

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–80498; File No. SR–BatsBZX–2017–23]

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

April 20, 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 April 12, 2017, Bats BZX Exchange, Inc. (the "Exchange" or "BZX") 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 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 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.

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 for its equity options platform ("BZX Options") to: (i) Decrease the standard rebate provided by fee code PM; (ii) modify select tiers under footnotes 4, 6, 8, 9, and 10; and (iii) eliminate certain tiers under footnotes 1, 3, and 12.

Decrease the Standard Rebate Provided by Fee Code PM

Currently, fee code PM sets forth the standard rebate of \$0.35 per contract for Market Maker⁶ orders that add liquidity on the Exchange in Penny-Pilot securities. The Exchange now proposes to reduce this standard rebate to \$0.31 per contract. The Exchange also proposes to update the Standard Rates table accordingly to reflect new rebate.

NBBO Setter Tiers 1 Through 4 Under Footnote 4

The Exchange currently offers five NBBO Setter Tiers under footnote 4, which provide an additional rebate per contract ranging from \$0.02 to \$0.05 for qualifying Non-Customer⁷ orders that add liquidity and establish a new National Best Bid or Offer ("NBBO") and yield fee code PF, PM or PN. The Exchange now proposes to modify the required criteria and rebates of tiers 1 through 5.

- Under Tier 1, a Member may currently receive an additional rebate of \$0.02 per share where they have an ADV⁸ greater than or equal to 0.40% of average OCV.⁹ As amended, a Member

⁶ "Market Maker" applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is registered with the Exchange as a Market Maker as defined in Rule 16.1(a)(37). See the Exchange's fee schedule available at http://www.bats.com/us/options/membership/fee_schedule/bzx/.

⁷ "Non-Customer" applies to any transaction identified by a Member for clearing which is not in the Customer range at the OCC, excluding any transaction for a Broker Dealer or a "Professional" as defined in Exchange Rule 16.1. *Id.*

⁸ "ADV" means average daily volume calculated as the number of contracts added or removed, combined, per day. See the Exchange's fee schedule available at http://www.bats.com/us/options/membership/fee_schedule/bzx/.

⁹ "OCV" means the total equity and ETF options volume that clears in the Customer range at the Options Clearing Corporation ("OCC") for the

may receive an additional rebate of \$0.01 per share where they have an: (i) ADAV¹⁰ in Non-Customer orders greater than or equal to 0.20% of average OCV; and (ii) an ADAV in Firm,¹¹ Market Maker¹² and Away Market Maker¹³ orders that establish a new NBBO greater than or equal to 0.05% of average OCV.

- Under Tier 2, a Member may currently receive an additional rebate of \$0.04 per share where they have an ADV greater than or equal to 1.30% of average OCV. As amended a Member may receive an additional rebate of \$0.02 per share where they have an: (i) ADAV in Non-Customer orders greater than or equal to 0.40% of average OCV; and (ii) an ADAV in Firm, Market Maker, and Away Market Maker orders that establish a new NBBO greater than or equal to 0.05% of average OCV.

- Under Tier 3, a Member may currently receive an additional rebate of \$0.04 per share where they have an: (i) ADV greater than or equal to 0.50% of average OCV; and an ADAV in Away Market Maker, Firm, Broker Dealer,¹⁴ and Joint Back Office¹⁵ orders greater than or equal to 0.40% of average OCV. As amended a Member may receive an additional rebate of \$0.03 per share where they have an: (i) ADAV in Non-Customer orders greater than or equal to 0.50% of average OCV; and (ii) an ADAV in Firm, Market Maker and Away Market Maker orders that establish a

month for which the fees apply, excluding volume on any day that the Exchange experiences an Exchange System Disruption and on any day with a scheduled early market close. *Id.*

¹⁰ "ADAV" means average daily added volume calculated as the number of contracts added and "ADV" means average daily volume calculated as the number of contracts added or removed, combined, per day. *Id.*

¹¹ "Firm" applies to any transaction identified by a Member for clearing in the Firm range at the OCC, excluding any Joint Back Office transaction. *Id.*

¹² "Market Maker" applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is registered with the Exchange as a Market Maker as defined in Rule 16.1(a)(37). *Id.*

¹³ "Away Market Maker" applies to any transaction identified by a Member for clearing in the Market Maker range at the OCC, where such Member is not registered with the Exchange as a Market Maker, but is registered as a market maker on another options exchange. See the Exchange's fee schedule available at http://www.bats.com/us/options/membership/fee_schedule/bzx/.

¹⁴ "Broker Dealer" applies to any order for the account of a broker dealer, including a foreign broker dealer, that clears in the Customer range at the Options Clearing Corporation ("OCC"). *Id.*

¹⁵ "Joint Back Office" applies to any transaction identified by a Member for clearing in the Firm range at the OCC that is identified with an origin code as Joint Back Office. A Joint Back Office participant is a Member that maintains a Joint Back Office arrangement with a clearing broker-dealer. *Id.*

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).

new NBBO greater than or equal to 0.05% of average OCV.

- Under Tier 4, a Member may currently receive an additional rebate of \$0.03 per share where they have an ADAV in Market Maker orders greater than or equal to 0.50% of average OCV. As amended a Member may receive an additional rebate of \$0.04 per share where they have an: (i) ADAV in Non-Customer orders greater than or equal to 1.80% of average OCV; (ii) an ADAV in Non-Customer Non-Penny orders greater than or equal to 0.20% of average OCV; and (iii) an ADAV in Firm, Market Maker and Away Market Maker orders that establish a new NBBO greater than or equal to 0.05% of average OCV.

- Under Tier 5, a Member currently receives an additional rebate of \$0.05 per share where they have an ADAV in Non-Customer orders greater than or equal to 3.00% of average OCV. As amended a Member may receive an additional rebate of \$0.05 per share when they have an: (i) ADAV in Non-Customer orders greater than or equal to 3.00% of average OCV; and (ii) ADAV in Firm/Market Maker/Away MM orders that establish a new NBBO greater than or equal to 0.05% of average OCV.

Market Maker Penny Pilot Add Volume Tiers Under Footnote 6

The Exchange currently offers two Market Maker Penny Pilot Add Volume Tiers under footnote 6, which provide an enhanced rebate of \$0.40 and \$0.42 per contract for qualifying Market Maker orders which add liquidity in Penny Pilot securities¹⁶ and yield fee code PM. The Exchange now proposes to modify the required criteria and rebates of Tiers 1 and 2, and to add a new tier.

- Under Tier 1, a Member may currently receive an enhanced rebate of \$0.40 per share where they have an ADV greater than or equal to 0.40% of average OCV. As amended a Member may receive an enhanced rebate of \$0.35 per share where they have an ADAV in Market Maker orders greater than or equal to 0.05% of average OCV.

- Under the current Tier 2, a Member may receive an enhanced rebate of \$0.42 per share where they have an: (i) ADAV in Market Maker and/or Away Market Maker orders greater than or equal to 1.30% of average OCV; and (ii) an ADV greater than or equal to 2.60% of average OCV. As amended Tier 2 will be renamed Tier 3, and a Member may receive an enhanced rebate of \$0.42 per share where they have an: (i) ADAV in Market Maker orders greater than or

equal to 1.30% of average OCV; and (ii) an ADV greater than or equal to 2.60% of average OCV.

- Under the newly proposed Tier 2, a Member may receive an enhanced rebate of \$0.40 per share where they have an ADAV in Market Maker orders greater than or equal to 0.15% or average OCV.

Firm, Broker Dealer, and Joint Back Office Non-Penny Pilot Add Volume Tier 3 Under Footnote 8

The Exchange currently offers three Firm, Broker Dealer, and Joint Back Office Non-Penny Pilot Add Volume Tiers under footnote 8, which provide an enhanced rebate ranging from \$0.45 to \$0.82 per contract for qualifying Firm, Broker Dealer, and Joint Back Office orders which add liquidity in Non-Penny Pilot securities and yield fee code NF. The Exchange now proposes to add a third prong to the criteria required to achieve Tier 3. Under Tier 3, a Member may currently receive an enhanced rebate of \$0.82 per share where (i) they have an ADV greater than or equal to 2.30% of average OCV; and (ii) an ADAV in Away Market Maker, Firm, Broker Dealer, and Joint Back Office orders greater than or equal to 1.65% of average OCV. As amended the Exchange proposes to add a third prong to the criteria requiring that a Member also have a ADAV in Non-Customer Non-Penny Pilot orders greater than or equal to 0.20% of average OCV. The Exchange does not propose to amend the rebate provided under Tier 3.

Away Market Maker Penny Pilot Add Volume Tier 2 Under Footnote 10

The Exchange currently offers three Away Market Maker Penny Pilot Add Volume Tiers under footnote 10, which provide an enhanced rebate ranging from \$0.40 to \$0.46 per contract for qualifying Away Market Maker orders which add liquidity in Penny Pilot securities and yield fee code PN. The Exchange now proposes to add a third prong to the criteria required to achieve Tier 2 to lower the rebate from \$0.46 per contract to \$0.45 per contract. Under Tier 2, a Member will now receive an enhanced rebate of \$0.45 per share where they have an: (i) ADAV in Away Market Maker, Firm, Broker Dealer and Joint Back Office orders greater than or equal to 1.05% of average OCV; and (ii) ADV greater than or equal to 1.95% of average OCV; and (iii) ADAV in Non-Customer Non-Penny Pilot Securities greater than or equal to 0.20% of average OCV.

Professional Penny Pilot Add Volume Tier 1 Under Footnote 9

The Exchange currently offers four Professional¹⁷ Penny Pilot Add Volume Tiers under footnote 9, which provide an enhanced rebate ranging from \$0.42 to \$0.48 per contract for qualifying Professional orders which add liquidity in Penny Pilot securities and yield fee code PA. The Exchange now proposes to increase the criteria required to achieve Tier 1. Under Tier 1, a Member may currently receive an enhanced rebate of \$0.42 per share where they have an ADAV in Customer¹⁸ and Professional orders greater than or equal to 0.15% of average OCV. As amended, a Member may continue to receive an enhanced rebate of \$0.42 per share where they satisfy the amended criteria by having an ADAV in Customer and Professional orders greater than or equal to 0.20% of average OCV.

Eliminate the Customer Step-Up Volume Tier and the Step-Up Tier Under Footnote 1

The Exchange currently offers nine Customer Penny Pilot Add Volume Tiers under footnote 1, which provide an enhanced rebate ranging from \$0.40 to \$0.53 per contract for qualifying Customer orders which add liquidity in Penny Pilot securities and yield fee code PY. The Exchange now proposes to eliminate the Customer Step-Up Volume Tier under footnote 1, which provides a rebate of \$0.53 per share for Members that have an Options Step-Up Add OCV¹⁹ in Customer orders from September 2015 baseline greater than or equal to 0.45%. The Exchange additionally proposes to eliminate the Step-Up Tier under footnote 1, which provides an additional rebate of \$0.02 per share to orders that yield fee code PY or those that qualify for the remaining Customer Penny Pilot Add Tiers where the Member has an Options Step-Up Add OCV in Customer orders from an October 2016 baseline greater than or equal to 0.45%.

¹⁷ "Professional" applies to any transaction identified by a Member as such pursuant to Exchange Rule 16.1. *Id.*

¹⁸ "Customer" applies to any transaction identified by a Member for clearing in the Customer range at the OCC, excluding any transaction for a Broker Dealer or a "Professional" as defined in Exchange Rule 16.1. *Id.*

¹⁹ "Options Step-Up Add OCV" means ADAV as a percentage of OCV in the relevant baseline month subtracted from current ADAV as a percentage of OCV. See the Exchange's fee schedule available at http://www.bats.com/us/options/membership/fee_schedule/bzx/.

¹⁶ "Penny Pilot Securities" are those issues quoted pursuant to Exchange Rule 21.5, Interpretation and Policy .01. *Id.*

Eliminate the Step-Up Tier Under Footnote 3

The Exchange currently offers four Non-Customer Penny Pilot Take Volume Tiers under footnote 3, which provide a reduced fee ranging from \$0.44 to \$0.47 per contract for qualifying Non-Customer orders which remove liquidity in Penny Pilot securities and yield fee code PP. The Exchange now proposes to eliminate the Step-Up Tier under footnote 3, which provides a reduced fee of \$0.47 per contract for Members that have an Options Step-Up Add OCV in Customer orders from an October 2016 baseline greater than or equal to 0.45%.

Eliminate the Step-Up Tier Under Footnote 12

The Exchange currently offers three Customer Non-Penny Pilot Add Volume Tiers under footnote 12, which provide an enhanced rebate per contract ranging from \$1.00 to \$1.05 for Customer orders which add liquidity in Non-Penny Pilot securities and yield fee code NY. The Exchange now proposes to eliminate the Step-Up Tier under footnote 12, which provides a rebate of \$1.00 per share for Members that have an Options Step-Up Add OCV in Customer orders from an October 2016 baseline greater than or equal to 0.45%.

Implementation Date

The Exchange proposes to implement these amendments to its fee schedule immediately.²⁰

2. Statutory Basis

The Exchange believes that the proposed rule changes are consistent with the objectives of Section 6 of the Act,²¹ in general, and furthers the objectives of Section 6(b)(4),²² 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. 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 reflect a competitive pricing structure designed

to incentivize market participants to direct their order flow to the Exchange.

Fee Codes PM

The Exchange believes that its proposal to reduce the rebate provided by fee code PM is fair and equitable and reasonable because such proposed rebates remain consistent with pricing previously offered by the Exchange as well as its competitors²³ and does not represent a significant departure from the Exchange's general pricing structure and will allow the Exchange to earn additional revenue that can be used to offset the addition of new pricing incentives. Specifically, the Exchange's proposal to lower the rebate to \$0.31 per contract for Market Maker orders which add liquidity in Penny Pilot securities under fee code PM remains lower than NYSE Arca LLC ("NYSE Arca"), which provides a standard rebate of \$0.28 per contract for similar orders. Lastly, the proposed change to fee code PM is not unfairly discriminatory because it will apply equally to all Members.

Modifications to the Volume Discount Tier Rebates and Required Criteria

The Exchange believes that the proposed modifications to the tiered pricing structure are reasonable, fair and equitable, and non-discriminatory. The Exchange operates in a highly competitive market in which market participants may readily send order flow to many competing venues if they deem fees at the Exchange to be excessive or incentives provided to be insufficient. The proposed structure remains intended to attract order flow to the Exchange by offering market participants a competitive pricing structure. The Exchange believes it is reasonable to offer and incrementally modify incentives intended to help to contribute to the growth of the Exchange.

Volume-based pricing such as that proposed herein have been widely adopted by exchanges, including the Exchange, and are equitable because they are open to all Members on an equal basis and provide additional benefits or discounts that are reasonably related to: (i) The value to an exchange's market quality; (ii) associated higher levels of market activity, such as higher levels of liquidity provisions and/or growth patterns; and (iii) introduction of higher volumes of orders into the price and volume discovery processes. Lastly, the proposed change to the tiered pricing structure are not unfairly

discriminatory because they will apply equally to all Members.

In particular, the proposed changes to footnotes 8, 9, and 10 intended to further incentivize Members to send increased order flow to the Exchange in an effort to qualify for the enhanced rebate made available by the tiers, in turn contributing to the growth of the Exchange. The enhanced rebate made available by the tiers, in turn contributing to the growth of the Exchange. [sic]

In addition, the proposed modifications to the Market Maker Penny Pilot Add Volume Tiers to require that Members attain an ADAV in Market Maker orders specifically, instead of requiring a general level of ADV or an ADAV that also includes Away Market Maker orders, reinforces the purpose of the volume tier—to incentivize Members to send Market Maker orders in Penny Pilot securities to the Exchange. The tier structure under footnote 6 has thus been adjusted accordingly to accommodate the newly proposed Tier 2 and renaming of current Tier 2 as Tier 3. Further, the Exchange believes the proposed rebates reasonably reflect the ascending difficulty of achieving the corresponding tier.

Furthermore, the proposed modifications to the NBBO Setter Tiers are consistent with the Act in that the proposed changes are designed to incentivize Members to contribute certain orders which establish a new NBBO to the Exchange in an effort to qualify for the enhanced rebate. By also requiring Members to achieve a certain ADAV in certain orders that establish a new NBBO, the proposed changes would further enhance the market quality of the Exchange by improving opportunities for price improvement. In particular, the proposed changes will further encourage orders at the NBBO, and is therefore directly focused on encouraging aggressively priced liquidity provision on BZX Options. The Exchange also believes the rebate associate with each tier is reasonable as they reflect the difficulty in achieving the corresponding tier. These incentives remain reasonably related to the value to the Exchange's market quality associated with higher levels of market activity, including liquidity provision and the introduction of higher volumes of orders into the price and volume discovery processes.

Lastly, the Exchange believes that eliminating the: (i) Customer Step-Up Volume Tier and the Step-Up Tier under footnote 1; (ii) the Step-Up Tier under footnote 3; and (iii) the Step-Up Tier under footnote 12 is reasonable,

²⁰ The Exchange initially filed the proposed amendments to its fee schedule on March 31, 2017 (SR-BatsBZX-2017-20). On April 12, 2017, the Exchange withdrew SR-BatsBZX-2017-20 and then subsequently submitted this filing (SR-BatsBZX-2017-23).

²¹ 15 U.S.C. 78f.

²² 15 U.S.C. 78f(b)(4).

²³ See the NYSE Arca fee schedule available at https://www.nyse.com/publicdocs/nyse/markets/arca-options/NYSE_Arca_Options_Fee_Schedule.pdf.

fair, and equitable because the these tiers were not providing the desired result of incentivizing Members to increase their participation on the Exchange. As such, the Exchange also believes that the proposed elimination of these tiers would be non-discriminatory in that they currently apply equally to all Members and, upon elimination, would no longer be available to any Members. Further, their elimination will allow the Exchange to explore other pricing mechanisms in which it may enhance market quality for all Members.

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

The Exchange believes the proposed amendment to its fee schedule would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that the proposed change represents 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 change will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets. The Exchange does not believe that the proposed change to the Exchange's standard fees, rebates and tiered pricing structure burdens competition, but instead, enhances competition as it is intended to increase the competitiveness of the Exchange.

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 Act²⁴ and paragraph (f) of Rule 19b-4 thereunder.²⁵ 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:

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-2017-23 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549-1090. All submissions should refer to File Number SR-BatsBZX-2017-23. 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 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-2017-23 and should be submitted on or before May 17, 2017.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁶

Eduardo A. Aleman,
Assistant Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80496; File No. SR-NYSEArca-2017-42]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending Rule 6.87

April 20, 2017.

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 April 17, 2017, NYSE Arca, Inc. (the "Exchange" or "NYSE Arca") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II 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 6.87 (Nullification and Adjustment of Options Transactions including Obvious Errors). 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.

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

²⁴ 15 U.S.C. 78s(b)(3)(A).

²⁵ 17 CFR 240.19b-4(f).

²⁶ 17 CFR 200.30-3(a)(12).