

Note: Proposed new language is underlined. Proposed deletions are enclosed in brackets.

BATS BZX Exchange Fee Schedule

Effective [May 14] June 1, 2012

The following is the Schedule of Fees (pursuant to Rule 15.1(a) and (c)) for BATS Exchange, Inc. (“BZX Exchange” or “BZX”). The Schedule of Fees is divided into Equities Pricing, Options Pricing and Physical Connection Charges.

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Options Pricing:

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Liquidity Rebates for Penny Pilot Securities

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Customer orders:

\$0.30 rebate per contract for a Customer order that adds liquidity to the BATS Options order book and the Member does not qualify for a higher rebate based on their ADV

[\$0.36]\$0.38 rebate per contract for a Customer order that adds liquidity to the BATS Options order book where the Member has an ADV less than 0.30% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

\$0.42 rebate per contract for a Customer order that adds liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 0.30% of average TCV

[\$0.43]\$0.45 rebate per contract for a Customer order that adds liquidity to the BATS Options order book where the Member has an ADV equal to or greater than 0.30% of average TCV but less than 1% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

\$0.44 rebate per contract for a Customer order that adds liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 1% of average TCV

\$0.46 rebate per contract for a Customer order that adds liquidity to the BATS Options order book where the Member has an ADV greater than 1% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

⁴These rebates and fees constitute our “grow with us” pricing for Members that are increasing their trading activity.

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Enhanced NBBO Setter Liquidity Rebates for Orders with Displayed Size of at Least 25 Contracts⁵ (in addition to any other applicable liquidity rebates)

\$0.06 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV less than 0.30% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

\$0.12 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV equal to or greater than 0.30% of average TCV but less than 1% of average TCV

\$0.16 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV equal to or greater than 0.30% of average TCV but less than 1% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

\$0.20 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV equal to or greater than 1% of average TCV

NBBO Setter Liquidity Rebates for [All Securities] Orders that do not Qualify for Enhanced Size Rebate⁵ (in addition to any other applicable liquidity rebates)

\$0.03 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV less than 0.30% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

\$0.06 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV equal to or greater than 0.30% of average TCV but less than 1% of average TCV

\$0.08 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV equal to or greater than 0.30% of average TCV but less than 1% of average TCV and also shows a minimum of 5 basis points TCV improvement over their previous High Water Mark⁴

\$0.10 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that sets a new national best bid or offer where the Member has an ADV equal to or greater than 1% of average TCV

⁵ The Exchange offers enhanced NBBO setter rebates, for orders with minimum displayed size of at least 25 contracts, on executions up to 200 contracts. For any executions above 200 contracts, the Exchange will provide the enhanced rebate for the first 200 contracts executed, and the standard NBBO setter rebate for all remaining contracts executed.

Quoting Incentive Program (“QIP”) Liquidity Rebates (in addition to any other applicable liquidity rebates)

\$0.01 additional rebate per contract for a Customer order that adds liquidity to the BATS Options order book in options products in which Members meet one of the following quoting levels:

\$0.05 additional rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book in options products in which Members meet one of the following quoting levels:

- (1) BATS Options Market Makers that quote at the national best bid or offer 60% of the time for series trading between \$0.03 and \$5.00^{[5]6} for the front three (3) expiration months in that underlying for the month for which fees apply; or
- (2) All other BATS Options Members that quote at the national best bid or offer 70% of the time for series trading between \$0.03 and \$5.00^{[5]6} for the front three (3) expiration months in that underlying for the month for which fees apply.

[⁴ These rebates and fees constitute our “grow with us” pricing for Members that are increasing their trading activity.

⁵ The \$0.03 and \$5.00 price range qualification is determined by the last trade in an option series each day. Option series which do not have an execution are removed from the following day’s Quoting Incentive Program calculations.]

Standard Best Execution Routing or Destination Specific Routing (“BATS Options+”)

Charge per contract for contracts executed using “CYCLE”, “RECYCLE”, “Parallel D”, “Parallel 2D”, or BATS Options+ routing:

		Customer	Professional/ Firm/Market Maker
AMEX BOX CBOE	ARCA (Classic issues) ^{[6]7} ISE (Classic issues) ^{[6]7} PHLX (Classic issues) ^{[6]7}	\$0.10	\$0.55
	ISE (Make/Take issues) ^{[6]7}	\$0.30	\$0.55
C2 NOM ARCA (Make/Take issues) ^{[6]7}		\$0.50	\$0.55

PHLX (Make/Take issues) ^{[6]7}		
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Physical Connection Charges^{[7]8}:

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⁶The \$0.03 and \$5.00 price range qualification is determined by the last trade in an option series each day. Option series which do not have an execution are removed from the following day's Quoting Incentive Program calculations.

^{[6]7} Pricing in Make/Take issues is for executions at the identified exchange under which "Post Liquidity" or "Maker" rebates ("Make") are credited by that exchange and "Take Liquidity" or "Taker" fees ("Take") are charged by that exchange. Pricing in Classic issues applies to all other executions at such exchanges.

^{[7]8} The Exchange will pass-through in full any fees or costs in excess of \$1,000.00 incurred by the Exchange to complete a cross-connect.

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