means by which to encourage the use of such orders. In addition, the Exchange believes that by encouraging the use of MidPoint Discretionary orders, Members seeking price improvement would be more motivated to direct their orders to EDGA because they would have a heightened expectation of the availability of liquidity at the midpoint of the NBBO. The Exchange also believes that the proposed addition of the MidPoint Discretionary Order Add Volume Tier is non-discriminatory because it will be available to all Members.

Footnote 13

The Exchange believes proposed footnote 13 stating that a Member's monthly volume attributed to fee code 5 will be allocated accordingly between the added fee codes and removal fee codes when determining whether that Member satisfied a certain tier represents an equitable allocation of reasonable dues, fees, and other charges. Footnote 13 initially divided a Member's fee code 5 volume as such because fee code 5 includes both added and removed liquidity and the Exchange's systems could not delineate orders yielding fee code 5 that added from those that removed liquidity purposes of determining whether a Member satisfies a certain tier. Under the BATS technology platform, the Exchange is now able to delineate orders yield fee code 5 that added from those that removed liquidity for purposes of determining whether a Member satisfies a certain tier. Therefore, the Exchange believes amending footnote 13 to state that a Member's monthly volume attributed to fee code 5 will be allocated accordingly between the added fee codes and removal fee codes is reasonable because it would provide Members an accurate understanding of how their orders yielding fee code 5 would be allocated amongst added and removed volume for purposes of determining whether they satisfied a certain tier. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

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

The Exchange believes its proposed amendments to its Fee Schedule would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed change represents a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Additionally, 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 change will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets.

Fee Code A

The Exchange believes that its proposal to pass through a rebate of $0.00040 per share for Members' orders

[15] *See supra* note 8.

that yield fee code A would increase intermarket competition because it offers customers an alternative means to route to Nasdaq for a similar rate as entering orders in certain symbols on Nasdaq directly. The Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members.

Fee Code RN

The Exchange believes that its proposal to add fee code RN for orders that route to Nasdaq using the ROOC routing strategy and pass through a rebate of $0.00150 per share to Members would increase intermarket competition because it offers customers an alternative means to route orders to Nasdaq to participate in their opening, re-opening or closing process for a similar rate as entering orders in certain symbols on Nasdaq directly. The Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members.

NYSE and NYSE MKT Rule 49

The Exchange believes that adding a bullet under the General Notes section of the Fee Schedule to describe which rates that would apply where the NYSE or NYSE MKT declare an emergency condition under their Rule 49 would not affect intermarket nor intramarket competition because none of these changes are designed to amend any rebate or alter the manner in which the Exchange calculates rebates. This change is not designed to have a competitive impact. Rather, it is intended to make clear to Members and investors within the Fee Schedule which rate would apply where the NYSE or NYSE MKT invoke their emergency powers under their Rule 49, thereby eliminating potential investor confusion.

MidPoint Discretionary Order Add Volume Tier

The Exchange believes that its proposal to adopt a MidPoint Discretionary Order Add Volume Tier would increase intermarket competition because it would incentivize Members to send an increased amount MidPoint Discretionary orders to the Exchange in order to qualify for the tier's decreased fee. The Exchange believes that its proposal would neither increase nor decrease intramarket competition because the MidPoint Discretionary Order Add Volume Tier would apply uniformly to all Members and the ability of some Members to meet the tier would only benefit other Members by contributing to increased liquidity at the midpoint of the NBBO and better market quality at the Exchange.

Footnote 13

The Exchange believes that amending footnote 13 to reflect current system functionality that orders yielding fee code 5 will be allocated accordingly amongst added fee codes and removal fee codes would increase intermarket competition because it would encourage Members to direct their orders to the Exchange because they would have certainty as to how their orders will be allocated when determining whether that Member qualified for a certain pricing tier. The Exchange believes that its proposal would neither increase nor decrease intramarket competition because the fee code 5 and footnote 13 would continue to 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 [16] and paragraph (f) of Rule 19b–4 thereunder.[17] 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 proposed rule change 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 email to *rule-comments@sec.gov.* Please include File Number SR–EDGA–2015–13 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 Number SR–EDGA–2015–13. This file number should be included on the subject line if email 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 Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site 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 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–EDGA–2015–13, and should be submitted on or before April 6, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[18]

Brent J. Fields,

Secretary.

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[16] 15 U.S.C. 78s(b)(3)(A).

[17] 17 CFR 240.19b–4(f).

[18] 17 CFR 200.30–3(a)(12).