

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 13	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2010 - * 019 Amendment No. (req. for Amendments *)
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Proposed Rule Change by BATS Exchange
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>			<input checked="" type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
Date Expires * <input type="text"/>			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).
Proposal to designate 75 options classes to be added to the Penny Pilot Program for Options on August 2, 2010.

Contact Information
Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name * Anders Last Name * Franzon
Title * VP, Associate General Counsel
E-mail * afranzone@batstrading.com
Telephone * (913) 815-7154 Fax (913) 815-7119

Signature
Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date 07/26/2010
By Anders Franzon (Name *) VP, Associate General Counsel (Title *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Anders Franzon,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information (required)

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change (required)

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act” or the “Exchange Act”),¹ and Rule 19b-4 thereunder,² BATS Exchange, Inc. (the “Exchange” or “BATS”) is filing with the Securities and Exchange Commission (“Commission”) a proposal for the BATS Exchange Options Market (“BATS Options”) to designate seventy-five options classes to be added to the Penny Pilot Program (“Penny Pilot”) on August 2, 2010.

(a) The Exchange is not proposing to amend any rule text, but simply administering or enforcing an existing rule.³

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors of the Exchange on November 10, 2009. Exchange staff will advise the BATS Exchange Board of Directors of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.

Questions regarding this rule filing may be directed to Eric Swanson, Senior Vice President and General Counsel of the Exchange at (913) 815-7000.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Rule 21.5 regarding the Penny Pilot.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change.

(a) Purpose

The purpose of this filing is to identify the next seventy-five options classes to be added to the Penny Pilot effective August 2, 2010. In the Exchange’s filing to adopt rules to govern BATS Options,⁴ the Exchange proposed commencing operations for BATS Options by trading all options classes that were, as of such date, traded by other options exchanges pursuant to the Penny Pilot and then expanding the Penny Pilot on a quarterly basis, 75 classes at a time, through August 2010. Each such quarterly expansion would be of the seventy-five most actively traded multiply listed options classes based on the national average daily volume (“ADV”) for the six months prior to selection, closing under \$200 per share on the Expiration Friday prior to expansion, except that the month immediately preceding the addition of options to the Penny Pilot would not be used for the purpose of the six month analysis. Index option products would be included in the quarterly expansions if the underlying index levels were under 200.

The Exchange is identifying, in the chart below, seventy-five options classes that it will add to the Penny Pilot on August 2, 2010, based on ADVs for the six months ending June 30, 2010.

<u>Nat'l Ranking</u>	<u>Symbol</u>	<u>Security Name</u>	<u>Nat'l Rankin g</u>	<u>Symbol</u>	<u>Security Name</u>
199	MBI	MBIA Inc	316	CB	Chubb Corp
205	MA	Mastercard Inc	320	ADM	Archer-Daniels-Midland Co

⁴ See Securities Exchange Act Release No. 61097 (December 2, 2009), 74 FR 64788 (December 8, 2009) (SR-BATS-2009-031) (Notice of Filing of Proposed Rule Change to Establish Rules Governing the Trading of Options on the BATS Options Exchange).

224	ATPG	ATP Oil & Gas Corp/United States	322	HSY	Hershey Co/The
226	YUM	Yum! Brands Inc	323	TXT	Textron Inc
232	RCL	Royal Caribbean Cruises Ltd	324	GGP	General Growth Properties Inc
238	BPOP	Popular Inc	325	NOV	National Oilwell Varco Inc
248	EK	Eastman Kodak Co	326	TWX	Time Warner Inc
252	CNX	Consol Energy Inc	327	XOP	SPDR S&P Oil & Gas Exploration & Production ETF
260	DCTH	Delcath Systems Inc	328	MYL	Mylan Inc/PA
274	MTG	MGIC Investment Corp	329	TSO	Tesoro Corp
277	PXP	Plains Exploration & Production Co	330	CI	CIGNA Corp
278	GPS	Gap Inc/The	331	ESI	ITT Educational Services Inc
280	TSL	Trina Solar Ltd	332	NKE	NIKE Inc
282	EWV	iShares MSCI Mexico Investable Market Index Fund	335	FIS	Fidelity National Information Services Inc
283	CRM	Salesforce.com Inc	336	SUN	Sunoco Inc
286	SWN	Southwestern Energy Co	338	BBBY	Bed Bath & Beyond Inc
287	HBAN	Huntington Bancshares Inc/OH	340	APWR	A-Power Energy Generation Systems Ltd
288	EOG	EOG Resources Inc	341	FWLT	Foster Wheeler AG
290	APA	Apache Corp	342	LNC	Lincoln National Corp
291	VVUS	Vivus Inc	343	RSH	RadioShack Corp
292	JDSU	JDS Uniphase Corp	344	TYC	Tyco International Ltd
293	ACI	Arch Coal Inc	345	CL	Colgate-Palmolive Co
294	NE	Noble Corp	346	FXP	ProShares UltraShort FTSE/Xinhua China 25
296	BAX	Baxter International Inc	347	NTAP	NetApp Inc
297	ADSK	Autodesk Inc	348	SO	Southern Co
299	KRE	SPDR KBW Regional Banking ETF	349	PHM	Pulte Group Inc
300	XL	XL Group Plc	350	HOT	Starwood Hotels & Resorts Worldwide Inc
302	WLT	Walter Energy Inc	351	QLD	ProShares Ultra QQQ
303	IBN	ICICI Bank Ltd	352	VRSN	VeriSign Inc
305	EWY	iShares MSCI South Korea Index Fund	353	PCL	Plum Creek Timber Co Inc
306	WHR	Whirlpool Corp	354	NBR	Nabors Industries Ltd
307	BHI	Baker Hughes Inc	355	ESRX	Express Scripts Inc
308	KMP	Kinder Morgan Energy Partners LP	356	ACAS	American Capital Ltd
309	MRO	Marathon Oil Corp	357	XLNX	Xilinx Inc
310	AGO	Assured Guaranty Ltd	358	DO	Diamond Offshore Drilling Inc
311	GIS	General Mills Inc	359	CMA	Comerica Inc
312	ANR	Alpha Natural Resources Inc	360	KEY	KeyCorp
314	GENZ	Genzyme Corp			

(b) Statutory Basis

Approval of the rule change proposed in this submission 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(b) of the Act.⁵ In particular, the proposal is consistent with Section 6(b)(5) of the Act,⁶ because it would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, by identifying the options classes to be added to the Penny Pilot in a manner consistent with prior approvals and filings.

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

The proposed rule change does not impose any burden on competition.

5. 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.

6. Extension of Time Period for Commission Action

Not applicable.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Pursuant to Section 19(b)(3)(A)(i) of the Act⁷ and paragraph (f)(1) of Rule 19b-4 thereunder,⁸ the Exchange has designated this proposal as one constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.

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.

8. Proposed Rule Change Based on Rule of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Exhibits

Exhibit 1: Completed Notice of the Proposed Rule Change for publication in the Federal Register.

Exhibit 2 – 5: Not applicable.

⁷ 15 U.S.C. 78s(b)(3)(A)(i).

⁸ 17 CFR 240.19b-4(f)(1).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-BATS-2010-019)

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Add Seventy-Five Options Classes to the Penny Pilot Program.

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 26, 2010, BATS Exchange, Inc. (the “Exchange” or “BATS”) 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 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 is filing with the Commission a proposal for the BATS Exchange Options Market (“BATS Options”) to designate seventy-five options classes to be added to the Penny Pilot Program (“Penny Pilot”) on August 2, 2010. The Exchange is not proposing to amend any rule text, but simply administering or enforcing an existing rule.³

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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Rule 21.5 regarding the Penny Pilot.

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 purpose of this filing is to identify the next seventy-five options classes to be added to the Penny Pilot effective August 2, 2010. In the Exchange's filing to adopt rules to govern BATS Options,⁴ the Exchange proposed commencing operations for BATS Options by trading all options classes that were, as of such date, traded by other options exchanges pursuant to the Penny Pilot and then expanding the Penny Pilot on a quarterly basis, 75 classes at a time, through August 2010. Each such quarterly expansion would be of the seventy-five most actively traded multiply listed options classes based on the national average daily volume ("ADV") for the six months prior to selection, closing under \$200 per share on the Expiration Friday prior to expansion, except that the month immediately preceding the addition of options to the Penny Pilot would not be used for

⁴ See Securities Exchange Act Release No. 61097 (December 2, 2009), 74 FR 64788 (December 8, 2009) (SR-BATS-2009-031) (Notice of Filing of Proposed Rule Change to Establish Rules Governing the Trading of Options on the BATS Options Exchange).

the purpose of the six month analysis. Index option products would be included in the quarterly expansions if the underlying index levels were under 200.

The Exchange is identifying, in the chart below, seventy-five options classes that it will add to the Penny Pilot on August 2, 2010, based on ADVs for the six months ending June 30, 2010.

<u>Nat'l Ranking</u>	<u>Symbol</u>	<u>Security Name</u>	<u>Nat'l Rankin g</u>	<u>Symbol</u>	<u>Security Name</u>
199	MBI	MBIA Inc	316	CB	Chubb Corp
205	MA	Mastercard Inc	320	ADM	Archer-Daniels-Midland Co
224	ATPG	ATP Oil & Gas Corp/United States	322	HSY	Hershey Co/The
226	YUM	Yum! Brands Inc	323	TXT	Textron Inc
232	RCL	Royal Caribbean Cruises Ltd	324	GGP	General Growth Properties Inc
238	BPOP	Popular Inc	325	NOV	National Oilwell Varco Inc
248	EK	Eastman Kodak Co	326	TWX	Time Warner Inc
252	CNX	Consol Energy Inc	327	XOP	SPDR S&P Oil & Gas Exploration & Production ETF
260	DCTH	Delcath Systems Inc	328	MYL	Mylan Inc/PA
274	MTG	MGIC Investment Corp	329	TSO	Tesoro Corp
277	PXP	Plains Exploration & Production Co	330	CI	CIGNA Corp
278	GPS	Gap Inc/The	331	ESI	ITT Educational Services Inc
280	TSL	Trina Solar Ltd	332	NKE	NIKE Inc
282	EWV	iShares MSCI Mexico Investable Market Index Fund	335	FIS	Fidelity National Information Services Inc
283	CRM	Salesforce.com Inc	336	SUN	Sunoco Inc
286	SWN	Southwestern Energy Co	338	BBBY	Bed Bath & Beyond Inc
287	HBAN	Huntington Bancshares Inc/OH	340	APWR	A-Power Energy Generation Systems Ltd
288	EOG	EOG Resources Inc	341	FWLT	Foster Wheeler AG
290	APA	Apache Corp	342	LNC	Lincoln National Corp
291	VVUS	Vivus Inc	343	RSH	RadioShack Corp
292	JDSU	JDS Uniphase Corp	344	TYC	Tyco International Ltd
293	ACI	Arch Coal Inc	345	CL	Colgate-Palmolive Co
294	NE	Noble Corp	346	FXP	ProShares UltraShort FTSE/Xinhua China 25
296	BAX	Baxter International Inc	347	NTAP	NetApp Inc
297	ADSK	Autodesk Inc	348	SO	Southern Co
299	KRE	SPDR KBW Regional Banking ETF	349	PHM	Pulte Group Inc
300	XL	XL Group Plc	350	HOT	Starwood Hotels & Resorts

					Worldwide Inc
302	WLT	Walter Energy Inc	351	QLD	ProShares Ultra QQQ
303	IBN	ICICI Bank Ltd	352	VRSN	VeriSign Inc
305	EWY	iShares MSCI South Korea Index Fund	353	PCL	Plum Creek Timber Co Inc
306	WHR	Whirlpool Corp	354	NBR	Nabors Industries Ltd
307	BHI	Baker Hughes Inc	355	ESRX	Express Scripts Inc
308	KMP	Kinder Morgan Energy Partners LP	356	ACAS	American Capital Ltd
309	MRO	Marathon Oil Corp	357	XLNX	Xilinx Inc
310	AGO	Assured Guaranty Ltd	358	DO	Diamond Offshore Drilling Inc
311	GIS	General Mills Inc	359	CMA	Comerica Inc
312	ANR	Alpha Natural Resources Inc	360	KEY	KeyCorp
314	GENZ	Genzyme Corp			

2. Statutory Basis

The Exchange believes that its proposal 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(b) of the Act.⁵ In particular, the Exchange believes that the proposal is consistent with Section 6(b)(5) of the Act,⁶ because it would promote just and equitable principles of trade, remove impediments to, and perfect the mechanism of, a free and open market and a national market system, by identifying the options classes to be added to the Penny Pilot in a manner consistent with prior approvals and filings.

(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.

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

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(5).

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

Pursuant to Section 19(b)(3)(A)(i) of the Act⁷ and paragraph (f)(1) of Rule 19b-4 thereunder,⁸ the Exchange has designated this proposal as one constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.

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-2010-019 on the subject line.

Paper Comments:

⁷ 15 U.S.C. 78s(b)(3)(A)(i).

⁸ 17 CFR 240.19b-4(f)(1).

- 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-2010-019. 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 Web site viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549. 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 No. SR-BATS-2010-019 and should be submitted on or before [_____21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Florence E. Harmon
Deputy Secretary

⁹ 17 CFR 200.30-3(a)(12).