

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

Bats BZX Exchange Fee Schedule

Effective [May 6]June 1, 2016

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Definitions:

- All references to “per share” mean “per share executed.”
- “ADAV” means average daily added volume calculated as the number of shares added per day and “ADV” means average daily volume calculated as the number of shares added or removed, combined, per day. ADAV and ADV are calculated on a monthly basis.
 - The Exchange excludes from its calculation of ADAV and ADV shares added or removed on any day that the Exchange’s system experiences a disruption that lasts for more than 60 minutes during regular trading hours (“Exchange System Disruption”), on any day with a scheduled early market close and on the last Friday in June (the “Russell Reconstitution Day”).
 - Routed shares are not included in ADAV or ADV calculation.
 - With prior notice to the Exchange, a Member may aggregate ADAV or ADV with other Members that control, are controlled by, or are under common control with such Member (as evidenced on such Member’s Form BD).
- “CADV” means consolidated average daily volume calculated as the average daily volume reported for a security by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the three calendar months preceding the month for which the fees apply and excludes volume on days when the market closes early and on the Russell Reconstitution Day.
- “Displayed Size Time” means the percentage of time during regular trading hours during which the Member maintains at least 2,500 displayed shares on the bid and separately maintains at least 2,500 displayed shares on the offer that are priced no more than 2% away from the NBB and NBO, respectively.
- “LMP Securities” means a list of securities included in the Liquidity Management Program, the universe of which will be determined by the Exchange and published in a circular distributed to Members and on the Exchange’s website. Such LMP Securities will include all Bats-listed ETPs and certain non-Bats-listed ETPs for which the Exchange wants to incentivize Members to provide enhanced market quality. All Bats-listed securities will be LMP Securities immediately upon listing on the Exchange. The Exchange will not remove a security from the list of LMP Securities without 30 days prior notice.
- “NBBO Time” means the average of the percentage of time during regular trading hours during which the Member maintains at least 100 shares at each of the NBB and NBO.
- “NBBO Size Time” means the percentage of time during regular trading hours during which there are size-setting quotes at the NBBO on the Exchange. [

- “Qualified LMM” means an LMM that meets the Minimum Performance Standards, as defined in Rule 11.8(e)(1)(D).]
- “Options Add TCV” for purposes of equities pricing means ADAV as a percentage of TCV, using the definitions of ADAV and TCV as provided under the Exchange’s fee schedule for BZX Options.
- “Options Market Maker Add TCV” for purposes of equities pricing means ADAV resulting from Market Maker orders as a percentage of TCV, using the definitions of ADAV, Market Maker and TCV as provided under the Exchange’s fee schedule for BZX Options.
- “Options Step-Up Add TCV” for purposes of equities pricing means ADAV as a percentage of TCV in January 2014 subtracted from current ADAV as a percentage of TCV, using the definitions of ADAV and TCV as provided under the Exchange’s fee schedule for BZX Options.
- “Qualified LMM” means an LMM that meets the Minimum Performance Standards, as defined in Rule 11.8(e)(1)(D).
- “Setter Add TCV” means average daily added volume calculated as the number of displayed shares added that establish a new NBBO as a percentage of TCV.
- “Step-Up ADAV” means ADAV in the relevant baseline month subtracted from current ADAV.
- “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.
- “Tape B Step-Up Add TCV” means ADAV in Tape B securities as a percentage of TCV in the relevant baseline month subtracted from current ADAV in Tape B securities as a percentage of TCV.
- “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.
 - The Exchange excludes from its calculation of TCV volume on any day that the Exchange experiences an Exchange System Disruption, on any day with a scheduled early market close and the Russell Reconstitution Day.

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Footnotes:

1. – 12. (No change).

13. Tape B Volume and Quoting Tiers

Applicable to the following fee codes: B.

Tier	Rebate per share to Add	Required Criteria
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Tier 1	(\$0.0025)	Member's Tape B ADAV as a percentage of TCV is equal to or greater than 0.05%
Tape B Volume Tier	(\$0.0027)	Member's Tape B ADAV as a percentage of TCV is equal to or greater than 0.08%

<u>Tier</u>	<u>Additional rebate per share for orders in Tape B Securities</u>	<u>Required Criteria</u>
<u>Tier 1</u>	<u>(\$0.0001)</u>	<u>Member is enrolled in at least 50 LMP Securities for which:</u> <u>(1) Member's NBBO Time is at least 15% or NBBO Size Time is at least 25%; and</u> <u>(2) Member's Displayed Size Time is at least 90%</u>

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