

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-59516; File No. SR-BATS-2009-007]

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

March 5, 2009.

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 March 2, 2009, BATS Exchange, Inc. ("BATS" or the "Exchange") 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. BATS 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 proposes to modify its fee schedule applicable to use of the Exchange effective March 2, 2009.

The text of the proposed rule change is available at the Exchange's Web site at <http://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 modify its fee schedule applicable to use of the Exchange effective March 2, 2009, in order to: (i) Reduce the rebate provided to Members who add liquidity to the Exchange in Tape B securities from \$0.0030 per share to \$0.0028 per share; (ii) simplify the pricing for adding and removing non-displayed liquidity, as described in further detail below, by imposing standard fees and providing standard rebates rather than variable pricing based on trade size; and (iii) making modifications to certain of the Exchange's non-standard routing charges.

(i) Reduction of Tape B Rebate

The Exchange proposes to reduce the rebate provided to Members who add liquidity to the Exchange in Tape B securities from \$0.0030 per share to \$0.0028 per share. The Exchange believes that this proposed fee change is consistent with its long-term goal of providing access to the Exchange at competitive rates that do not expose the Exchange to significant losses or capital outlays. In addition, a \$0.0028 per share rebate is consistent with the rebate for adding liquidity in Tape A and Tape C securities currently provided by the NASDAQ Stock Market LLC ("NASDAQ") to NASDAQ members who are in the top volume tier for purposes of the NASDAQ fee schedule.⁵ The Exchange also proposes to add to its fee schedule a descriptive chart that depicts the standard fees charged and rebates provided for executions on the Exchange in Tape A, B, and C securities.

(ii) Pricing for Non-Displayed Order Types

The Exchange currently charges fees for removing non-displayed liquidity and provides rebates for adding non-displayed liquidity⁶ based on a pricing chart that varies depending on the size of the transaction (this pricing is referred to by the Exchange as "Dark Match" pricing on the current fee schedule). The Exchange proposes to simplify this pricing structure by: (i) Imposing a fee of \$0.0025 per share for all orders that remove non-displayed

liquidity, thus establishing a single rate for removal of any liquidity, and (ii) providing a rebate of \$0.0020 per share for all orders that add non-displayed liquidity. These are the same rates as the Exchange charges and rebates today for trades with a size between 1 and 500 shares. The Exchange believes that standardizing the Dark Match pricing structure will benefit both the Exchange and Members of the Exchange by alleviating confusion related to the Exchange's fees and rebates. In addition, the Exchange believes that the standard fee and rebate rates it proposes are reasonable.

(iii) Changes to Non-Standard Routing Charges

As described below, the Exchange also proposes certain changes to non-standard routing charges, in part, to account for changes made by other market centers. First, the Exchange proposes to simplify the routing charges applicable to Destination Specific Orders sent to all market centers that display Protected Quotations⁷ other than the NYSE (each a "Protected Market Center"), by imposing a standard \$0.0029 charge per share for all such orders. This change will make clear that all Destination Specific Orders routed to Protected Market Centers will be charged the same fee without reference to any exceptions, other than the exception for Destination Specific Orders routed to NYSE. The Exchange believes that more consistency for routing fees is preferable to a complicated fee structure with multiple varying rates. This change will result in an increase to the fee charged for Destination Specific Orders routed to NYSE Arca Equities ("NYSE Arca"), from \$0.0028 per share to \$0.0029 per share. This change is due to recently announced increases to the fees charged by NYSE Arca.⁸ Second, the Exchange proposes to increase the fee for Destination Specific Orders sent to NYSE from \$0.0009 per share to \$0.0019 per share. This change is due to recently announced increases to the fees charged by NYSE.⁹ The Exchange also proposes to delete a reference to Destination Specific Orders for ETFs sent to NYSE, because this distinction is no longer relevant; all Destination Specific Orders sent to NYSE will be charged a fee of \$0.0019 per share. Third, the Exchange proposes to reduce the fee charged for routing of Directed ISO's from \$0.0035

⁵ See NASDAQ Rule 7018(a)(1) and (2).

⁶ Non-displayed order types subject to this pricing include all Pegged Orders, Mid-Point Peg Orders, and Non-Displayed Orders, which order types are described in BATS Rule 11.9. Reserve Orders and Discretionary Orders are not subject to this pricing.

⁷ As defined in BATS Rule 1.5(s).

⁸ In a joint notice distributed by email, NYSE and NYSE Arca notified their members of fee changes that are anticipated to become effective on March 1, 2009.

⁹ See *supra* note 7.

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).

per share to \$0.0033 per share. The Exchange is reducing its fee for such orders to encourage use of the Exchange's Directed ISO order types.

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.¹⁰ Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) of the Act,¹¹ 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 its fees and credits are competitive with those charged by other venues and that the various changes it has proposed to simplify its fee schedule will benefit both the Exchange and Members of the Exchange. For those proposed changes that will result in increased fees charged to Members or lower rebates received by Members, such as the reduction of the rebate in Tape B securities, the Exchange believes that any additional revenue it receives will allow the Exchange to devote additional capital to its operations, which may, in turn, benefit Members of the Exchange. Finally, the Exchange believes that the proposed rates are equitable in that they apply uniformly to all Members.

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

The Exchange does not believe that the proposed rule change imposes any burden on competition.

(C) Self-Regulatory Organization's Statement on Comments Regarding the Proposed Rule Change Received From Members, Participants or Others

No written comments were solicited or received.

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

The foregoing proposed rule change has been designated as a fee change pursuant to Section 19(b)(3)(A)(ii) of the

Act¹² and Rule 19b-4(f)(2) thereunder,¹³ because it establishes or changes a due, fee or other charge imposed on members by the Exchange. Accordingly, the proposal is effective upon filing with the Commission.

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate 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 e-mail to rule-comments@sec.gov. Please include File No. SR-BATS-2009-007 on the subject line.

Paper Comments

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549-1090.

All submissions should refer to File No. SR-BATS-2009-007. This file number should be included on the subject line if e-mail 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 changes 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 inspection and copying 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 office of BATS. 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 No. SR-BATS-2009-007 and should be submitted on or before April 1, 2009.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Florence E. Harmon,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-59496; File No. SR-BSECC-2009-01]

Self-Regulatory Organizations; Boston Stock Exchange Clearing Corporation; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend the Certificate of Incorporation of The NASDAQ OMX Group, Inc.

March 3, 2009.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on February 17, 2009, Boston Stock Exchange Clearing Corporation ("BSECC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change described in Items I, II, and III below, which items have been prepared primarily by BSECC. BSECC filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act² and Rule 19b-4(f)(3) thereunder³ 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 parties.

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

BSECC is filing this proposed rule change with regard to proposed changes to the Restated Certificate of Incorporation ("Certificate") of its parent corporation, The NASDAQ OMX Group, Inc. ("NASDAQ OMX"). The

¹⁴ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78s(b)(3)(A)(iii).

³ 17 CFR 240.19b-4(f)(3).

¹⁰ 15 U.S.C. 78f.

¹¹ 15 U.S.C. 78f(b)(4).

¹² 15 U.S.C. 78s(b)(3)(A)(ii).

¹³ 17 CFR 240.19b-4(f)(6).