

**EXHIBIT 5**

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

\* \* \* \* \*

**0100. GENERAL STANDARDS**

\* \* \* \* \*

**0150. Application of Rules to Exempted Securities Except Municipal Securities**

(a) through (b) No Change.

(c) Unless otherwise indicated within a particular Rule, the following FINRA and NASD rules are applicable to transactions in, and business activities relating to, exempted securities, except municipal securities, conducted by members and associated persons:

FINRA Rules 2010, 2020, 2060, 2150, 2261, 2269, 2320(g), 3220, 3270, 4120, 4130, 4210, 4311, 4530, 5160, 5210, 5220, 5230, 8110, 8120, 8210, 8310, 8311, 8312, 8320, 8330 and 9552; NASD Rules 2210, IM-2210-1, IM-2210-2, IM-2210-3, 2310, IM-2310-2, IM-2310-3, 2320, 2330, IM-2330, 2340, 2430, 2510, 3010, 3020, 3040, 3050, 3110, IM-3110, 3140[, 3230].

\* \* \* \* \*

**9200. DISCIPLINARY PROCEEDINGS**

\* \* \* \* \*

**9217. Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19d-1(c)(2)**

Any member of FINRA that is also a member of the New York Stock Exchange LLC ("NYSE") ("Dual Member") (including any persons affiliated with such member) may be subject to a fine under Rule 9216(b) with respect to any rule or By-Law provision

listed in this Rule that applies to such member or person. However, any Dual Member that was not also a member of NASD as of July 30, 2007 and that does not engage in any activities that otherwise would require it to be a FINRA member (and its affiliated persons that are not otherwise subject to NASD rules) shall only be subject to a fine under Rule 9216(b) with respect to the following rules or By-Law provisions listed in this Rule: any FINRA By-Law or Schedule to the By-Laws, FINRA rule, SEA rule, or NYSE rule.

Any member of FINRA that is not also a member of the NYSE (and its associated persons that are not otherwise subject to NYSE rules) may be subject to a fine under Rule 9216(b) with respect to any rule or By-Laws provision listed in this Rule, with the exception of the NYSE rules.

- Article IV of the FINRA By-Laws — Failure to timely submit amendments to Form BD.
- Article V of the FINRA By-Laws — Failure to timely submit amendments to Form U4.
- Article V of the FINRA By-Laws — Failure to timely submit amendments to Form U5.
- Rule 2220 Options Communications.
- Rule 2360(b)(3) and (b)(4) — Failure to comply with options position and exercise limits.
- Rule 2360(b)(23) — Failure to comply with contrary exercise advice procedures.
- Rule 4311(b) — Failure to obtain approval of carrying agreement.

- Rule 4521(d) — Failure to submit reports of cash and margin account balances.
- Rule 4530 — Failure to timely file reports.
- Rule 4560 — Failure to timely file reports of short positions on Form NS-1.
- Rules 6282, 6380A, 6550, 6622, 6730, 7130, 7160, 7230A, and 7260A —  
Transaction reporting in equity and debt securities.
- Rules 7440 and 7450 — Failure to submit data in accordance with the Order  
Audit Trail System ("OATS").
- Rules 8211 and 8213 — Failure to submit trading data as requested.
- Rule 11870 — Failure to abide by Customer Account Transfer Contracts.
- NASD Rule 1120 — Failure to comply with the Firm Element of the continuing  
education requirements.
- NASD Rules 2210, 2211, and IM-2210-1, -2210-2, -2210-3, -2210-4, -2210-5, -  
2210-7, and -2210-8 — Communications with the public.
- NASD Rule 3010(b) — Failure to timely file reports pursuant to the Taping  
Rule.
- NASD Rule 3110 — Failure to keep and preserve books, accounts, records,  
memoranda, and correspondence in conformance with all applicable laws, rules,  
regulations and statements of policy promulgated thereunder, and with NASD rules.
- Failure to provide or update contact information as required by FINRA or  
NASD rules.
- SEA Rule 17a-5 — Failure to timely file FOCUS reports and annual audit  
reports.
- SEA Rule 17a-10 — Failure to timely file Schedule I.

- Rule 602(b)(5) of SEC Regulation NMS — Failure to properly update published quotations in certain Electronic Communication Networks ("ECNs").
- Rule 604 of SEC Regulation NMS — Failure to properly display limit orders.
- MSRB Rule A-14 — Failure to timely pay annual fee.
- MSRB Rule G-12 — Failure to abide by uniform practice rules.
- MSRB Rule G-14 — Failure to submit reports.
- MSRB Rule G-36 — Failure to timely submit reports.
- MSRB Rule G-37 — Failure to timely submit reports for political contributions.
- MSRB Rule G-38 — Failure to timely submit reports detailing consultant activities.
- NYSE Rules 312(a), (b) & (c), 313, 345.12, 345.17, and 351[, and 440F & G] — Reporting rule violations.
- NYSE Rules 312(i), 342(c), and 342.10[, and 382(a)] — Failure to obtain approval rule violations.
- NYSE Rules 342(b), (d) & 342.13, 311(b)(5), and 344 — Failure of a member organization to have individuals responsible and qualified for the positions of Financial Principal, Operations Principal, Compliance Official, Branch Office Manager and Supervisory Analyst.
- NYSE Rule 343 — Requirements relating to member organization office sharing arrangements.
- NYSE Rule 345(a) — Failure of a member organization to have individuals responsible and qualified for the positions of Securities Lending Supervisor and Securities Trader Supervisor.

- NYSE Rules 345.11, 410, 440, and 472(c) — Record retention rule violations.
- NYSE Rule 401A — Failure to acknowledge customer complaint within 15 business days.
- NYSE Rule 407 — Requirements for transactions of employees of the Exchange, members or member organizations.
- NYSE Rule 407A — Reporting and notification requirements for members.
- NYSE Rule 408(a) — Requirement that written authorization be obtained for discretionary power in a customer's account.
- NYSE Rule 416A — Failure to promptly provide or promptly update required membership profile information through the Electronic Filing Platform ("EFP"), or failure to electronically certify that required membership profile information is complete and accurate.

\* \* \* \* \*

## **9600. PROCEDURES FOR EXEMPTIONS**

### **9610. Application**

#### **(a) Where to File**

A member seeking exemptive relief as permitted under NASD Rules 1021, 1050, 1070, 2210, 2320, 2340, 3010(b)(2), 3020, or 3150, [or 3230,] or Rules 2114, 2310, 2359, 2360, 4210, 4311, 4320, 5110, 5121, 5122, 5130, 7470, 8211, 8213, 11870, or 11900, or Municipal Securities Rulemaking Board Rule G-37 shall file a written application with the appropriate department or staff of FINRA.

(b) through (c) No Change.

\* \* \* \* \*