



May 20, 2016

Mr. Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F. Street N.E.
Washington, D.C. 20549-1090

RE: Securities Exchange Act Release No. 77839 (May 16, 2016); SR-NASDAQ-2016-066

Dear Ms. Murphy:

Bats Global Markets, Inc. ("Bats") appreciates the opportunity to comment on the above-referenced proposed rule change in which the NASDAQ Stock Market LLC ("NASDAQ") proposed to permit an order using the RTFY routing option to activate upon order entry or at 8:00 a.m. Eastern Time under amendments to NASDAQ Rule 4703(a). The proposal, in effect, allows an order using the RTFY routing option to be entered as early as 4:00 a.m. Eastern Time and rest within NASDAQ's system unexecutable until 8:00 a.m. Eastern Time. Bats supports NASDAQ's proposal in that it provides investors with greater control over their orders and additional optionality for when their orders may become eligible for execution.

Earlier this year, Bats proposed similar functionality to allow members to delay the execution of an order till 8:00 a.m. Eastern Time and was informed by the staff of the Division of Trading and Markets (the "Division") that the proposal raised issues with regard to the Securities Exchange Act Rule 15c3-5 ("Market Access Rule"), a broker-dealer's duty of best execution, and Bats' own standard regulatory checks.¹ Bats, in response to the Division's comments, thoroughly addressed these issues in its respective filings that were subsequently approved by the Commission.² Bats believes NASDAQ's proposal to adopt like functionality for orders using the RTFY routing option raises these identical issues. However, NASDAQ's filing does not address

¹ See Securities Exchange Act Release Nos. 77214 (February 23, 2016), 81 FR 10350 (February 29, 2016) (notice of SR-BATS-2016-14); 77611 (April 13, 2016), 77213 (February 23, 2016), 81 FR 10310 (February 29, 2016) (notice of SR-BYX-2016-03); 77141 (February 16, 2016), 81 FR 8797 (February 22, 2016) (notice of SR-EDGA-2016-02); and 77142 (February 16, 2016), 81 FR 8806 (February 22, 2016) (notice of SR-EDGX-2016-06).

² See Securities Exchange Act Release Nos. 77611 (April 13, 2016), 81 FR 23035 (April 19, 2016) (order approving SR-BATS-2016-14); 77607 (April 13, 2016), 81 FR 23032 (April 19, 2016) (order approving SR-BYX-2016-03); 77537 (April 6, 2016), 81 FR 21620 (April 12, 2016) (order approving SR-EDGA-2016-02); and 77538 (April 6, 2016), 81 FR 21632 (April 12, 2016) (order approving SR-EDGX-2016-06).

Mr. Brent J. Fields
May 20, 2016
Page 2 of 2

any of these issues, despite prior precedent where these issues were thoroughly discussed and subject to public comment prior to their approval.³ Bats strongly believes that the above issues must be addressed by NASDAQ in the context of its proposal.

Bats appreciates the opportunity to comment on the proposed rule change. Please feel free to contact me at [REDACTED] if you have any questions related this matter.

Sincerely,



Chris Solgan
Assistant General Counsel

cc: David Shillman, Associate Director, Division of Trading and Markets
David Hsu, Assistant Director, Division of Trading and Markets
David Liu, Senior Special Counsel, Division of Trading and Markets

³ See *supra* note 1. See, e.g., Mary Jo White, Chair, Commission, Speech at the Sandler O'Neill & Partners, L.P. Global Exchange and Brokerage Conference, (June 5, 2014) (available at <http://www.sec.gov/News/Speech/Detail/Speech/1370542004312#.VD2HW610w6Y>).