

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 email to rule-comments@sec.gov. Please include File Number SR-BATS-2015-23 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-BATS-2015-23. 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 also will be available for inspection and copying at the principal offices 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-BATS-2015-23, and should be submitted on or before April 22, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁷

Brent J. Fields,

Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74594; File No. SR-BYX-2015-18]

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of BATS Y-Exchange, Inc.

March 26, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 17, 2015, BATS Y-Exchange, Inc. (the "Exchange" or "BYX") filed with the Securities and Exchange Commission ("SEC" or "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 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 Members⁵ and non-members of the Exchange pursuant to BYX Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

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

The Exchange proposes to amend its fee schedule in order to: (i) Adjust rebates for orders that yield fee code A; (ii) add new fee code RN; and (iii) add a clarifying statement regarding fee codes applicable to certain orders routed to NYSE Arca, Inc. ("NYSE Arca").

Fee Code A

In securities priced at or above \$1.00, the Exchange currently provides a rebate of \$0.0015 per share for Members' orders that yield fee code A, which routes to Nasdaq Stock Market LLC ("Nasdaq") and adds liquidity. The Exchange proposes to amend its Fee Schedule to decrease this rebate to \$0.0004 per share for Members' orders that yield fee code A. The proposed change represents a pass through of the lowest possible rebate that BATS Trading, Inc. ("BATS Trading"), the Exchange's affiliated routing broker-dealer, receives for adding liquidity on Nasdaq. When BATS Trading routes and adds liquidity to Nasdaq, it is rebated a standard rate of \$0.0004 per share for orders in select symbols ("Nasdaq's Select Symbol Program"). When BATS Trading routes to Nasdaq in other symbols, it is rebated a standard rate of \$0.0015 per share. Further, BATS Trading might qualify for tiered pricing that would increase the amount of the rebate received. However, due to billing system limitations that do not allow for separate rates on a security by security basis and in order to maintain a simple to understand fee schedule, the Exchange will provide a rebate of \$0.0004 per share for executions in all

¹⁷ 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)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

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).

Tapes A, B & C securities routed to Nasdaq that yield fee code A.

The Exchange notes that the proposed change is in response to Nasdaq's January 2015 fee change where Nasdaq decreased the rebate it provides its customers, such as BATS Trading, for orders in symbols included in Nasdaq's Select Symbol Program from a rebate of \$0.0015 per share to a rebate of \$0.0004 per share.⁶

Fee Code RN

The Exchange proposes to adopt new fee code RN, which would be applied to orders routed to Nasdaq using the ROOC routing strategy that add liquidity. Orders that yield fee code RN will receive a rebate of \$0.0015 per share. The ROOC Routing strategy routes orders to participate in the opening, re-opening (following a halt, suspension, or pause), or closing process of a primary listing market if received before the opening/re-opening/closing time of such market. In turn, an order that has been sent to participate in an opening or closing process may add liquidity prior to the commencement of such process. Proposed fee code RN represents a pass through of the standard rebate that BATS Trading, the Exchange's affiliated routing broker-dealer, is rebated for added liquidity on Nasdaq in securities not included in Nasdaq's Select Symbol Program (presuming it does not qualify for a volume tiered rebate). When BATS Trading routes to Nasdaq using the ROOC routing strategy and an order adds liquidity, BATS Trading receives a standard rebate of \$0.0015 per share for securities that are not included in Nasdaq's Select Symbol Program. As noted above, due to billing system limitations that do not allow for separate rates on a security by security basis and in order to maintain a simple to understand fee schedule, the Exchange will pass through the rebate of \$0.0015 per share for executions in all Tapes A, B & C securities routed to Nasdaq that yield fee code RN. The Exchange notes that fee code A above will continue to be applied to all orders routed to Nasdaq not utilizing the ROOC routing strategy that add liquidity.

Orders routed via ROOC that add liquidity at Nasdaq have previously yielded fee code A, and thus, have received a rebate of \$0.0015 per share. The Exchange has proposed to add fee code RN to maintain the applicable pricing (*i.e.*, a rebate of \$0.0015 per share) for orders that are routed via ROOC and add liquidity at Nasdaq. The

Exchange notes that it has proposed to pass on the standard rebate for executions that yield fee code RN even though the Exchange will receive a lower rebate per share, \$0.0004 per share, for executions of securities that are included in Nasdaq's Select Symbol Program.

NYSE and NYSE MKT Rule 49

The Exchange proposes to add a bullet under the General Notes section of the Fee Schedule to describe the rates that would apply where the New York Stock Exchange, Inc. ("NYSE") or NYSE MKT LLC ("NYSE MKT") declare an emergency condition under their Rule 49. Under NYSE and NYSE MKT Rule 49, the NYSE or NYSE MKT may invoke their emergency powers during an emergency condition and designate NYSE Arca as their backup facility to receive and process bids and offers and to execute orders on behalf of the NYSE or NYSE MKT. In such case, the Exchange will route any order that was intended to be routed to the NYSE or NYSE MKT to NYSE Arca and the Exchange's System will identify such trades as being executed on NYSE Arca, not the NYSE or NYSE MKT. Because the executions occurred on NYSE Arca, NYSE Arca will charge BATS Trading their applicable fee or rebate, and BATS Trading will pass through that fee or rebate to the Exchange who would, in turn, pass that rate along to its Members. Therefore, the Exchange proposes to add a bullet to its Fee Schedule stating that fee codes applicable to orders routed to NYSE Arca will be applied to orders routed to the NYSE or NYSE MKT where, pursuant to NYSE and NYSE MKT Rule 49, the NYSE or NYSE MKT have designated NYSE Arca as their backup facility to receive and process bids and offers and to execute orders on behalf of the NYSE or NYSE MKT.

Implementation Date

The Exchange proposes to implement the amendments to its fee schedule effective immediately.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6 of the Act.⁷ Specifically, the Exchange believes that the proposed rule change is consistent with Sections 6(b)(4) of the Act and 6(b)(5) of the Act,⁸ in that it provides for

the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls. 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 levels at a particular venue to be excessive. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

Fee Code A

The Exchange believes that its proposal to decrease the pass through rebate for Members' orders that yield fee code A from \$0.0015 to \$0.0004 per share represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities. Prior to the changes related to the Nasdaq Select Symbol Program, Nasdaq provided BATS Trading a rebate of \$0.0015 per share for orders that added liquidity, which BATS Trading passed through to the Exchange and the Exchange passed through to its Members pursuant to fee code A. In January 2015, Nasdaq decreased the standard rebate it provides its customers, such as BATS Trading, from a rebate of \$0.0015 per share to a rebate of \$0.0004 per share for orders that add liquidity on Nasdaq in symbols included in its Select Symbol Program.⁹ Therefore, the Exchange believes that the proposed change in fee code A from a rebate of \$0.0015 per share to a rebate of \$0.0004 per share is equitable and reasonable because it accounts for the pricing changes on Nasdaq and is necessary due to billing system limitations and to maintain a simple to understand fee schedule. The Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

Fee Code RN

The Exchange believes its proposal to adopt new fee code RN, which would be applied to orders routed to Nasdaq using the ROOC routing strategy that add liquidity, represents an equitable allocation of reasonable dues, fees, and other charges among Members and other

⁶ See Securities Exchange Act Release No. 73967 (December 30, 2014), 80 FR 594 (January 6, 2015) (SR-Nasdaq-2014-128).

⁷ 15 U.S.C. 78f.

⁸ 15 U.S.C. 78f(b)(4) and (5).

⁹ See *supra* note 6.

persons using its facilities because the Exchange does not levy additional fees or offer additional rebates for orders that it routes to Nasdaq through BATS Trading using the ROOC routing strategy. Proposed fee code RN represents a pass through of the standard rebate that BATS Trading, the Exchange's affiliated routing broker-dealer, receives for adding liquidity to Nasdaq in securities not included in Nasdaq's Select Symbol Program (presuming BATS Trading does not qualify for a volume tiered rebate). The Exchange believes the proposal to provide proposed fee code RN a rebate of \$0.0015 per share is equitable and reasonable because it accounts for pricing on Nasdaq in securities not subject to the Select Symbol Program and it allows the Exchange to continue to provide its Members a pass-through rebate of \$0.0015 per share for orders that are routed to Nasdaq using the ROOC routing strategy. The Exchange notes that it has proposed to pass on the standard rebate of \$0.0015 for executions that yield fee code RN even though the Exchange will receive a lower rebate per share, \$0.0004 per share, for executions of securities that are included in Nasdaq's Select Symbol Program. The Exchange believes that the proposed fee structure is equitable and reasonable because it does not represent a change from the current pricing applicable to orders sent through such strategy that add liquidity at Nasdaq and because orders that use the ROOC routing strategy could only add liquidity at Nasdaq immediately prior to the opening or closing processes rather than throughout the day. The Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

NYSE and NYSE MKT Rule 49

The Exchange believes that adding a bullet under the General Notes section of the Fee Schedule to describe the rates that would apply where the NYSE or NYSE MKT declare an emergency condition under their Rule 49 is reasonable because it is designed to provide greater transparency to Members by describing which rates would apply in such circumstances. In the case when NYSE or NYSE MKT invoke their Rule 49, the Exchange will route any order that was intended for the NYSE or NYSE MKT to NYSE Arca and the Exchange's System will identify such trades as being executed on NYSE Arca, not the NYSE or NYSE MKT. Because the executions occurred on NYSE Arca, NYSE Arca will charge

their applicable fee or rebate. The proposed bullet is intended to make clear within the Fee Schedule which rate would apply where the NYSE or NYSE MKT invoke their emergency powers under their Rule 49, thereby eliminating potential investor confusion, 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. The Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

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

As further described below, the Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange does not believe that the proposed changes represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Additionally, Members may opt to disfavor the Exchange's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets.

Fee Code A

The Exchange also believes that its proposal to amend the pricing for orders routed to Nasdaq would enhance the Exchange's ability to compete because the change is designed to insure that it is not providing a greater rebate than is being provided to BATS Trading by Nasdaq for an execution. The Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members.

Fee Code RN

The Exchange believes that its proposal to add fee code RN for orders that route to Nasdaq using the ROOC routing strategy and pass through a rebate of \$0.0015 per share to Members would increase intermarket competition because it offers customers an alternative means to route orders to Nasdaq to participate in their opening, re-opening or closing process for a similar rate as entering orders in certain symbols on Nasdaq directly. The

Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members.

NYSE and NYSE MKT Rule 49

The Exchange believes that adding a bullet under the General Notes section of the Fee Schedule to describe which rates that would apply where the NYSE or NYSE MKT declare an emergency condition under their Rule 49 would not affect intermarket nor intramarket competition because none of these changes are designed to amend any rebate or alter the manner in which the Exchange calculates rebates. This change is not designed to have a competitive impact. Rather, it is intended to make clear to Members and investors within the Fee Schedule which rate would apply where the NYSE or NYSE MKT invoke their emergency powers under their Rule 49, thereby eliminating potential investor confusion.

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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁰ and paragraph (f) of Rule 19b-4 thereunder.¹¹ 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 proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b-4(f).

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-BYX-2015-18 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-BYX-2015-18. 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 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-BYX-2015-18, and should be submitted on or before April 22, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹²

Brent J. Fields,
Secretary.

[FR Doc. 2015-07368 Filed 3-31-15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-74591; File No. SR-CME-2015-010]

**Self-Regulatory Organizations;
Chicago Mercantile Exchange Inc.;
Notice of Filing and Immediate
Effectiveness of Proposed Rules
Change To Amend Listing Rules for
New CDX Indexes Available for
Clearing**

March 26, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act" or "Exchange Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on March 23, 2015, Chicago Mercantile Exchange Inc. ("CME") 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 primarily by CME. CME filed the proposal pursuant to Section 19(b)(3)(A)(ii)³ of the Act, and Rule 19b-4(f)(2)⁴ thereunder, so that the proposal was 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**

CME is filing a proposed rule change that is limited to its business as a derivatives clearing organization. More specifically, the proposed rule change would make amendments to its rules regarding the listing of new CDS indexes available for clearing.

**II. Self-Regulatory Organization's
Statement of the Purpose of, and
Statutory Basis for, the Proposed Rule
Change**

In its filing with the Commission, CME included statements concerning the purpose 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. CME has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

*A. Self-Regulatory Organization's
Statement of the Purpose of, and
Statutory Basis for, the Proposed Rule
Change*

CME is registered as a derivatives clearing organization with the Commodity Futures Trading Commission ("CFTC") and currently offers clearing services for many different futures and swaps products. With this filing, CME proposes to make rulebook changes that are limited to its business clearing futures and swaps under the exclusive jurisdiction of the CFTC. More specifically, the proposed changes would make amendments to its rules regarding the listing of new CDS indexes available for clearing.

CME offers clearing for CDX North American Investment Grade (Series 8-24) and CDX North American High Yield (14-24) Index Contracts. Further, CME plans to clear all future on-the-run series of the respective indices on a going forward basis. The proposed amendments would permit CME to maintain a list on its Web site of each index that a cleared CDX Index Untranch CDS Contract may reference, in lieu of maintaining such list in Appendix 1 to Rule 802, as it currently does. CME currently maintains on its Web site a similar list for iTraxx Europe Index Untranch CDS Contracts; the amendments proposed hereby would simply conform CME's practice for maintaining the list of indices for CDX Index Untranch CDS Contracts to CME's existing practice for maintaining the list of indices for iTraxx Europe Index Untranch CDS Contracts. The proposed amendments would affect CME Rules 80202.A.B. and 80202.B. and Appendix 1 of Rule 802.

The proposed rule change that is described in this filing is limited to its business as a derivatives clearing organization clearing products under the exclusive jurisdiction of the Commodity Futures Trading Commission ("CFTC"). CME has not cleared security based swaps and does not plan to and therefore the proposed rule change does not impact CME's security-based swap clearing business in any way. The proposed rule change would become effective immediately. CME notes that it has also submitted the proposed rule change that is the subject of this filing to its primary regulator, the CFTC, in CME Submission 14-095.

CME believes the proposed rule change is consistent with the requirements of the Exchange Act including Section 17A of the Exchange

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

¹² 17 CFR 200.30-3(a)(12).