

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

BATS BZX Exchange Fee Schedule
Effective [December 9, 2013] January 2, 2014

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:

All references to “per contract” mean “per contract executed”

“ADV” means average daily volume calculated as the number of contracts added or removed, combined, per day on a monthly basis; routed contracts are not included in ADV calculation; with prior notice to the Exchange, a Member may aggregate ADV with other Members that control, are controlled by, or are under common control with such Member

“Customer” applies to any transaction identified by a Member for clearing in the Customer range at the Options Clearing Corporation (“OCC”), excluding any transaction for a “Professional” as defined in Exchange Rule 16.1

“Firm” applies to any transaction identified by a Member for clearing in the Firm range at the OCC

[“High Water Mark” is defined as the greater of a Member’s Q4 2011 TCV or a Member’s highest monthly TCV on BATS Options thereafter]

“Market Maker” applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC

“Professional” applies to any transaction identified by a Member as such pursuant to Exchange Rule 16.1

“Penny Pilot Securities” are those issues quoted pursuant to Exchange Rule 21.5, Interpretation and Policy .01

“TCV” means total consolidated volume calculated as the volume reported by all exchanges to the consolidated transaction reporting plan for the month for which the fees apply

Fees for Accessing Liquidity for Penny Pilot Securities

Professional, Firm and Market Maker orders:

\$0.[47]48 charge per contract for a Professional, Firm or Market Maker order that removes liquidity from the BATS Options order book and the Member does not qualify for a lower charge based on [TCV improvement⁴]the Member's ADV

\$0.[46]47 charge per contract for a Professional, Firm or Market Maker order that removes liquidity from the BATS Options order book [and the Member shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴]where the Member has an ADV equal to or greater than 1.00% of average TCV

Customer orders:

\$0.[45]47 charge per contract for a Customer order that removes liquidity from the BATS Options order book [and the Member does not qualify for a lower charge based on the Member's ADV

\$0.44 charge per contract for a Customer order that removes liquidity from the BATS Options order book where the Member has an ADV less than 0.25% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴

\$0.44 charge per contract for a Customer order that removes liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 0.25% of average TCV but less than 0.75% of average TCV

\$0.43 charge per contract for a Customer order that removes liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 0.25% of average TCV but less than 0.75% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴

\$0.43 charge per contract for a Customer order that removes liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 0.75% of average TCV but less than 1.25% of average TCV

\$0.42 charge per contract for a Customer order that removes liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 0.75% of average TCV but less than 1.25% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴

\$0.42 charge per contract for a Customer order that removes liquidity from the BATS Options order book where the Member has an ADV equal to or greater than 1.25% of average TCV]

Liquidity Rebates for Penny Pilot Securities

Professional, Firm and Market Maker orders:

\$0.[25]40 rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book [that is removed by a Customer order

\$0.35 rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book that is removed by a Professional, Firm or Market Maker order]

Customer orders:

\$0.[30]45 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 the[ir] Member's ADV

[\$0.31 rebate per contract for a Customer order that adds liquidity to the BATS Options order book where the Member has an ADV less than 0.25% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴]

\$0.[43]48 rebate per contract for a Customer order that adds liquidity [from]to the BATS Options order book where the Member has an ADV equal to or greater than 0.[25]30% of average TCV but less than [0.75]1.00% of average TCV

[\$0.44 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 0.25% of average TCV but less than 0.75% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴

\$0.46 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 0.75% of average TCV but less than 1.25% of average TCV

\$0.47 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 0.75% of average TCV but less than 1.25% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴]

\$0.[47]50 rebate per contract for a Customer order that adds liquidity to the BATS Options order book where the [m]Member has an ADV equal to or greater than 1.[25]00% of average TCV

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

Fees for Accessing Liquidity in All Other Securities

Professional, Firm and Market Maker orders:

\$0.[84]89 charge per contract for a Professional, Firm or Market Maker order that removes liquidity from the BATS Options order book

Customer orders:

\$0.[75]80 charge per contract for a Customer order that removes liquidity from the BATS Options order book

Liquidity Rebates for All Other Securities

Professional, Firm and Market Maker orders:

\$0.[60]65 rebate per contract for a Professional, Firm or Market Maker order that adds liquidity to the BATS Options order book

Customer orders:

\$0.[80]85 rebate per contract for a Customer order that adds liquidity to the BATS Options order book

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NBBO Setter Liquidity Rebates (in addition to any other applicable liquidity rebates)

\$0.[03]02 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.[25]30% of average TCV but less than [0.75]1.00% of average TCV

[\$0.05 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 0.25% of average TCV but less than 0.75% of average TCV and also shows a minimum of 10 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 0.75% of average TCV but less than 1.25% 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 0.75% of average TCV but less than 1.25% of average TCV and also shows a minimum of 10 basis points TCV improvement over their previous High Water Mark⁴]

\$0.[10]04 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.[25]00% of average TCV

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Quoting Incentive Program (“QIP”) Liquidity Rebates – additional rebate per contract for an order that adds liquidity to the BATS Options order book in options classes⁵ in which a Member is a Market Maker registered on BATS Options pursuant to Rule 22.2.

| ADV of BATS Options Registered Market Maker | [Customer] | Professional/ Firm/Market Maker |
|--|-------------------|--|
| [ADV less than 0.25% TCV] | [\$0.01] | [\$0.05] |
| ADV equal to or greater than 0. [25] <u>30</u> % but less than [0.75] <u>1.00</u> % TCV | [\$0.03] | \$0. [05] <u>02</u> |
| [ADV equal to or greater than 0.75% but less than 1.25% TCV] | [\$0.03] | [\$0.06] |
| ADV equal to or greater than 1. [25] <u>00</u> % TCV | [\$0.03] | \$0. [08] <u>04</u> |

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