Written comments should be received within 60 days of this notice.

Martha P. Rico,
Secretary to the Board.

[FR Doc. 2017–16672 Filed 8–7–17; 8:45 am]
BILLING CODE 7905–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; Bats BZX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use on Bats BZX Exchange, Inc. and Bats BZX Exchange, Inc.'s Equity Options Platform

August 2, 2017.

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 July 24, 2017, Bats BZX Exchange, Inc. (the “Exchange” or “BZX”) 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 Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act3 and Rule 19b–4(f)(2) thereunder,4 which renders the Members and non-Members of the Exchange pursuant to BZX Rules 15.1(a) and (c). The text of the proposed rule change is available at the Exchange’s Web site at www.bats.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange filed a proposal to amend the fee schedule applicable to Members5 and non-Members of the Exchange pursuant to BZX Rules 15.1(a) and (c).

The text of the proposed rule change is available at the Exchange’s Web site at www.bats.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.  

5 The term “Member” is defined as “any registered broker or dealer that has been admitted to membership in the Exchange.” See Exchange Rule 1.5(n).

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

The Exchange proposes to amend its fee schedule applicable to its equities trading platform (“BZX Equities”) and its equity options trading platform (“BZX Options”) to re-name NYSE MKT as NYSE American throughout the fee schedule.

The Exchange also proposes to modify fees applicable to BZX Equities for orders routed to NYSE American in connection with changes made by NYSE American to its fee structure. As of July 24, 2017, NYSE American transitioned to a fully automated cash equities market. In connection with this transition, NYSE American updated its fee structure in a variety of ways, including to charge a fee to add non-displayed liquidity and to provide no rebate (nor charge any fee) to add displayed liquidity.5

The Exchange proposes to modify the fee structure for orders that are routed to and add liquidity at NYSE American, which yielded fee code 8 for displayed liquidity and fee code NA for non-displayed liquidity. Orders yielding fee code 8 previously received a rebate of $0.00150 per share and orders yielding fee code NA were not provided a rebate or charged any fee.

The Exchange proposes to continue to apply fee code 8 to orders that add displayed liquidity at NYSE American but to change the rate from a rebate to a fee, charging orders that yield fee code 8 a fee of $0.00020 per share. The Exchange also proposes to remove NYSE American (previously NYSE MKT) from the list of venues where an order that adds non-displayed liquidity yields fee code NA. The Exchange does not propose to modify the rate applied to orders yielding fee code NA, but, as a result of this change, orders adding non-displayed liquidity at NYSE American will yield fee code NB instead, which is applied to all routed executions at an exchange not covered by Fee Code NA that adds non-displayed liquidity. Similarly, the Exchange does not propose to modify the rate applied to orders yielding fee code NB, which is currently a fee of $0.00300 per share.

The Exchange notes that the changes proposed above will not impact the current fee structure for orders that add displayed liquidity at NYSE American in securities priced below $1.00, which, pursuant to footnote 10, are provided without charge and without rebate. However, the proposed change to remove NYSE American from fee code NB will impact pricing for non-displayed orders routed to NYSE American that add liquidity. Specifically, consistent with other orders yielding fee code NB, pursuant to footnote 18, orders in securities priced below $1.00 will be charged 0.30% of the total dollar value of an execution.

Implementation Date

The Exchange proposes to implement the above changes to its fee schedule immediately.

2. Statutory Basis

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Act,7 in general, and further the objectives of Section 6(b)(4),8 in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. At the outset, the Exchange notes that its proposal to refer to NYSE American as the Act as it will avoid confusion with the Exchange’s fee schedule by reflecting NYSE MKT’s new name. The Exchange also notes that it operates in a highly-competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or incentives to be insufficient. The proposed rule changes are designed to react to pricing changes at NYSE American, to avoid subsidizing routing to such venue. Furthermore, the Exchange notes that routing through the Exchange’s affiliate, Bats Trading, Inc. is voluntary.

The changes to fee code 8 and to remove NYSE American (NYSE MKT) from fee code NA are primarily to
designed to react to pricing changes at
NYSE American, effective July 24, 2017. These changes are necessary to avoid
providing routing services with pricing
that effectively subsidizes routing to
NYSE American. The Exchange’s prior
pricing model for orders routed to NYSE
American was based on a fee structure
that provided rebates for orders that
added liquidity. The Exchange believes
it is reasonable and fair and equitable to
charge fees for orders routed to NYSE
American that no longer receive a rebate
but instead are either assessed a fee by
NYSE American or are provided free of
charge. The Exchange also believes the
proposed rates are reasonable and not
unfairly discriminatory in that they are
consistent with other rates already
charged by the Exchange. Finally, the
Exchange believes the proposed changes
are not unfairly discriminatory in that
they are equally applicable to all
Members that use the Exchange’s
routing services to add liquidity at
NYSE American.

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

The Exchange does not believe that the
proposed rule change will impose
any burden on competition not
necessary or appropriate in furtherance
of the purposes of the Act. The
Exchange does not believe that any of
the proposed changes to the Exchange’s
routing pricing burden competition, as
they are based on the pricing on other
venues. The Exchange notes that it
operates in a highly competitive market
in which market participants can
readily direct order flow to competing
venues if they deem fee structures to be
unreasonable or excessive. The
Exchange does not believe the proposed
amendments would burden intramarket
competition as they would be available
to all Members uniformly.

(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)(A)
of the Act and paragraph (f) of Rule
19b-4 thereunder. 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.

IV. Solicitation of Comments

Interested persons are invited to
submit written data, views and
arguments concerning the foregoing,
including whether the proposal 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–2017–47 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–2017–47. 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 such
  filing will also 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–2017–47 and should be
submitted on or before August 29, 2017.

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

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2017–16635 Filed 8–7–17; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE
COMMISSION

[Release No. 34–81290; File No. SR–
BatsEDGX–2017–31]

Self-Regulatory Organizations; Bats
EDGX Exchange, Inc.: Notice of Filing
and Immediate Effectiveness of a
Proposed Rule Change to Fees for Use
of Bats EDGX Exchange, Inc. and Bats
EDGX Exchange, Inc.’s Equity Options
Platform

August 2, 2017.

Pursuant to Section 19(b)(1) of the
Securities Exchange Act of 1934 (“Act”),
and Rule 19b–4 thereunder, notice is hereby
given that on July 24, 2017, Bats EDGX Exchange, Inc. (the
“Exchange” or “EDGX”) 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 Exchange. The Exchange has
designated the proposed rule change as
one establishing or changing a member
due, fee, or other charge imposed by the
Exchange under Section 19(b)(3)(A)(ii)
of the Act and Rule 19b–4(f)(2)
thereunder, which renders the
proposed rule change 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 fee schedule applicable to
Members and non-Members of

16 The term “Member” is defined as “any
  registered broker or dealer that has been admitted
to membership in the Exchange.”  See Exchange
  Rule 1.3(a).
