

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 15	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2016 - * 06 Amendment No. (req. for Amendments *)
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Filing by ISE Mercury, LLC
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"/>			Date Expires * <input type="text"/>		
			<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input checked="" 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)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
	Section 3C(b)(2) * <input type="checkbox"/>

Exhibit 2 Sent As Paper Document <input checked="" type="checkbox"/>	Exhibit 3 Sent As Paper Document <input checked="" type="checkbox"/>
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Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend the Schedule of Fees to count 100% of eligible traded volume preferred to a Market Maker towards that member's volume tiers.

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 action.

First Name * Adrian Last Name * Griffiths
 Title * Assistant General Counsel
 E-mail * agriffiths@ise.com
 Telephone * (212) 897-0367 Fax

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.

(Title *)
 Secretary and General Counsel

Date 03/10/2016
 By Michael Simon (Name *)

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.

Persona Not Validated - 1434392700842,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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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 *

Add Remove View

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice 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

Add Remove View

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

(a) ISE Mercury, LLC (the “Exchange” or “Mercury”) proposes to amend its Schedule of Fees to count 100% of eligible traded volume preferenced to a Market Maker towards that member’s volume tiers.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The Board of Directors of the Exchange approved this proposed rule change on February 26, 2016. This action constitutes the requisite approval under the Exchange’s Certificate of Formation, Operating Agreement, and Constitution.

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

(a) Purpose – On March 10, 2016, ISE Mercury filed a proposed rule change to introduce fee and rebate tiers for Market Maker¹ and Priority Customer² orders based on the average daily volume (“ADV”) that a member executes in Priority Customer orders.³ Pursuant to that proposed rule change, the Exchange will assess fees and rebates for Market Maker and Priority Customer orders based on five tiers of Total Affiliated Priority Customer ADV:⁴ 0 – 19,999 contracts (“Tier 1”), 20,000 – 39,999 contracts (“Tier 2”), 40,000 – 59,999 contracts (“Tier 3”), 60,000 – 79,999 contracts (“Tier 4”), and 80,000 or more contracts (“Tier 5”).⁵ As is the case on ISE Mercury’s affiliated exchanges – the International Securities Exchange, LLC (“ISE”) and ISE Gemini, LLC (“ISE Gemini”) – the Exchange’s ADV calculation will also include volume executed by

¹ The term Market Makers refers to “Competitive Market Makers” and “Primary Market Makers” collectively.

² A “Priority Customer” is a person or entity that is not a broker/dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s), as defined in ISE Mercury Rule 100(a)(37A).

³ See ISE Mercury-2016-05.

⁴ The Total Affiliated Priority Customer ADV category includes all Priority Customer volume executed on the Exchange in all symbols and order types, including volume executed in the PIM, Facilitation, and QCC mechanisms.

⁵ The highest tier threshold attained applies retroactively in a given month to all eligible traded contracts and applies to all eligible market participants.

Any day that the market is not open for the entire trading day or the Exchange instructs members in writing to route their orders to other markets may be excluded from the ADV calculation; provided that the Exchange will only remove the day for members that would have a lower ADV with the day included.

affiliated members. In particular, the Exchange will aggregate all eligible volume from affiliated members in determining applicable tiers, provided that there is at least 75% common ownership between the members as reflected on the member's Form BD, Schedule A. While this method of aggregating volume is beneficial to large firms with multiple affiliated members, the Exchange believes that it is important to give smaller firms the ability to compete for more favorable fees and rebates. The Exchange therefore proposes to adopt ADV tiers that are based on preferenced volume – i.e., volume directed to a specific Market Maker as provided in Supplementary Material .03 to Rule 713.⁶ In particular, the Exchange proposes to give Market Makers volume credit for 100% of eligible traded volume preferenced to that member,⁷ regardless of the actual allocation that the Market Maker receives. For example, assume Market Maker ABC is quoting at the national best bid or offer (“NBBO”) and receives a Preferred Order for 10 contracts from an unaffiliated firm for the account of a Priority Customer. If there are other Market Makers quoting at the NBBO, Market Maker ABC may receive an allocation of 4 contracts – i.e., 40% of the order. Rather than counting only the 4 contracts executed towards the Market Maker's volume total, the Exchange now proposes to give that Market Maker credit for the full 10 contracts preferenced to it. This is the same credit the member would receive if the 10 contracts were sent to the exchange by an affiliated member, and the Exchange believes that this will put smaller Market Makers on more equal footing with large firms that benefit from affiliated volume.

(b) Basis – The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,⁸ in general, and Section 6(b)(4) of the Act,⁹ in particular, in that 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 believes that the proposed fee change is reasonable and equitable as it provides an additional way for members to increase volume used to qualify for lower fees and higher rebates. The Exchange has adopted volume based fees and rebates in another proposed rule change filed with the Commission. While volume based fees and rebates based on affiliated volume benefit Market Makers that have affiliated order routers, the Exchange believes that smaller Market Makers that attract order flow from non-affiliated firms should similarly be able to compete for more favorable fees and rebates. Preferred Market Makers attract order flow by establishing appropriate relationships with one or more EAMs that send Preferred Orders to the Exchange. Although Preferred Market Makers may not be allocated the full volume orders preferenced to them, the Exchange believes that it is reasonable and equitable to give these Market Makers full credit for the volume of orders that they have attracted to ISE Mercury. This will put smaller Market

⁶ An Electronic Access Member (“EAM”) may designate a “Preferred Market Maker” on orders it enters into the System (“Preferred Orders”). Supplementary Material .03 to Rule 713 describes the Exchange's rules concerning Preferred Orders.

⁷ “Eligible volume” refers to volume that would otherwise count towards to applicable volume tier. In the case of ADV thresholds based on Total Affiliated Priority Customer ADV, as currently implemented on ISE Mercury, all Priority Customer volume would be “eligible.” See note 4 supra.

⁸ 15 U.S.C. 78f.

⁹ 15 U.S.C. 78f(b)(4).

Makers that are not affiliated with an order routing firm on more equal footing with large firms that benefit from affiliated volume today. In addition, the Exchange does not believe that it is unfairly discriminatory to provide this incentive specifically to Preferred Market Makers. As explained above, Preferred Market Makers attract order flow to the Exchange by establishing relationships with EAMs that direct Preferred Orders to them. Moreover, all Market Makers are eligible to become Preferred Market Makers provided that they meet the quoting obligations expected of such firms.¹⁰

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

In accordance with Section 6(b)(8) of the Act,¹¹ the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposed rule change will increase competition by allowing smaller Market Makers to compete for more favorable fees and rebates. As currently implemented, Market Makers that are affiliated with an order router are advantaged relative to other firms in achieving volume based fees and rebates. Although the Exchange continues to believe that counting volume across affiliated members is appropriate,¹² the Exchange also believes that Market Makers whose relationships attract Preference Orders should also receive similar benefits. As explained above, these Market Makers attract significant volume to the Exchange but currently only receive volume credit for a portion of that volume. The proposed rule change is designed to level the playing field between these members and their competitors that already benefit from affiliated volume. The Exchange operates in a highly competitive market in which market participants can readily direct their order flow to competing venues. For the reasons described above, the Exchange believes that the proposed fee change reflects this competitive environment.

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.

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

¹⁰ Preferred Competitive Market Makers have quoting obligations that mirror those for Primary Market Makers. See Supplementary Material .03(d) to Rule 713 and Rule 804(e)(2)(iii).

¹¹ 15 U.S.C. 78f(b)(8).

¹² See note 3 supra.

Pursuant to Section 19(b)(3)(A)(ii) of the Act,¹³ the Exchange has designated this proposal as establishing or changing a due, fee or other charge imposed on any person, whether or not the person is a member of a self-regulatory organization, which renders the proposed rule change effective upon filing.

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

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advanced Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Publication in the Federal Register.

Exhibit 5 – Text of the Proposed Rule Change.

¹³ 15 U.S.C. 78s(b)(3)(A)(ii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-ISE Mercury-2016-06)

[Date]

Self-Regulatory Organizations; ISE Mercury, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Schedule of Fees

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 10, 2016, ISE Mercury, LLC (the "Exchange" or "ISE Mercury") filed with the Securities and Exchange Commission the proposed rule change, as described in Items I, II, and III 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

ISE Mercury proposes to amend its Schedule of Fees to count 100% of eligible traded volume preferenced to a Market Maker towards that member's volume tiers. The text of the proposed rule change is available on the Exchange's Internet website at <http://www.ise.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

¹ 15 U.S.C. 78s(b)(1).

received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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

1. Purpose

On March 10, 2016, ISE Mercury filed a proposed rule change to introduce fee and rebate tiers for Market Maker³ and Priority Customer⁴ orders based on the average daily volume (“ADV”) that a member executes in Priority Customer orders.⁵ Pursuant to that proposed rule change, the Exchange will assess fees and rebates for Market Maker and Priority Customer orders based on five tiers of Total Affiliated Priority Customer ADV:⁶ 0 – 19,999 contracts (“Tier 1”), 20,000 – 39,999 contracts (“Tier 2”), 40,000 – 59,999 contracts (“Tier 3”), 60,000 – 79,999 contracts (“Tier 4”), and 80,000 or more contracts (“Tier 5”).⁷ As is the case on ISE Mercury’s affiliated exchanges – the

² 17 CFR 240.19b-4.

³ The term Market Makers refers to “Competitive Market Makers” and “Primary Market Makers” collectively.

⁴ A “Priority Customer” is a person or entity that is not a broker/dealer in securities, and does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s), as defined in ISE Mercury Rule 100(a)(37A).

⁵ See ISE Mercury-2016-05.

⁶ The Total Affiliated Priority Customer ADV category includes all Priority Customer volume executed on the Exchange in all symbols and order types, including volume executed in the PIM, Facilitation, and QCC mechanisms.

⁷ The highest tier threshold attained applies retroactively in a given month to all eligible traded contracts and applies to all eligible market participants.

Any day that the market is not open for the entire trading day or the Exchange instructs members in writing to route their orders to other markets may be excluded from the ADV

International Securities Exchange, LLC (“ISE”) and ISE Gemini, LLC (“ISE Gemini”) – the Exchange’s ADV calculation will also include volume executed by affiliated members. In particular, the Exchange will aggregate all eligible volume from affiliated members in determining applicable tiers, provided that there is at least 75% common ownership between the members as reflected on the member’s Form BD, Schedule A. While this method of aggregating volume is beneficial to large firms with multiple affiliated members, the Exchange believes that it is important to give smaller firms the ability to compete for more favorable fees and rebates. The Exchange therefore proposes to adopt ADV tiers that are based on preferred volume – i.e., volume directed to a specific Market Maker as provided in Supplementary Material .03 to Rule 713.⁸ In particular, the Exchange proposes to give Market Makers volume credit for 100% of eligible traded volume preferred to that member,⁹ regardless of the actual allocation that the Market Maker receives. For example, assume Market Maker ABC is quoting at the national best bid or offer (“NBBO”) and receives a Preferred Order for 10 contracts from an unaffiliated firm for the account of a Priority Customer. If there are other Market Makers quoting at the NBBO, Market Maker ABC may receive an allocation of 4 contracts – i.e., 40% of the order. Rather than counting only the 4 contracts executed towards the Market Maker’s volume total, the Exchange now proposes to give that Market Maker credit for the full 10 contracts preferred to it. This is the same credit the

calculation; provided that the Exchange will only remove the day for members that would have a lower ADV with the day included.

⁸ An Electronic Access Member (“EAM”) may designate a “Preferred Market Maker” on orders it enters into the System (“Preferred Orders”). Supplementary Material .03 to Rule 713 describes the Exchange’s rules concerning Preferred Orders.

⁹ “Eligible volume” refers to volume that would otherwise count towards to applicable volume tier. In the case of ADV thresholds based on Total Affiliated Priority Customer

member would receive if the 10 contracts were sent to the exchange by an affiliated member, and the Exchange believes that this will put smaller Market Makers on more equal footing with large firms that benefit from affiliated volume.

2. Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6 of the Act,¹⁰ in general, and Section 6(b)(4) of the Act,¹¹ in particular, in that 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 believes that the proposed fee change is reasonable and equitable as it provides an additional way for members to increase volume used to qualify for lower fees and higher rebates. The Exchange has adopted volume based fees and rebates in another proposed rule change filed with the Commission. While volume based fees and rebates based on affiliated volume benefit Market Makers that have affiliated order routers, the Exchange believes that smaller Market Makers that attract order flow from non-affiliated firms should similarly be able to compete for more favorable fees and rebates. Preferred Market Makers attract order flow by establishing appropriate relationships with one or more EAMs that send Preferred Orders to the Exchange. Although Preferred Market Makers may not be allocated the full volume orders preferenced to them, the Exchange believes that it is reasonable and equitable to give these Market Makers full credit for the volume of orders that they have attracted to ISE Mercury. This will put smaller Market Makers that are not affiliated with an order routing firm on more equal footing with large

ADV, as currently implemented on ISE Mercury, all Priority Customer volume would be “eligible.” See note 6 supra.

¹⁰ 15 U.S.C. 78f.

¹¹ 15 U.S.C. 78f(b)(4).

firms that benefit from affiliated volume today. In addition, the Exchange does not believe that it is unfairly discriminatory to provide this incentive specifically to Preferred Market Makers. As explained above, Preferred Market Makers attract order flow to the Exchange by establishing relationships with EAMs that direct Preferred Orders to them. Moreover, all Market Makers are eligible to become Preferred Market Makers provided that they meet the quoting obligations expected of such firms.¹²

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

In accordance with Section 6(b)(8) of the Act,¹³ the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the Exchange believes that the proposed rule change will increase competition by allowing smaller Market Makers to compete for more favorable fees and rebates. As currently implemented, Market Makers that are affiliated with an order router are advantaged relative to other firms in achieving volume based fees and rebates. Although the Exchange continues to believe that counting volume across affiliated members is appropriate,¹⁴ the Exchange also believes that Market Makers whose relationships attract Preference Orders should also receive similar benefits. As explained above, these Market Makers attract significant volume to the Exchange but currently only receive volume credit for a portion of that volume. The proposed rule change is designed to level the playing field between these members and their competitors that already benefit from affiliated volume. The Exchange operates in a highly competitive market in

¹² Preferred Competitive Market Makers have quoting obligations that mirror those for Primary Market Makers. See Supplementary Material .03(d) to Rule 713 and Rule 804(e)(2)(iii).

¹³ 15 U.S.C. 78f(b)(8).

which market participants can readily direct their order flow to competing venues. For the reasons described above, the Exchange believes that the proposed fee change reflects this competitive environment.

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)(ii) of the Act,¹⁵ and subparagraph (f)(2) of Rule 19b-4 thereunder,¹⁶ because it establishes a due, fee, or other charge imposed by ISE Mercury.

At any time within 60 days of the filing of such 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. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

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:

¹⁴ See note 5 supra.

¹⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

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-ISE Mercury-2016-06 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-ISE Mercury-2016-06. 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 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 website viewing and printing in the Commission's Public Reference Room. Copies of such 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

¹⁶ 17 CFR 240.19b-4(f)(2).

File Number SR-ISE Mercury-2016-06 and should be submitted by [insert date 21 days from the date of publication in the Federal Register].

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

Secretary

¹⁷ 17 CFR 200.30-3(a)(12).

Exhibit 5 - Text of the Proposed Rule Change
Underlining indicates additions; [Brackets] indicate deletion

* * *

Qualifying Tier Thresholds

Table 4

Tier	Total Affiliated Priority Customer ADV
Tier 1	0-19,999
Tier 2	20,000-39,999
Tier 3	40,000-59,999
Tier 4	60,000-79,999
Tier 5	80,000+

- Any day that the market is not open for the entire trading day or the Exchange instructs Members in writing to route their orders to other markets may be excluded from the ADV calculation; provided that the Exchange will only remove the day for members that would have a lower ADV with the day included.
- The highest tier threshold attained applies retroactively in a given month to all eligible traded contracts and applies to all eligible market participants.
- The Total Affiliated Priority Customer ADV category includes all Priority Customer volume executed on the Exchange in all symbols and order types, including volume executed in the PIM, Facilitation, and QCC mechanisms.
- All eligible volume from affiliated Members will be aggregated in determining applicable tiers, provided there is at least 75% common ownership between the Members as reflected on the Member’s Form BD, Schedule A.
- 100% of eligible traded volume preferenced to a market maker pursuant to Supplementary Material .03 to Rule 713 will count towards the member’s volume tier.

* * *