

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-67742; File No. SR- EDGA-2012-37)

August 28, 2012

Self-Regulatory Organizations; EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Amendments to the EDGA Exchange, Inc. Fee Schedule

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 August 22, 2012 the 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 self-regulatory organization. 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 proposes to amend its fees and rebates applicable to Members³ and non-Members of the Exchange pursuant to EDGA Rule 15.1(a) and (c). All of the changes described herein are applicable to EDGA Members and non-Members. The text of the proposed rule change is available on the Exchange's Internet website at <http://www.directedge.com>, at the Exchange's principal office, and at the Public Reference Room of the Commission.

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 self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ A Member is any registered broker or dealer, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange.

it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B and C below, of the most significant aspects 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 maintains logical ports for order entry (FIX, HP-API), drop copies (DROP), and market data (collectively, "DIRECT Logical Ports").⁴ The Exchange proposes to reduce the quantity of free DIRECT Logical Ports from ten (10) sessions to five (5) sessions. Therefore, the Exchange will assess a monthly fee per logical port for Members and non-Members that maintain six or more DIRECT Logical Ports. Accordingly, the Exchange proposes to amend its fee schedule to reduce the quantity of free DIRECT Logical Ports from ten sessions to five sessions. In addition, the Exchange, pursuant to an information circular dated July 20, 2012, communicated to Members and non-Members that the Exchange would propose these changes in a subsequent filing with the Securities and Exchange Commission.⁵

The Exchange proposes to implement these amendments to its fee schedule on September 1, 2012.

⁴ See Securities and Exchange Act Release No. 64964 (July 26, 2011), 76 FR 45898 (August 1, 2011) (SR-EDGA-2011-22) (discussing the Exchange's proposal to include logical ports that receive market data among the types of logical ports that the Exchange assesses a monthly fee to Members and non-Members).

⁵ See Direct Edge Notice to Members # 12-28, Reduction in Number of Free Logical Ports Effective September 4, 2012, <http://www.directedge.com/About/Announcements/ViewNewsletterDetail.aspx?NewsletterID=751>.

2. Statutory Basis

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Act,⁶ in general, and furthers the objectives of Section 6(b)(4),⁷ in particular, as the proposed rule changes are designed to provide for the equitable allocation of reasonable dues, fees and other charges among Members and other persons using the Exchange's facilities.

The Exchange believes its proposal to amend its fee schedule to reduce the quantity of free DIRECT Logical Ports from ten sessions to five sessions represents an equitable allocation of reasonable dues, fees and other charges because the Exchange has implemented several infrastructure enhancements that increased the message throughput (efficiency) per port, thereby requiring fewer ports to communicate the same information. The Exchange also believes that reducing the quantity of free DIRECT Logical Ports to five sessions will promote efficient use of the ports by market participants, helping the Exchange to continue to maintain and improve its infrastructure, while also encouraging Members and non-Members to request and enable only the ports that are necessary for their operations related to the Exchange. In addition, the Exchange will use the revenue generated from its proposal to supplement its administrative and infrastructure costs associated with allowing Members and non-Members to establish logical ports to connect to the Exchange's systems and continue to maintain and improve its infrastructure, market technology, and services. The Exchange also notes that assessing charges for logical ports is reasonable because it is consistent with the practices of other exchanges, such as the BATS Exchange and the NASDAQ OMX Group, Inc. that charge customers for logical

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(4).

ports.⁸ Lastly, the Exchange also believes that the proposed reduction in quantity of free ports is non-discriminatory because it applies uniformly to Members and non-Members.

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

The proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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) of the Act⁹ and Rule 19b-4(f)(2)¹⁰ thereunder. At any time within 60 days of the filing of such 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 See BATS BZX fee schedule at <http://batstrading.com/FeeSchedule/> (where BATS BZX charges its customers a monthly fee per logical port). See also NASDAQ Price List-Trading & Connectivity, <http://www.nasdaqtrader.com/Trader.aspx?id=PriceListTrading2> (where NASDAQ charges its customers a monthly fee per logical port).

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 19b-4(f)(2) [sic].

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 e-mail to rule-comments@sec.gov. Please include File Number SR-EDGA-2012-37 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-EDGA-2012-37. This file number should be included on the subject line if e-mail 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 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 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-2012-37 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Kevin M. O'Neill
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).