

## Exhibit 5 – Text of Proposed Rule Change

Proposed new language is underlined; proposed deletions are in brackets.

## CHAPTER 11. TRADING RULES

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## Rule 11.190. Orders and Modifiers

(a) No Change.

(b) (1)-(13) No Change.

(14) Retail Liquidity Provider Order. A [Discretionary Peg]Midpoint Peg order that may not be a MQTY, as defined in paragraph (11) above, and is only eligible to execute against Retail orders through the execution process described in Rule 11.232(e).

(15) Retail Order. An order submitted by a Retail Member Organization (as defined in Rule 11.232) and designated with a “Retail order” modifier. A Retail order must be an agency order, or riskless principal order that satisfies the criteria of FINRA Rule 5320.03. A Retail order must reflect trading interest of a natural person with no change made to the terms of the underlying order of the natural person with respect to price (except in the case of a market order that is changed to a marketable limit order) or side of market and that does not originate from a trading algorithm or any other computerized methodology (a “retail customer”). An order from a [natural person]retail customer can include orders submitted on behalf of accounts that are held in a corporate legal form - such as an Individual Retirement Account, Corporation, or a Limited Liability Company - that have been established for the benefit of an individual or group of related family members, provided that the order is submitted by an individual. A Retail order may only be submitted on behalf of a retail customer that does not place more than 390 equity orders per day on average during a calendar month for its own beneficial account(s).

...Supplementary Material...

.01 Retail Orders. A “Retail order”, as defined in Rule 11.190(b)(15), may only be entered on behalf of a retail customer that does not place more than 390 equity orders per day on average during a calendar month for its own beneficial account(s). For purposes of counting orders to determine whether the 390 equity order per day on average threshold has been reached:

(a) “Parent”/“Child” Orders. A “parent” order that is broken into multiple “child” orders by a broker or dealer, or by an algorithm housed at a broker or dealer or by

an algorithm licensed from a broker or dealer, but which is housed with the customer, counts as one order even if the “child” orders are routed across multiple exchanges.

(b) Cancel/Replace. Any order that cancels and replaces an existing order counts as a separate order; except that an order that cancels and replaces any “child” order resulting from a “parent” order that is broken into multiple “child” orders, does not count as a new order.

.02 “Retail Member Organizations”, as defined in Rule 11.232(a)(1), that enter Retail orders must have reasonable policies and procedures in place to ensure that such orders are appropriately represented on the Exchange. Such policies and procedures should provide for a review of retail customers’ activity on at least a quarterly basis.

(a) Retail orders for any retail customer that had an average of more than 390 equity orders per day during any month of a calendar quarter are not eligible to be entered as Retail orders for the next calendar quarter. Retail Member Organizations must conduct a quarterly review and make any appropriate changes to the way in which they are representing orders within five business days after the end of each calendar quarter.

(b) If during a quarter the Exchange identifies a retail customer for which orders are being represented as Retail orders but that has averaged more than 390 equity orders per day during a month, the Exchange will notify the Retail Member Organization, and the Retail Member Organization will be required to change the manner in which it is representing the retail customer’s orders within five business days.

(16) No Changes.

(c)–(h) No Changes.

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#### Rule 11.232. Retail Price Improvement Program

(a) – (d) No Change.

(e) Priority and Order Execution.

(1) Retail Liquidity Provider orders in the same security shall be ranked and allocated according to price then time of entry into the System.

(2) Retail orders shall seek to execute upon entry into the System at the Midpoint Price, except that a Retail order to buy (sell) may also seek to execute against a displayed odd

lot to sell (buy) priced at or between the NBB (NBO) and the Midpoint Price.

(3) Retail orders shall execute against orders resting on the Order Book in price/time priority in accordance with IEX Rule 11.230 subject to the following:

(A) A Retail order to buy (sell) shall execute upon entry against sell (buy) orders resting on the Order Book in the following order:

- (i) displayed sell (buy) orders at the NBO (NBB) during a locked or crossed market;
- (ii) displayed sell (buy) odd lot orders priced to trade between the NBB (NBO) and the MidPoint Price[.];

(iii) Retail Liquidity Provider orders priced to trade at the Midpoint Price; and

(iv~~[ii]~~) nondisplayed orders priced to trade at the Midpoint Price[.];

~~[(iv) Retail Liquidity Provider orders priced to trade at the Midpoint Price.]~~

Examples of priority and order allocation are as follows:

NBBO for security ABC is \$10.00 — \$10.10. It is not a period of quote instability as defined in Rule 11.190(g).

User 1 enters a Retail Liquidity Provider order to buy ABC at \$10.05 for 500 shares

User 2 then enters an unpriced Discretionary Peg order to buy 500 shares of ABC

User 3 then enters a Midpoint Peg order to buy 500 shares of ABC at \$10.04

Example 1: Retail Member Organization enters a Retail order to sell 800 shares of ABC. The order will first execute against the full size of User 1's buy order, and then execute against 300 shares of User 2's buy order, at which point the entire size of the Retail order to sell 800 shares is depleted. In this example the Retail order does not execute against User 3's buy order because the order is not priced to execute at \$10.05, the current Midpoint Price.

Example 2: Assume the same facts above, except that User 2's unpriced Discretionary Peg order to buy ABC is for 100 shares. The incoming Retail order to sell 800 shares executes first against User 1's buy order for 500 shares at \$10.05, then against User 2's buy order for 100 shares at \$10.05. The Retail order still does not execute against User 3's buy order because the order is not priced to execute at \$10.05, the current Midpoint Price. The Retail order is filled for 600 shares and the balance of 200 shares is cancelled back to the Retail Member Organization.

Example 3: Assume the same facts as Example 1, except that User 3 enters a

nondisplayed limit order to buy 300 shares of ABC at \$10.05. The incoming Retail order to sell 800 shares executes first against User 1[3]'s order for [3]500 shares at \$10.05, then against User 3's order for 300 shares (because it has priority over User 2's Discretionary Peg order pursuant to IEX Rule 11.220(a)(1)(C)(vii)) and then against User 2 for the remaining 500 shares], completing the Retail order's 800 share quantity. User [1]2's buy order[s] is not executed because it is ranked behind Users 1[2] and 3.

Example 4: Assume the same facts as Example 1, except that User 3 enters a Midpoint Peg order to buy 300 shares at \$10.05 before User 1 enters a Retail Liquidity Provider order to buy 300 shares at \$10.05. The incoming Retail order to sell 800 shares executes first against User 1's order to buy 300 shares at \$10.05 (because it has priority over User 3's Midpoint Peg order pursuant to IEX Rule 11.232(e)(3)(A)(iii) and (iv)), then against User 3's buy order for 300 shares at \$10.05, and then against User 2's buy order for the remaining 200 shares at \$10.05, completing the Retail order's 800 share quantity.

Example [4]5: Assume the same facts as Example 1, except that User 3 enters a displayed odd lot limit order to buy 50 shares of ABC at \$10.06. The incoming Retail order to sell 800 shares executes first against User 3's order for 50 shares at \$10.06, then against User [2]1's buy order for 500 shares at \$10.05, and then against User [1]2's buy order for the remaining 250 shares at \$10.05, completing the Retail order's 800 share quantity.

- (f) Retail Liquidity Identifier. An identifier shall be disseminated through the Exchange's TOPS and DEEP data products (specified in IEX Rule 11.330) and through the appropriate securities information processor, when Retail Liquidity Provider order interest ("RLP Interest") aggregated to form at least one round lot for a particular security is available in the System ("Retail Liquidity Identifier"), provided that the RLP Interest is resting at the Midpoint Price and priced at least \$0.001 better than the NBB or NBO. The Retail Liquidity Identifier shall reflect the symbol for the particular security and the side (buy, sell, or buy and sell) of the RLP Interest, but shall not include the price or size of the RLP Interest.

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