EXHIBIT 5

The text of the proposed rule change is below. Proposed new language is underlined; deletions are bracketed.

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Rule 1080.   Phlx XL and Phlx XLII

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(m) **Order Routing**—The Phlx XL II system will route FIND and SRCH Orders (as defined below) with no other contingencies. IOC Orders will be cancelled immediately if not executed, and will not be routed. Eligible orders can be designated as either available for routing or not available for routing. Routable FIND and SRCH Orders (as defined in Rule 1080(m)(iv) below) designated as available for routing will first be checked by the Phlx XL II system for available contracts for potential execution. After checking the Phlx XL II system for available contracts, orders are sent to other available market centers for potential execution. When checking the book, the Phlx XL II system will seek to execute at the price at which it would send the order to a destination market center. In situations where the Exchange's disseminated bid or offer is inferior to the NBBO price, the Phlx XL II system will contemporaneously route an order marked as an ISO to each away market disseminating prices better than the Exchange's price, for the lesser of: (a) the disseminated size of such away markets, or (b) the order size and, if order size remains after such routing, trade at the Exchange's disseminated bid or offer up to its disseminated size. If contracts still remain unexecuted after routing, they are posted on the book. Once on the book, should the order subsequently be locked or crossed by another market center, the Phlx XL II system will not route the order to the locking or crossing market center, except as specified below.

(i) – (iv)   No change.

(v) Cancellation of Orders and Error Account

> (1) The Exchange or Nasdaq Options Services LLC may cancel orders as either deems to be necessary to maintain fair and orderly markets if a technical or systems issue occurs at the Exchange, Nasdaq Options Services LLC, or a routing destination. The Exchange or Nasdaq Options Services LLC shall provide notice of the cancellation to affected member organizations as soon as practicable.

> (2) Nasdaq Options Services LLC shall maintain an error account for the purpose of addressing positions that result from a technical or systems issue at Nasdaq Options Services LLC, the Exchange, a routing destination, or a non-affiliate third-party Routing Broker that affects one or more orders ("error positions").

>> (A) For purposes of this paragraph (v), an error position shall not include any position that results from an order submitted by a member organization to the Exchange that is executed on the Exchange and automatically processed for clearance and settlement on a locked-in basis.

(B) Except as provided in this paragraph (v)(2)(C), Nasdaq Options Services LLC shall not (i) accept any positions in its error account from an account of a member organization, or (ii) permit any member organization to transfer any positions from the member organization's account to Nasdaq Options Services LLC's error account.

(C) If a technical or systems issue results in the Exchange not having valid clearing instructions for a member organization to a trade, Nasdaq Options Services LLC may assume that member organization's side of the trade so that the trade can be automatically processed for clearance and settlement on a locked-in basis.

(3) In connection with a particular technical or systems issue, Nasdaq Options Services LLC or the Exchange shall either (i) assign all resulting error positions to member organizations in accordance with subparagraph (A) below, or (ii) have all resulting error positions liquidated in accordance with subparagraph (B) below. Any determination to assign or liquidate error positions, as well as any resulting assignments, shall be made in a nondiscriminatory fashion.

(A) Nasdaq Options Services LLC or the Exchange shall assign all error positions resulting from a particular technical or systems issue to the member organizations affected by that technical or systems issue if Nasdaq Options Services LLC or the Exchange:

(i) determines that it has accurate and sufficient information (including valid clearing information) to assign the positions to all of the member organizations affected by that technical or systems issue;

(ii) determines that it has sufficient time pursuant to normal clearance and settlement deadlines to evaluate the information necessary to assign the positions to all of the member organizations affected by that technical or systems issue; and

(iii) has not determined to cancel all orders affected by that technical or systems issue in accordance with subparagraph (v)(1) above.

(B) If Nasdaq Options Services LLC or the Exchange is unable to assign all error positions resulting from a particular technical or systems issue to all of the affected member organizations in accordance with subparagraph (A) above, or if Nasdaq Options Services LLC or the Exchange determines to cancel all orders affected by the technical or systems issue in accordance with subparagraph (v)(1) above, then Nasdaq Options Services LLC shall liquidate the error positions as soon as practicable. Nasdaq Options Services LLC shall:

(i) provide complete time and price discretion for the trading to liquidate the error positions to a third-party broker-dealer and shall not

attempt to exercise any influence or control over the timing or methods of such trading; and

(ii) establish and enforce policies and procedures that are reasonably designed to restrict the flow of confidential and proprietary information between the third-party broker-dealer and Nasdaq Options Services LLC/the Exchange associated with the liquidation of the error positions.

(4) Nasdaq Options Services LLC and the Exchange shall make and keep records to document all determinations to treat positions as error positions and all determinations for the assignment of error positions to member organizations or the liquidation of error positions, as well as records associated with the liquidation of error positions through the third-party broker-dealer.