

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-73759; File No. SR-EDGA-2014-30)

December 5, 2014

Self-Regulatory Organizations; EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the EdgeBook Cloud Service on EDGA Exchange, Inc.

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 November 25, 2014, EDGA Exchange, Inc. (the “Exchange” or “EDGA”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6)(iii) thereunder,⁴ which renders it 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 eliminate references to and fees for the Flex Download and Snapshot offerings available as part of the Exchange’s EdgeBook Cloud service, which are optional services that are to be discontinued by the Exchange. The Exchange will continue to offer the Replay portion of the EdgeBook Cloud service, but proposes to rename it EDGA Historical Depth Data as well as amend its related fees.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

The text of the proposed rule change is available at the Exchange's website at <http://www.directedge.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 EdgeBook Cloud is a service that allows Members and non-Members of the Exchange to obtain and query historical trade and quote data ("historical data") representing the real-time data feed previously disseminated by the Exchange.⁵ The EdgeBook Cloud currently includes the three separate offerings: Replay, FlexDownload, and Snapshot. The Exchange proposes to eliminate references to and fees for the Flex Download and Snapshot offerings available as part of the Exchange's EdgeBook Cloud service, which are optional services that are to be discontinued by the Exchange. The Exchange will continue to offer the Replay portion of the EdgeBook Cloud service, but proposes to rename it EDGA Historical Depth Data as well as amend its related fees.

⁵ See Securities Exchange Act Release No. 66403 (February 15, 2012), 77 FR 10593 (February 22, 2012) (SR-EDGA-2012-05) (Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to an Offering of a New Historical Data Feed Service to Members and Non-Members).

Termination of FlexDownload and Snapshot

The Exchange proposes to delete reference to and fees for the FlexDownload and Snapshot offerings available as part of the Exchange's EdgeBook Cloud service because it intends to discontinue offering this products as of January 2, 2015. Therefore, reference to these products and their fees in the Exchange's fee schedule would no longer serve any legitimate purpose upon the product being retired by the Exchange.

FlexDownload enables subscribers to submit customized queries of trade or quote information, specify the time and symbol parameters, as well as other attributes to be retrieved. Snapshot provided subscribers the ability to submit standard queries that can be accessed on-demand, or through an Application Programming Interface ("API")⁶ that permits query results to be downloaded by the subscriber. Standard queries include various quote and trade requests, as well as a combined quote and trade view for a requested symbol. The Exchange has no subscribers to either the FlexDownload or Snapshot offerings and, therefore, intends to terminate these services.

Harmonization of EDGE Book Cloud Replay with BATS Historical Pitch Data

The Exchange proposes to rename the Replay portion of the EdgeBook Cloud service as EDGA Historical Depth Data, which is similar to BATS Historical Pitch Data,⁷ an identical product offered by BATS Exchange, Inc. ("BATS"), an affiliate of the Exchange. The Exchange also proposes to amend the fees charged for EdgeBook Cloud Replay service to more closely align with those fees charged for BATS Historical Pitch

⁶ An API facilitates information sharing by acting as a "go-between" that enables a software program to interact with other software.

⁷ See Securities Exchange Act Release No. 61885 (April 9, 2010), 75 FR 20018 (April 16, 2010) (SR-BATS-2010-002) (Order Approving Proposed Rule Change, As Amended, To Offer Certain BATS Exchange Data Products).

Data.

Earlier this year, 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 and the BATS Y-Exchange, Inc. (“BYX” together with BATS, BYX, EDGA and EDGX, the “BGM Affiliated Exchanges”).⁸ In the context of the Merger, the BGM Affiliated Exchanges are working to align certain rules and services, retaining only intended differences between the BGM Affiliated Exchanges. As part of this effort, the Exchange proposes to: (i) rename the Replay portion of the EdgeBook Cloud service as EDGA Historical Depth Data, which is like BATS Historical Pitch Data, an identical product offered by BATS; and (ii) amend the fees charged for EdgeBook Cloud Replay service to more closely align with those fees charged for BATS Historical Pitch Data. Like the BATS Historical Pitch Data service, the Exchange also proposes to specify that the EdgeBook Cloud Replay service is offered to subscribers for internal use only.

In sum, both EdgeBook Cloud Replay and BATS Historical Pitch Data allow subscribers to access a formatted replay of each trading day, including the exact messages that were disseminated via the EdgeBook Depth feed for EDGA⁹ and the BATS Exchange Pitch Feed¹⁰ respectively, including any orders, executions, cancellations and status messages. Therefore, renaming the Replay portion of the EdgeBook Cloud service as EDGA Historical Depth Data, similar to the BATS Historical Pitch Data, is designed

⁸ See Securities Exchange Act Release No. 71449 (January 30, 2014), 79 FR 6961 (February 5, 2014) (SR-EDGX-2013-43; SR-EDGA-2013-34).

⁹ See Exchange Rule 13.8 for a description of the EDGA Book Feed.

¹⁰ See BATS Rules 11.22(a) and (c) for a description of the BATS Exchange Pitch feeds.

to align the naming of identical services offered by the BGM Affiliated Exchanges.¹¹

While the fees for both the EdgeBook Cloud Replay and BATS Historical Pitch Data are similar, the Exchange does propose amend the fees for the EdgeBook Cloud Replay service to more closely align with those fees charged for BATS Historical Pitch Data. Currently, subscribers to the EdgeBook Cloud Replay are charged a fee of \$500/month for a rolling thirty day replay. Subscribers may also request data for a calendar month for a fee of \$500 for each month they request, capped at \$2500 if less than or equal to 1TB of data is requested. If a subscriber requests more than 1TB of data, it will be charged an additional \$2500 flat fee. Subscribers to the BATS Historical Pitch Data service are charged a fee of \$500/month per user for access to 90 days of data available on a rolling basis. For data that BATS provides on an external hard drive to a subscriber, BATS charges 2,500 per TB drive generated by the Exchange. The Exchange proposes to adopt the identical fee structure as BATS. As proposed, the Exchange will charge subscribers a \$500 monthly access fee per user for access to 90 days of data available on a rolling basis. The Exchange will no longer charge subscribers \$500/per month for a rolling 30 day replay or \$500 for each calendar month requested. Like BATS, and similar to existing EdgeBook Cloud fees, the Exchange will charge \$2,500 per TB hard drive for data downloaded by the Exchange to an external hard drive.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the requirements of Section 6(b) of the Act,¹² in general, and Section 6(b)(5) of the Act,¹³ in

¹¹ The Exchange understands that EDGX is to file a proposed rule change with the Commission to make similar changes.

¹² 15 U.S.C. 78f(b).

particular, in that it promotes just and equitable principles of trade, removes impediments to, and perfect the mechanism of, a free and open market and a national market system, and, in general, protects investors and the public interest. The Exchange also believes that its proposal is consistent with Section 6(b)(4) of the Act,¹⁴ in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using its facilities.

Termination of FlexDownload and Snapshot

The proposal is consistent with Section 6(b)(5) of the Act,¹⁵ in that it eliminates any investor confusion by deleting references to services, and their related fees, that are to be discontinued by the Exchange, thereby 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. In addition, the Exchange has no subscribers to the FlexDownload and Snapshot offerings, neither of these offerings are core product offerings by the Exchange, nor is the Exchange required by the Act to offer such products. The proposed rule change will not permit unfair discrimination among customers, brokers, or dealers because the FlexDownload and Snapshot offerings will no longer be offered by the Exchange.

In addition, the Exchange believes that the proposed removal of the fees for the FlexDownload and Snapshot offerings from its fee schedule are consistent with Section 6(b)(4) of the Act¹⁶ because it would delete fees for products that are to be discontinued

¹³ 15 U.S.C. 78f(b)(5).

¹⁴ 15 U.S.C. 78f(b)(4).

¹⁵ 15 U.S.C. 78f(b)(5).

¹⁶ 15 U.S.C. 78f(b)(4).

by the Exchange, thereby eliminating investor confusion. Lastly, the Exchange also believes that the proposed amendment to its fee schedule is reasonable and non-discriminatory because it will apply uniformly to all members.

Harmonization of EDGE Book Cloud Replay with BATS Historical Pitch Data

The proposal is consistent with Section 6(b)(5) of the Act,¹⁷ in that it eliminates any investor confusion because renaming the Replay portion of the EdgeBook Cloud service as EDGA Historical Depth Data, similar to the BATS Historical Pitch Data, an identical product offered by BATS, is designed to align the naming of identical services offered by the BGM Affiliated Exchanges. In addition, the Exchange believes that its proposal to harmonize the fees charged for EdgeBook Cloud Replay service with those fees charged for BATS Historical Pitch Data is consistent with Section 6(b)(4) of the Act¹⁸ because it is also designed to align the pricing of identical products offered across the BGM Affiliated Exchanges. The Exchange also believes the proposed fees for the EdgeBook Cloud Replay service are reasonable and equitable because they mirror the fees charged for BATS Historical Pitch Data, which have been previously approved by the Commission.¹⁹ The Exchange believes that its proposed fees are reasonable in light of the benefits to data recipients. This products is completely optional in that no subscriber is required to purchase it and only those subscribers that deem such product to be of sufficient overall value and usefulness will purchase it. Lastly, the Exchange also believes that the proposed amendment to its fee schedule is reasonable and non-discriminatory because it will apply uniformly to all members.

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ 15 U.S.C. 78f(b)(4).

¹⁹ See supra note 7.

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

The Exchange believes the proposal is consistent with Section 6(b)(8) of the Act²⁰ in that it does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change to remove references to data products and their related fees that are to be retired by the Exchange is not designed to have a competitive impact. Second, the proposal to rename an existing service and amend its fees to align with an identical service offered by BATS is also not designed to have a burden on competition as it is merely intended to provide greater harmonization among Exchange and BATS, alleviating investor confusion by providing a uniform product offering across the BGM Affiliated Exchanges. Therefore, the Exchange does not believe the proposed rule change will have any effect 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 neither solicited nor received written comments on the proposed rule change.

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

Because the foregoing proposed rule change does not: (1) significantly affect the protection of investors or the public interest; (2) impose any significant burden on competition; and (3) by its terms does not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, the proposed rule change has become

²⁰ 15 U.S.C. 78f(b)(8).

effective pursuant to Section 19(b)(3)(A) of the Act²¹ and Rule 19b-4(f)(6) thereunder.²²

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii) permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest so that the Exchange can align the names and fees for identical services offered by the Exchange and BATS, and delete references to data products and their fees that are to be discontinued by the Exchange in a timely manner. In addition, the Exchange has no subscribers to the FlexDownload and Snapshot offerings; therefore, exchange participants will not be affected by the immediate discontinuation of these products.²³ Accordingly, the Commission hereby grants the Exchange's request and designates the proposal operative upon filing.

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

²¹ 15 U.S.C. 78s(b)(3)(A).

²² 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to provide the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has met this requirement.

²³ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

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 e-mail to rule-comments@sec.gov. Please include File Number SR-EDGA-2014-30 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-2014-30. 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-2014-30, 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.²⁴

Kevin M. O'Neill
Deputy Secretary

²⁴ 17 CFR 200.30-3(a)(12).