

EXHIBIT 5

Proposed new language is underlined. Proposed deletions are enclosed in [brackets].

Rules of the Exchange

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Options Rules

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Rule 1080. Phlx XL and Phlx XL II

(a) - (p) No change.

Commentary:

.01 - .06 No change.

.07 Complex Orders on Phlx XL.

(a) Definitions

(i) – (vi) No change.

(vii) Phlx XL participant, Phlx market maker and Phlx XL market maker. The term "Phlx XL participant" means SQTs, RSQTs, non-SQT ROTs, specialists and non-Phlx market makers on another exchange; non-broker-dealer customers, Firms and non-market-maker off-floor broker-dealers; and Floor Brokers using the Options Floor Broker Management System. The term "Phlx market maker" means SQTs, RSQTs, specialists and non-SQT ROTs. The term "Phlx XL market maker" means SQTs, RSQTs and specialists.

(viii) - (ix) No change.

(x) Firm. The term "Firm" means a broker-dealer trading for its own (proprietary) account that is: a member of The Options Clearing Corporation ("OCC") or maintains a Joint Back Office ("JBO") arrangement with an OCC member. Unless otherwise specified, Firms are included in the category of non-market-maker off-floor broker-dealer.

(b) Complex orders may be entered in increments of \$0.01 with certain "time in force" designations and as certain order types with certain contingencies as follows:

(i) – (ii) No change.

(iii) Floor Brokers using the Options Floor Broker Management System may enter the Complex Orders listed in paragraph (a) above as Day, GTC or IOC on behalf of non-broker-dealer customers and non-market-maker off-floor broker-dealers, and as IOC only

on behalf of SQTs, RSQTs, non-SQT ROTs, specialists, non-Phlx market makers on another exchange and Firms [broker-dealers or affiliates of broker-dealers].

(iv) - (v) No change.

(c)(i) No change.

(ii) Complex Orders will not trade on Phlx XL under the following conditions:

(A) - (F) No change.

[Except as provided in sub-paragraph (d)(ii)(A)(2) below, o]Once the condition(s) set forth in sub-paragraphs (A) - (F) above have terminated, the Phlx XL system will begin a Complex Order Opening Process.

(iii) No change.

(d) Complex Order Opening Process ("COOP").

(i) The Phlx XL system will accept pre-opening Complex Orders, and will accept Complex Orders prior to re-opening following a halt in trading on the Exchange. Complex Orders received prior to the opening or during a trading halt will reside on the CBOOK (as defined below). There will be one such COOP per Complex Order Strategy.

(ii) Once trading in each option component of a Complex Order Strategy has opened or re-opened following a trading halt for a certain configurable time not to exceed 60 seconds (and none of the conditions described in paragraph (c)(ii) above exist), the Phlx XL system will initiate the COOP for that Complex Order Strategy, provided that a COOP will only be conducted for any Complex Order Strategy that has a Complex Order [pending] received before [at] the opening [or re-opening following a trading halt] of that Complex Order Strategy, unless that Complex Order Strategy is already open as a result of another electronic auction process or another electronic auction involving the same Complex Order Strategy is in progress. Following a trading halt, a COOP will be conducted for any Complex Order Strategy that has a Complex Order present or had previously opened prior to the trading halt. The COOP will be conducted in two phases, the "COOP Timer" (as defined below) and the "COOP Evaluation" (as defined below).

(A) COOP Timer.

(1) [Except as provided in sub-paragraph (2) below, a] The Exchange will send a broadcast message indicating that a COOP has been initiated for that Complex Order Strategy. The broadcast message will identify the Complex Order Strategy, the opening price (based on the maximum number of contracts that can be executed at one particular price, except if there is no price at which any orders can be executed), and the imbalance side and volume, if any ("Complex Order Opening Auction Notification").

The Complex Order Opening Auction Notification starts a COOP Timer ("COOP Timer"), which will begin counting a number of seconds during which the Complex Order, if any, may not be traded. The COOP Timer is configurable to a period ranging from 0 to 600 seconds as determined by the Exchange and communicated to Exchange membership on the Exchange's website. The COOP Timer will be configured for the same number of seconds for all options trading on the Exchange. Phlx XL Participants can submit responses to the Complex Order Opening Auction Notification pursuant to subparagraph (B) below.

- (2) [The Phlx XL system will not engage the COOP Timer upon re-opening Complex Order trading when either: (a) the Exchange's automated execution system was disengaged and subsequently re-engaged, or (b) the Phlx XL Risk Monitor Mechanism was engaged and subsequently disengaged. In either event, the Phlx XL system will immediately begin the COOP Evaluation (defined below) and will not initiate the COOP Timer.] Reserved.
- (3) Complex Orders in such a Complex Order Strategy that are received during the COOP Timer and COOP Evaluation (as described below) will reside on the CBOOK (as defined below).
- (4) Complex Orders received prior to the COOP Timer and Complex Orders received during the COOP Timer (other than COOP Sweeps and Complex Order Responses marked as a response) will be visible to Phlx XL participants [during the COOP Timer and COOP Evaluation (as defined below)] upon receipt.
- (5) Complex Orders in a Complex Order Strategy marked as IOC received during a COOP will join the COOP and be treated like any other Complex Order, except such orders will be cancelled at the end of the COOP Timer if not executed. DNA Orders received during a COOP will be cancelled and will not participate in the COOP. Complex Orders marked as IOC and DNA Orders received before the initiation of the COOP in that Complex Order Strategy will be cancelled and will not participate in the COOP; however, a COOP will occur in that Complex Order Strategy.
- (B) [COOP Evaluation.] Responses. In response to a Complex Order Opening Auction Notification, Phlx XL participants may bid and/or offer on either or both side(s) of the market during the COOP Timer by submitting one or more Complex Orders ("Complex Order Response").

Phlx XL market makers may also bid and/or offer on either or both side(s) of the market during the COOP Timer by submitting one or more bids and/or offers known as COOP Sweeps. A COOP Sweep is a one-sided electronic quotation at a particular price submitted for execution against opening trading interest in a particular Complex Order Strategy.

- (1) A Phlx XL market maker may submit multiple COOP Sweeps at different prices (but not multiple COOP Sweeps at the same price, except as provided in sub-paragraph

(2) below) in increments of \$0.01 in response to a Complex Order Opening Auction Notification, regardless of the minimum trading increment applicable to the specific series.

(2) Phlx XL market makers may change the size of a previously submitted COOP Sweep during the COOP Timer. The system will use the Phlx XL market maker's most recently submitted COOP Sweep at each price level as that market maker's response at that price level, unless the COOP Sweep has a size of zero. A COOP Sweep with a size of zero will remove a Phlx XL market maker's COOP Sweep from that COOP at that price level.

(3) COOP Sweeps and Complex Order Responses marked as a response will not be visible to any participant and will not be disseminated by the Exchange. Any COOP Sweeps which remain unexecuted at the end of the COOP Timer once all executions are complete will expire. A Complex Order Response will expire if unexecuted at the end of the COOP Timer once all executions are complete, but a Complex Order submitted during the COOP Timer which is not marked as a response will be available to be traded after the opening of a Complex Order Strategy unless it is marked IOC.

(C) COOP Evaluation. Upon expiration of the COOP Timer, the system will conduct a COOP Evaluation to determine, for a Complex Order Strategy, the price at which the maximum number of contracts can trade, taking into account Complex Orders marked all-or-none unless the maximum number of contracts can only trade without including all-or-none orders. The Exchange will open the Complex Order Strategy at that price, executing marketable trading interest, in the following order: first, to non-broker-dealer customers in time priority; next to Phlx XL market makers on a pro rata basis; and then to all other participants on a pro rata basis. The imbalance of Complex Orders that are unexecutable at that price are placed on the CBOOK.

[which Complex Order, if any, on the CBOOK (as defined below) will be the "COLA-eligible order" (as defined below) subject to a COLA (as defined below). The COLA-eligible order, if any, will be identified by the Phlx XL system among the following Complex Orders: market and marketable limit Complex Orders (including Complex Orders that cross the cPBBO), and Complex Orders that improve the cPBBO.]

(1) No trade possible. If at the end of the COOP Timer the Phlx XL system determines that no market or marketable limit Complex Orders or COOP Sweeps, Complex Orders or COOP Sweeps that are equal to or improve the cPBBO, and/or Complex Orders or COOP Sweeps that cross within the cPBBO exist in the system, all Complex Orders received during the COOP Timer will be placed on the CBOOK, as described in paragraph (f) below.

(2) Trade is possible. If at the end of the COOP Timer the Phlx XL system determines that there are market or marketable limit Complex Orders or COOP Sweeps, Complex Orders or COOP Sweeps that are equal to or improve the cPBBO, and/or Complex Orders or COOP Sweeps that cross within the cPBBO in the Phlx XL system, the Phlx

XL system will [use the following criteria to determine which of those orders will be placed in a COLA as the "COLA-eligible order" (as defined below), for each particular Complex Order Strategy:] do the following: if such interest crosses and does not match in size, the execution price is based on the highest (lowest) executable offer (bid) price when the larger sized interest is offering (bidding), provided, however, that if there is more than one price at which the interest may execute, the execution price when the larger sized interest is offering (bidding) is the midpoint of the highest (lowest) executable offer (bid) price and the next available executable offer (bid) price rounded, if necessary, down (up) to the closest minimum trading increment. If the crossing interest is equal in size, the execution price is the midpoint of lowest executable bid price and the highest executable offer price, rounded, if necessary, up to the closest minimum trading increment. Executable bids/offers include any interest which could be executed without trading through residual interest or the cPBBO or without trading at the cPBBO where there is non-broker-dealer customer interest, consistent with Rule 1080.07(c)(iii).

If there is any remaining interest and there is no component that consists of the underlying security and provided that the order is not marked all-or-none, such interest may "leg" whereby each options component may trade at the PBBO with existing quotes and/or limit orders on the limit order book for the individual components of the Complex Order; provided that remaining interest may execute against any eligible Complex Orders received before legging occurs. If the remaining interest has a component that consists of the underlying security, such Complex Order will be placed on the CBOOK (as defined below).

(3) The Complex Order Strategy will be open after the COOP even if no executions occur.

- (a) If a single Complex Order exists in the Phlx XL system that improves the cPBBO on one side of the market, that order will be the COLA-eligible order.
- (b) If multiple Complex Orders exist in the Phlx XL system that improve the cPBBO on one side of the market, the Complex Order at the best price will be the COLA-eligible order. If there are multiple Complex Orders at the best price, the Phlx XL system will treat the aggregate size at that price as a single COLA-eligible order. Such orders will be executed in the order in which they were received.
- (c) If market and/or marketable limit Complex Orders exist in the Phlx XL system on both sides of the market, the Complex Order on the side of the market with the larger marketable size will be the COLA-eligible order. If the market and/or marketable limit Complex Orders have the same size on both sides of the market, the market and/or marketable limit Complex Orders that include the larger size associated with market orders will be the COLA-eligible order. If the size associated with market Complex Orders is the same on both sides of the market,

the side of the market with the first Complex Order establishing the best price will be the COLA-eligible order. The size associated with multiple market and marketable limit Complex Orders at the same price will be aggregated and treated as one COLA-eligible order at the best price by the system. Such orders will be executed in the order in which they were received.

(d) If Complex Orders on opposite sides of the market that cross through the mid-point of the cPBBO exist in the Phlx XL system, the side of the market that is priced at the greater amount through the mid-point of the cPBBO will be the COLA-eligible order. If both sides of the market are priced at an equal amount through the mid-point of the cPBBO, or are priced at the cPBBO, the side of the market with the greater size will be the COLA-eligible order. If both sides of the market have the same size, the side of the market that was first to submit the best price will be the COLA-eligible order.

(e) Orders that are not determined to be the COLA-eligible order may participate in the COLA pursuant to sub-paragraph (e)(viii) below.

(f) If Complex Orders on opposite sides of the market exist in the Phlx XL system that improve the cPBBO but do not cross the mid-point of the cPBBO, there will be no COLA-eligible order. In such a circumstance, such Complex Orders will reside on the CBOOK, subject to other instructions.]

(e) Process for Complex Order Live Auction ("COLA"). Complex Orders on the Complex Order Book ("CBOOK," as defined below) may be subject to an automated auction process.

(i) For purposes of paragraph (e):

(A) COLA is the automated Complex Order Live Auction process. A COLA may take place upon identification of the existence of a COLA-eligible order [either: (1) following a COOP, or (2)] during normal trading if the Phlx XL system receives a Complex Order that improves the cPBBO.

(B) (1) A "COLA-eligible order" means a Complex Order [(a) identified by way of a COOP, or (b) that, upon receipt, improves the cPBBO respecting the specific Complex Order Strategy] that [is the subject of the Complex Order and] is not for a market maker, as specified in Rule 1080.08(b)(ii) or for a Firm, as defined in Rule 1080.07(a)(x). If the Phlx XL system identifies the existence of a COLA-eligible order [following a COOP or by way of receipt during normal trading of a Complex Order that improves the cPBBO], such COLA-eligible order will initiate a COLA, during which Phlx XL participants may bid and offer against the COLA-eligible order pursuant to this rule. COLA-eligible orders will be executed without consideration of any prices that might be available on other exchanges trading the same options contracts.

(2) No change.

(ii) – (iii) No change.

(iv) Bidding and Offering in Response to a COLA. Phlx XL [participants] market makers may bid and/or offer on either or both side(s) of the market during the COLA Timer by submitting one or more bids or offers that improve the cPBBO, known as a "COLA Sweep." A COLA Sweep is a one-sided electronic quotation submitted for execution against other trading interest in a particular Complex Order Strategy. Any COLA Sweeps which remain unexecuted at the end of the COLA Timer once all executions are complete will expire.

(A) – (D) No change.

(v) No change.

(vi) Allocation and Priority. As stated above, COLA-eligible orders, COLA Sweeps, and responsive Complex Orders will trade first based on the best price or prices available at the end of the COLA Timer.

(A) (1) "Legging." If no COLA Sweeps or responsive Complex Orders for the same Complex Order Strategy as the COLA-eligible order were received during the COLA Timer and there is no component that consists of the underlying security, each options component of the COLA-eligible order may trade at the PBBO with existing quotes and/or limit orders on the limit order book for the individual components of the Complex Order, provided that each component is executed such that the components comprise the Complex Order Strategy with the correct ratio for the desired net debit or credit and provided that the Complex Order is not marked all-or-none. Trades pursuant to this paragraph will be allocated in accordance with Exchange Rule 1014(g)(vii).

(2) If the markets for the individual components of a Complex Order Strategy independently improve during the COLA Timer and match the best price of COLA Sweep(s) and/or responsive Complex Order(s), the Phlx XL system will execute such COLA Sweep(s) and/or responsive Complex Orders before executing the individual components of the Complex Order Strategy.

(3) A non-broker-dealer customer Complex Order will have priority over specialists, SQTs and RSQTs and off-floor broker-dealers bidding for and/or offering any options component(s) of the Complex Order Strategy at the same price, but not over non-broker-dealer customer orders representing any options component(s) of the Complex Order Strategy at the same price.

(B) If multiple [customer] Complex Orders and[,] COLA Sweeps[, Phlx XL participant Complex Orders and/or non-customer off-floor broker-dealer Complex Orders] are eligible for execution against the COLA-eligible order at the same price, the trade will be allocated among participants submitting electronic Complex Orders and COLA Sweeps as set forth below. Executions in the COLA will comply with the requirements of Exchange Rule 1080.08(c)(iii) above. [For allocation purposes, the size of a COLA

Sweep or responsive Complex Order received during the COLA Timer shall be limited to the size of the COLA-eligible order.]

(1) – (3) No change.

(C) Notwithstanding the foregoing, if the specialist submits a COLA Sweep during the COLA Timer and such COLA Sweep is for the same price as other COLA Sweeps that are eligible for execution against the COLA-eligible order, after customer marketable Complex Orders have been executed against the COLA-eligible order, the specialist shall be entitled to receive the greater of:

(1) the proportion of the aggregate size [at the cPBBO] associated with such specialist's COLA Sweep, SQT and RSQT COLA Sweeps, and non-SQT ROT Complex Orders on the CBOOK; or

(2) the Enhanced Specialist Participation as described in Rule 1014(g)(ii).[, or]

(3) [40% of the remainder of the order.

(4)] The specialist is not entitled to receive an allocation that would exceed the size of the specialist's COLA Sweep.

(D) No change.

(vii) Firm Quote Requirement for COLA-Eligible Orders. COLA Sweeps in response to a COLA broadcast represent non-firm interest that can be modified at any time prior to the end of the COLA Timer. At the end of the COLA Timer, COLA Sweeps shall be firm only with respect to the COLA-eligible order for which it is submitted, provided that COLA Sweeps that exceed the size of a COLA-eligible order are also eligible to trade with other incoming COLA-eligible orders, COLA Sweeps and any other interest received during the COLA Timer after the initial COLA-eligible order has been executed [in its entirety] to the fullest extent possible. Remaining interest trades as described in subparagraph (viii)(C)(3). [at its entered price. If such interest crosses, the execution price is based on the price of the smaller sized interest. If the interest is equal in size, the execution price is the midpoint of the two prices, rounded, if necessary, up to the closest minimum trading increment.] Any COLA Sweeps not accepted in whole or in a permissible ratio will expire at the end of the COLA Timer once all executions are complete.

(viii) Complex Orders resting on the CBOOK, and incoming electronic Complex Orders and COLA Sweeps that are received prior to the expiration of the COLA Timer, (collectively, for purposes of this rule, "incoming Complex Orders") representing the same Complex Order Strategy as a COLA-eligible order will impact the original COLA as follows:

- (A) At the end of the COLA Timer, the Phlx XL system will determine the price and size of COLA Sweeps and any orders that were received during the COLA Timer that are unrelated to the COLA but nonetheless are eligible to participate in the COLA in the priority determined in Rule 1080.07(e)(vi) above and based on the price determined as set forth below.
- (B) Incoming Complex Orders on the same side of the market as the COLA-eligible order. Incoming Complex Orders that were received during the COLA Timer for the same Complex Order Strategy as the COLA-eligible order that are on the same side of the market will join the COLA. The original COLA-eligible order has priority at all price points (i.e., multiple COLA Sweep Prices) over the incoming Complex Order(s), regardless of the price of the incoming Complex Order. The incoming Complex Order shall not be eligible for execution against interest on the opposite side of the market from the COLA-eligible order until the COLA-eligible order is executed [in its entirety] to the fullest extent possible. If the incoming Complex Order is not executed in its entirety, the system will not initiate a new COLA. Any remaining contracts, other than COLA Sweeps, will be placed on the CBOOK, subject to other instructions.
- (C) Incoming Complex Orders on the opposite side of the market from the COLA-eligible order.
- (1) Incoming customer (non-broker-dealer customer and non-market-maker off-floor broker dealer) Complex Orders that are received during the COLA Timer on the opposite side of the market from the COLA-eligible order with a price equal to or better than the best priced Complex Order or COLA Sweep will be executed against the COLA eligible order (which will be executed [in its entirety] to the fullest extent possible first as described in sub-paragraph (B) above) or other Complex Orders or COLA Sweeps as follows:
- (a) – (c) No change.
- (d) If multiple customer Complex Orders are received on the opposite side of the market from the COLA-eligible order, [such] non-broker-dealer customer orders at the same price will be executed in the order in which they were received, whereas non-market-maker off-floor broker-dealer orders will be executed on a pro-rata basis at each price level.
- (e) If the COLA-eligible order is executed [in its entirety] to the fullest extent possible and there are remaining bids or offers from the incoming Complex Order(s), the Phlx XL system will execute such interest against other Complex Orders or COLA Sweeps in the COLA and subsequently place residual bids or offers, other than COLA Sweeps, onto the CBOOK, subject to other instructions.
- (2) Incoming non-customer (Phlx XL participants other than non-broker-dealer customers and non-market-maker off-floor broker dealers) Complex Orders that are received during the COLA Timer on the opposite side of the market from the

COLA-eligible order with a price equal to or better than the best priced Complex Order or COLA Sweep will be executed against the COLA eligible order (which will be executed [in its entirety] to the fullest extent possible first as described in subparagraph (B) above) or other Complex Orders or COLA Sweeps as follows:

- (a) If such incoming non-customer Complex Order is a limit order at the same price as the best priced Complex Order or COLA Sweep, the incoming non-customer Complex Order will be executed at such price, subject to the provisions set forth sub-paragraph (e) above.
 - (b) If such incoming non-customer Complex Order is a limit order that improved the best priced Complex Order or COLA Sweep, the incoming non-customer Complex Order will be executed at the limit order price.
 - (c) If such incoming non-customer Complex Order is a market order or a limit order that crosses the cPBBO, the incoming non-customer Complex Order will be executed at a price of \$0.01 better than the cPBBO on the same side of the market as the COLA-eligible order.
 - (d) If multiple non-customer Complex Orders are received on the opposite side of the market from the COLA-eligible order, [such] Phlx market maker orders will be executed [in the order in which they were received] on a pro-rata basis and Firm and non-Phlx market maker orders will be executed on a pro-rata basis, at each price level.
 - (e) If the COLA-eligible order is executed [in its entirety] to the fullest extent possible and there are remaining bids or offers from the incoming non-customer Complex Order(s), the Phlx XL system will execute such interest against other Complex Orders or COLA Sweeps in the COLA and subsequently place residual bids or offers, other than COLA Sweeps, onto the CBOOK, subject to other instructions.
- (3) Incoming Complex Orders that were received during the COLA Timer on the opposite side of the market from the COLA-eligible order with a price inferior to any other COLA Sweep or Complex Order will be executed against the COLA-eligible order after all interest at the better price(s) has/have been executed. After the initial COLA-eligible order has been executed [in its entirety] to the fullest extent possible, incoming Complex Orders remaining unexecuted shall be eligible to trade with other Complex Orders and COLA Sweeps at their entered price. If, after the COLA-eligible order has been executed, there exist Complex Orders and/or COLA Sweeps on the opposite side of the market from the COLA-eligible order which cross the price of other Complex Orders or COLA Sweeps on the same side of the market from the COLA-eligible order, [the execution price of such crossing interest is based on the price of the smaller sized interest.] and if such interest crosses and does not match in size, the execution price is based on the highest (lowest) executable offer (bid) price when the larger sized interest is offering (bidding).

provided, however, that if there is more than one price at which the interest may execute, the execution price when the larger sized interest is offering (bidding) is the midpoint of the highest (lowest) executable offer (bid) price and the next available executable offer (bid) price rounded, if necessary, down (up) to the closest minimum trading increment. If the crossing interest is equal in size, the execution price is the midpoint of lowest executable bid price and the highest executable offer price, rounded, if necessary, up to the closest minimum trading increment. Executable bids/offers include any interest which could be executed without trading through residual Complex interest or the cPBBO, or without trading at the cPBBO where there is non-broker-dealer customer interest.

If there is any remaining interest and there is no component that consists of the underlying security and provided that the order is not marked all-or-none, such interest may “leg” whereby each options component may trade at the PBBO with existing quotes and/or limit orders on the limit order book for the individual components of the Complex Order; provided that remaining interest may execute against any eligible Complex Orders received before legging occurs. If the remaining interest has a component that consists of the underlying security, such Complex Order will be placed on the CBOOK.

[If the crossing interest is equal in size, the execution price is the midpoint of the two prices, rounded, if necessary, up to the closest minimum trading increment.] The system will treat any unexecuted remaining contracts in the incoming Complex Order as a new Complex Order, and will not initiate a new COLA. Such unexecuted remaining contracts, other than COLA Sweeps, will be placed on the CBOOK, subject to other instructions.

(ix) No change.

(f) Complex Limit Order Book ("CBOOK")

(i) Complex Orders must be entered onto the CBOOK in increments of \$0.01. The individual components of a Complex Order may be executed in minimum increments of \$0.01, regardless of the minimum increments applicable to such components. Such orders will be placed on the CBOOK by the system when the following conditions exist:

(A) – (E) No change.

(F) When the Complex Order is received during the final [10] configurable number of seconds of the trading session after any marketable portion of the Complex Order is executed.

(ii) No change.

(iii) Execution of Complex Orders in the CBOOK. Complex orders in the CBOOK will be executed without consideration of any prices that might be available on other exchanges trading the same contracts.

(A) A Complex Order resting on the CBOOK will execute automatically against: (1) quotes, orders on the limit order book for the individual options components of the order, or sweeps, except if any of the components is the underlying security or if the Complex Order is marked all-or-none, and provided that the Complex Order can be executed in full or in a permissible ratio by such quotes or orders (allocated in accordance with Exchange Rule 1014(g)(vii)); or (2) an incoming marketable Complex Order(s) that do(es) not trigger a COLA Timer, whichever arrives first.

(B) - (C) No change.

(g) – (i) No change.

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