

**EXHIBIT 5**

*New text is underlined; deleted text is in brackets.*

**Nasdaq PHLX Rules**

\* \* \* \* \*

**Options Rules**

\* \* \* \* \*

**Rule 1014. Obligations and Restrictions Applicable to Specialists and Registered Options Traders**

(a) No change.

(b) *ROT*. (i) An ROT is a regular member or a foreign currency options participant of the Exchange located on the trading floor who has received permission from the Exchange to trade in options for his own account. For purposes of this Rule 1014, the term "ROT" shall include a Streaming Quote Trader, and a Remote Streaming Quote Trader, as defined below.

Each ROT electing to engage in Exchange options transactions shall be assigned by the Exchange one or more classes of options, and Exchange options transactions initiated by such ROT on the Floor for any account in which he had an interest shall to the extent prescribed by the Exchange be in such assigned classes.

(ii) (A) *Streaming Quote Trader ("SQT")*. An SQT is an ROT who has received permission from the Exchange to generate and submit option quotations electronically in options to which such SQT is assigned. An SQT may only submit such quotations while such SQT is physically present on the floor of the Exchange. An SQT may only trade in a market making capacity in classes of options in which the SQT is assigned.

(B) and (C) No change.

(D) Reserved. [*Market Making Obligations*]

- (1) In addition to the other requirements for ROTs set forth in this Rule 1014, except as provided in sub-paragraph (4) below, and except as provided in subparagraph (2) below when an RSQT functions as a Remote Specialist in particular options, an SQT and an RSQT shall be responsible to quote two-sided markets in not less than 60% of the series in which such SQT or RSQT is assigned, provided that, on any given day, a Directed SQT ("DSQT") or a Directed RSQT ("DRSQT") (as defined in Rule 1080(1)(i)(C)) shall be responsible to quote two-sided markets in the lesser of 99% of the series listed on the Exchange or 100% of the series listed on the Exchange minus one call-put pair, in each case in at least 60% of the options in which such DSQT or DRSQT is assigned. Whenever a DSQT or DRSQT enters a quotation in an option in which such DSQT or

DRSQT is assigned, such DSQT or DRSQT must maintain until the close of that trading day quotations for the lesser of 99% of the series of the option listed on the Exchange or 100% of the series of the option listed on the Exchange minus one call-put pair. To satisfy the applicable requirements of this subparagraph (D)(1) with respect to quoting a series, an SQT, RSQT, DSQT, or DRSQT must quote such series 90% of the trading day (as a percentage of the total number of minutes in such trading day) or such higher percentage as the Exchange may announce in advance. These obligations will apply collectively to all appointed issues of an SQT, RSQT, DSQT, or DRSQT, rather than on an issue-by-issue basis. Compliance with this obligation will be determined on a monthly basis. However, determining compliance with the continuous quoting requirement on a monthly basis does not relieve an SQT, RSQT, DSQT, or DRSQT of the obligation to provide continuous two-sided quotes on a daily basis, nor will it prohibit the Exchange from taking disciplinary action against an SQT, RSQT, DSQT, or DRSQT for failing to meet the continuous quoting obligation each trading day.

The Exchange may consider exceptions to the requirement to quote 90% (or higher) of the trading day based on demonstrated legal or regulatory requirements or other mitigating circumstances.

(2) The specialist (including the RSQT functioning as a Remote Specialist in particular options) shall be responsible to quote two-sided markets in the lesser of 99% of the series or 100% of the series minus one call-put pair in each option in which such specialist is assigned. To satisfy the requirement of this subparagraph (D)(2) with respect to quoting a series, the specialist must quote such series 90% of the trading day (as a percentage of the total number of minutes in such trading day) or such higher percentage as the Exchange may announce in advance. These obligations will apply collectively to all appointed issues of the specialist, rather than on an issue-by-issue basis. Compliance with this obligation will be determined on a monthly basis. However, determining compliance with the continuous quoting requirement on a monthly basis does not relieve the specialist (including the RSQT functioning as a Remote Specialist in particular options) of the obligation to provide continuous two-sided quotes on a daily basis, nor will it prohibit the Exchange from taking disciplinary action against the specialist (including the RSQT functioning as a Remote Specialist in particular options) for failing to meet the continuous quoting obligation each trading day.

The Exchange may consider exceptions to the requirement to quote 90% (or higher) of the trading day based on demonstrated legal or regulatory requirements or other mitigating circumstances.

(3) SQTs, RSQTs and the specialist assigned in such option shall submit electronic quotations with a size of not less than the minimum number of contracts determined by the Exchange on a class by class basis, which minimum shall be at least one contract.

(4) Notwithstanding the foregoing, SQTs, DSQTs, RSQTs and DRSQTs shall be deemed not to be assigned in any Quarterly Option Series, any adjusted option series, and any option series until the time to expiration for such series is less than nine months.

Accordingly, the obligations set forth in this Rule shall not apply to SQTs, DSQTs, RSQTs and DRSQTs respecting Quarterly Option Series, adjusted option series, and series with an expiration of nine months or greater.

For purposes of this subsection (4), an adjusted option series is an option series wherein one option contract in the series represents the delivery of other than 100 shares of underlying stock or Exchange-Traded Fund Shares.

This sub-section (4) does not apply to RSQTs when they are functioning as Remote Specialists in particular options.

(5) If a technical failure or limitation of a system of the Exchange prevents a participant from maintaining, or prevents a participant from communicating to the Exchange, timely and accurate quotes, the duration of such failure or limitation shall not be included in any of the calculations under this paragraph (D) with respect to the affected quotes.

(6) In this paragraph (D), the term "call-put pair" refers to one call and one put that cover the same underlying instrument and have the same expiration date and exercise price.]

(E) No change.

(c) – (g) No change.

• • • *Commentary:* -----

.01 -.19 No change.

\* \* \* \* \*

**Rule 1081. Electronic Market Maker Obligations and Quoting Requirements** [Reserved]

For purposes of this rule an “electronic ROT” shall mean an SQT, RSQT, Specialist (including Remote Specialist), Directed SQT and Directed RSQT who enters electronic quotations into the Exchange’s System.

(a) In registering as an electronic ROT, a member organization commits to various obligations. Transactions of an electronic ROT in its market making capacity must constitute a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and those member organizations should not make bids or offers or enter into transactions that are inconsistent with such course of dealings. Electronic ROTs should not effect purchases or sales except in a reasonable and orderly manner. Ordinarily during trading hours, an electronic ROT must:

(i) Maintain a two-sided market in those options in which the electronic ROT is registered to trade, in a manner that enhances the depth, liquidity and competitiveness of the market.

(ii) Engage, to a reasonable degree under the existing circumstances, in dealings for its own account when there exists, or it is reasonably anticipated that there will exist, a lack of price continuity, a temporary disparity between the supply of (or demand for) a particular option contract, or a temporary distortion of price relationships between option contracts of the same class.

(iii) Compete with other electronic ROTs in all options in all capacities in which the electronic ROT is registered to trade.

(iv) Make markets that will be honored for the number of contracts entered into the System in all options in which the electronic ROT is registered to trade.

(v) Update quotations in response to changed market conditions in all options in which the electronic ROT is registered to trade.

(vi) Maintain active markets in all options in which the electronic ROT is registered.

(vii) Honor all orders attributed to the electronic ROT that the System routes to away markets pursuant to Rule 1080(m) of these Rules.

(b) If Phlx Regulation finds any substantial or continued failure to engage in a course of dealings as specified in paragraph (a) of this section, the electronic ROT will be subject to disciplinary action or suspension or revocation of registration in one or more of the securities in which the electronic ROT is registered. Nothing in this rule will limit any other power of the Board under these Rules, or procedures of Phlx with respect to the registration of an ROT or in respect of any violation by an ROT pursuant to this rule.

(c) Electronic ROTs must enter bids and offers for the options to which it is registered, except in an assigned options series listed intra-day on the Exchange. On a daily basis, an electronic ROT must make markets consistent with the applicable quoting requirements specified below. A member organization will be required to meet each market making obligation separately. An SQT and RSQT who is also the Specialist will be held to the Specialist obligations in options series in which the Specialist is assigned and will be held to SQT and RSQT obligations in all other options series where assigned. An SQT or RSQT who receives a Directed Order shall be held to the standard of a Directed SQT or Directed RSQT, as appropriate.

(i) Size Associated with Quotes. An electronic ROT's bid and offer for a series of options contracts shall be accompanied by the number of contracts at that price the electronic ROT is willing to buy or sell. The best bid and best offer submitted by an electronic ROT must have a size of not less than the minimum number of contracts determined by the Exchange on a class by class basis, which minimum shall be at least one (1) contract.

(ii) Two-Sided Quotes. An electronic ROT that enters a bid (offer) in a series of an option in which he is registered on Phlx must enter an offer (bid). These quotations must meet the legal quote width requirements specified in Phlx Rule 1014(c)(i)(A)(1) and (2).

(A) SQTs and RSQTs, associated with the same member organization, are collectively required to provide two-sided quotations in 60% of the cumulative number of seconds, or such higher percentage as Phlx may announce in advance, for which that member organization's assigned options series are open for trading. Notwithstanding the foregoing, a member organization shall not be required to make two-sided markets pursuant to this Rule 1081(c)(ii) in any Quarterly Option Series, any adjusted option series, and any option series with an expiration of nine months or greater.

(i) An adjusted option series is defined as an option series wherein one option contract in the series represents the delivery of other than 100 shares of underlying stock or Exchange-Traded Fund Shares ("Adjusted Options Series").

(B) Specialists (including Remote Specialists), associated with the same member organization, are collectively required to provide two-sided quotations in 90% of the cumulative number of seconds, or such higher percentage as Phlx may announce in advance, for which that member organization's assigned options series are open for trading. Specialists shall be required to make two-sided markets pursuant to this rule in any Quarterly Option Series, any Adjusted Option Series, and any option series with an expiration of nine months or greater.

(C) Directed SQTs and Directed RSQTs, associated with the same member organization, are collectively required to provide two-sided quotations in 90% of the cumulative number of seconds, or such higher percentage as Phlx may announce in advance, for which that member organization's assigned options series are open for trading. A member organization shall be considered directed in all assigned options once the member organization receives a Directed Order in any option in which they are assigned and shall be considered a Directed SQT or Directed RSQT until such time as the member organization notifies the Exchange that they are no longer directed. Notwithstanding the foregoing, a member organization shall not be required to make two-sided markets pursuant to this Rule 1081(c)(ii) in any Quarterly Option Series, any Adjusted Option Series, and any option series with an expiration of nine months or greater.

(D) Specifically, the Exchange will calculate subparagraphs (A) – (C) above by (i) taking the total number of seconds the member organization disseminates quotes in each assigned options series, excluding Quarterly Option Series, any Adjusted Option Series, and any option series with an expiration of nine months or greater for SQTs, RSQTs, Directed SQTs and Directed RSQTs ; and (ii) dividing that time by the eligible total number of seconds each assigned option series is open for trading that day. Quoting is not required in every assigned options series. Compliance with this requirement is determined by reviewing the aggregate of quoting in assigned options series for the member organization.

(iii) Phlx Regulation may consider exceptions to the above-referenced requirement to quote based on demonstrated legal or regulatory requirements or other mitigating circumstances. For purposes of the Exchange's surveillance of member organization compliance with this rule, the Exchange may determine compliance on a monthly basis. The Exchange's monthly compliance evaluation of the quoting requirement does not relieve a member organization of the obligation to provide two-sided quotes on a daily basis, nor will it prohibit the Exchange from taking disciplinary action against a member organization for failing to meet the quoting obligation each trading day.

(iv) If a technical failure or limitation of a System of Phlx prevents a member organization from maintaining, or prevents a member organization from communicating to Phlx timely and accurate quotes, the duration of such failure or limitation shall not be included in any of the calculations under this subparagraph (c)(ii) with respect to the affected quotes.

\* \* \* \* \*