

or governance of the Exchange, and that instead, the amendments reflect administrative and structural amendments to the New Certificate of Incorporation. Based on the foregoing, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest.¹⁴ 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 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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 email to rule-comments@sec.gov. Please include File Number SR-BatsBZX-2016-07 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-BatsBZX-2016-07. This file number should be included on the subject line if email 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 Web site (<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 Web site 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-BatsBZX-2016-07 and should be submitted on or before May 10, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016-08939 Filed 4-18-16; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77608; File No. SR-BatsEDGA-2016-05]

Self-Regulatory Organizations; Bats EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Certificate of Incorporation of the Exchange's Ultimate Parent Company, Bats Global Markets, Inc.

April 13, 2016.

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 April 8, 2016, Bats 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 amend the certificate of incorporation of the Exchange's ultimate parent company, Bats Global Markets, Inc. (the "Corporation").

The text of the proposed rule change is available at the Exchange's Web site at www.batstrading.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 Statutory Basis for, the Proposed Rule Change

1. Purpose

On December 16, 2015, the Corporation, the ultimate parent entity of the Exchange, filed a registration statement on Form S-1 with the Commission seeking to register shares of common stock and to conduct an initial public offering of those shares, which will be listed for trading on the Exchange (the "IPO"). In connection with its IPO, the Corporation intends to amend and restate its certificate of incorporation (the "New Certificate of Incorporation"). The Exchange previously received Commission approval of certain substantive amendments to the certificate of incorporation of the Corporation that comprise changes included in the New Certificate of Incorporation.⁵ Since that date, the Corporation has determined it to be necessary to further amend its certificate of incorporation to achieve the final, pre-IPO version of the New

¹⁴ 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).

¹⁵ 17 CFR 200.30-3(a)(12).

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).

⁵ See Securities Exchange Act Release No. 77464 (March 29, 2016), 81 FR 19252 (April 1, 2016) (SR-BATS-2016-010; SR-BYX-2016-02; SR-EDGX-2016-04; SR-EDGA-2016-01).

Certificate of Incorporation. The additional amendments will be achieved through the filing with the State of Delaware of a certificate of amendment to the New Certificate of Incorporation. The additional amendments are described in further detail below.

The Exchange, on behalf of the Corporation, proposes changes to the New Certificate of Incorporation in connection with a forward stock split, pursuant to which each share of common stock of the Corporation outstanding or held in treasury immediately prior to the completion of the IPO would automatically and without action on the part of the holders thereof be subdivided into 2.91 shares of common stock (the "Stock Split").⁶ Accordingly, the number of authorized shares of the Corporation, both in the aggregate and as set forth by class, as codified in paragraph (a)(i) of Article Fourth of the New Certificate of Incorporation, will be adjusted. The Corporation also plans to adjust the preferred stock of the Corporation consistent with the Stock Split. The par value of the Corporation's common stock will remain \$0.01 per share.

The purpose of this rule filing is to permit the Corporation, the ultimate parent company of the Exchange, to adopt an amendment to the New Certificate of Incorporation, as described in this proposal. The changes described herein relate to the certificate of incorporation of the Corporation only, not to the governance of the Exchange. The Exchange will continue to be governed by its existing certificate of incorporation and bylaws. The stock in, and voting power of, the Exchange will continue to be directly and solely held by Bats Global Markets Holdings, Inc., an intermediate holding company wholly-owned by the Corporation, and the governance of the Exchange will continue under its existing structure.

2. Statutory Basis

The Exchange believes that its proposal is consistent with the requirements of the Act and rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.⁷ In particular, the proposal is consistent with Section 6(b)(1) of the Act, because it retains, without modification, the existing limitations on ownership and total voting power that currently exist and that are designed to prevent any

stockholder from exercising undue control over the operation of the Exchange and to assure that the Exchange is able to carry out its regulatory obligations under the Act. Under the proposal, the Corporation is making certain administrative and structural changes to the New Certificate of Incorporation. These changes, however, do not impact the governance of the Exchange nor do they modify the ownership of the Corporation.

(B) Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change imposes any burden on competition. As described above, the proposed rule change is simply to make certain administrative and structural changes to the New Certificate of Incorporation. These changes do not impact the governance of the Exchange nor do they modify the ownership of the Corporation.

(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 written comments from members or other interested parties.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act⁸ and Rule 19b-4(f)(6) thereunder.⁹ Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, 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 effective pursuant to Section 19(b)(3)(A) of the Act¹⁰ and Rule 19b-4(f)(6) thereunder.¹¹

⁸ 15 U.S.C. 78s(b)(3)(A)(iii).

⁹ 17 CFR 240.19b-4(f)(6).

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ In addition, Rule 19b-4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's 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 satisfied this requirement.

A proposed rule change filed under Rule 19b-4(f)(6) under the Act¹² normally does not become operative for 30 days after the date of filing. However, Rule 19b-4(f)(6)(iii)¹³ 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 Exchange states that the Corporation's IPO may occur in the near future, and the changes described in this notice are a critical component of such IPO. The Exchange states that waiver of the operative delay will allow the Corporation to promptly move forward with the IPO without delay. The Commission notes that the Exchange represents that there are no changes to the provisions of the New Certificate of Incorporation that impact the ownership or governance of the Exchange, and that instead, the amendments reflect administrative and structural amendments to the New Certificate of Incorporation. Based on the foregoing, the Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest.¹⁴ 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 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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:

¹² 17 CFR 240.19b-4(f)(6).

¹³ 17 CFR 240.19b-4(f)(6)(iii).

¹⁴ 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).

⁶ Common stock consists of voting common stock and non-voting common stock of the Corporation.

⁷ 15 U.S.C. 78f(b).

Electronic Comments

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-BatsEDGA-2016-05 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-BatsEDGA-2016-05. This file number should be included on the subject line if email 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 Web site (<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 Web site 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-BatsEDGA-2016-05 and should be submitted on or before May 10, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁵

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2016-08944 Filed 4-18-16; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-77603; File No. SR-NYSE-2016-28]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Rule 72 Relating to Setting Interest

April 13, 2016.

Pursuant to section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the "Act")² and Rule 19b-4 thereunder,³ notice is hereby given that on March 29, 2016, New York Stock Exchange LLC ("NYSE" or the "Exchange") filed with the Securities and Exchange Commission (the "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 Rule 72 relating to setting interest. The proposed rule change is available on the Exchange's Web site at www.nyse.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 self-regulatory organization 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 those 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 Exchange proposes to amend Rule 72 relating to setting interest to provide that interest that establishes a new Exchange best bid or offer ("BBO")

would be considered setting interest even if a Limit Order designated Add Liquidity Only ("ALO") or sell short order during a Short Sale Period, as defined in Rule 440B(d), is re-priced and displayed at the same price as such interest that became the Exchange BBO.

Background

Under Rule 72(a)(ii), a bid or offer, including pegging interest, is considered the "setting interest" when it is established as the only displayable bid or offer made at a particular price and is the only displayable interest when such price is or becomes the Exchange BBO. Setting interest is entitled to priority for allocation of executions at that price, as provided for under Rule 72. If there is no setting interest, all interest is allocated on parity pursuant to Rule 72(c).⁴

In 2008, when the Exchange added the current form of Rule 72, current paragraph (a)(ii)(G) of the rule provided that if, at the time non-pegging interest becomes the Exchange BBO, an e-Quote is pegging to such non-pegging interest, all such interest was considered to be entered simultaneously and, therefore, no interest was considered the setting interest.⁵ Because the Exchange believed that permitting pegging e-Quotes to eliminate the priority to which a non-pegging e-Quote might otherwise be entitled could disincentivize aggressive displayed quoting, the Exchange amended Rule 72(a)(ii)(G) to provide that non-pegging interest that becomes the Exchange BBO will be considered the setting interest even if an e-Quote is pegging to such non-pegging interest.⁶ The Exchange's goal in providing priority to setting interest was to create an incentive for participants to display aggressive prices. The Exchange amended Rule 72(a)(ii)(G) in 2011 because it believed a participant may be reluctant to enter such displayed interest if a non-displayed pegging e-Quote could deny priority to such displayed interest.⁷ Because pegging interest cannot peg to other pegging

⁴ See Rule 72(c)(v).

⁵ See Securities Exchange Act Release Nos. 58845 (Oct. 24, 2008), 73 FR 64379 (Oct. 29, 2008) (Approval Order) and 58184 (July 17, 2008), 73 FR 42853, (July 23, 2008) (Notice) (SR-NYSE-2008-46). See also Rule 70 (defining e-Quotes and d-Quotes).

⁶ See Securities Exchange Act Release No. 65889 (Dec. 5, 2011), 76 FR 77040 (Dec. 9, 2011) (SR-NYSE-2011-60) (Notice of filing and immediate effectiveness of proposed rule change amended Rule 72).

⁷ Because the Exchange does not publicly identify interest as pegging interest that is eligible to re-price based on changes to the PBBO, a participant seeking to set the Exchange BBO would be unaware that one or more pegging interest could join it at the Exchange BBO.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

¹⁵ 17 CFR 200.30-3(a)(12).