

**EXHIBIT 5**

Deleted text is [bracketed]. New text is underlined.

**Nasdaq PHLX LLC Rules**

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**Options 3 Options Trading Rules**

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**Section 3. Minimum Increments**

(a) Except as provided in [Commentary]Supplementary Material to Options 3, Section 3 below, all options on stocks, index options, and Exchange Traded Fund Shares trading at a price of \$3.00 or higher shall have a minimum increment of \$.10, and all options on stocks and index options trading at a price under \$3.00 shall have a minimum increment of \$.05.

- (1) [However, the Board of Directors may establish different minimum trading increments. The Exchange will designate any such change as a stated policy, practice or interpretation with respect to the administration of this Rule, within the meaning of Section 19(b)(3)(A) of the Exchange Act and will file a proposed rule change with the Securities and Exchange Commission to be effective upon filing.
- (2) An order received at a price expressed in other than the appropriate minimum trading increment described in this Rule shall be rejected by the System.
- (~~3~~2) Different minimum [changes]trading increments for dealings in option contracts other than those specified in paragraph (a) may also be fixed by the Exchange from time to time for option contracts of a particular series.

***Supplementary Material to Options 3, Section 3[:]***

.01 [**Penny Pilot Program**]: For a pilot period scheduled to expire June 30, 2020 or the date of permanent approval, if earlier (the "pilot"), certain options shall be quoted and traded on the Exchange in minimum increments of \$0.01 for all series in such options with a price of less than \$3.00, and in minimum increments of \$0.05 for all series in such options with a price of \$3.00 or higher, except that options overlying the PowerShares QQQ Trust ("QQQQ")®, SPDR S&P 500 Exchange Traded Funds ("SPY"), and iShares Russell 2000 Index Funds ("IWM") shall be quoted and traded in minimum increments of \$0.01 for all series regardless of the price. A list of such options shall be communicated to membership via an Options Trader Alert ("OTA") posted on the Exchange's web site.

The Exchange may replace any pilot issues that have been delisted with the next most actively traded multiply listed options classes that are not yet included in the pilot, based on trading activity in the previous six months. The replacement issues may be added to the pilot on the second trading day in the first month of each quarter.] **Requirements for Penny Interval Program.** The Exchange will list option classes for the Penny Interval Program (“Penny Program”) with minimum quoting requirements (“penny increments”) of one cent (\$0.01) and five cents (\$0.05), as set forth in this Supplementary Material .01 to Options 3, Section 3. The list of the option classes included in the Penny Program will be announced by the Exchange via Options Trader Alert and published by the Exchange on its website.

(a) For options contracts traded pursuant to the Penny Program as described in this Supplementary Material .01, the following minimum increments will apply:

(1) one cent (\$0.01) for all options contracts in QQQ, SPY, and IWM;

(2) one cent (\$0.01) for all other options contracts included in the Penny Program that are trading at less than \$3.00; and

(3) five cents (\$0.05) for all other options contracts included in the Penny Program that are trading at or above \$3.00.

(b) Initial Selection. On the first trading day of the third full calendar month after April 1, 2020, the Penny Program will apply only to the 363 most actively traded multiply listed option classes, based on OCC’s National Cleared Volume in the six full calendar months ending in the month of approval, that (i) currently quote in penny increments, or (ii) overlie securities priced below \$200, or any index at an index level below \$200. Eligibility for inclusion in the Penny Program will be determined at the close of trading on the monthly Expiration Friday of the second full month following April 1, 2020.

(c) Annual Review. Commencing in December 2020 and each December thereafter, OCC will rank all multiply listed option classes based on National Cleared Volume for the six full calendar months from June 1 through November 30 for determination of the most actively traded option classes.

(1) Addition to the Penny Program. Based on the Annual Review, any option class not in the Penny Program that is among the 300 most actively traded multiply listed option classes overlying securities priced below \$200, or an index at an index level below \$200, will be added to the Penny Program on the first trading day of January.

(2) Removal from the Penny Program. Except as provided in (d), (e), (f) and (g) below, based on the Annual Review, any option class in the Penny Program that falls outside the 425 most actively traded multiply listed option classes will be removed from the Penny Program on the first trading day of April.

(d) Newly listed Option Classes. The Exchange may add to the Penny Program a newly listed option class provided that (i) it is among the 300 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in its first full calendar month of trading and (ii) the underlying security is priced below \$200 or the underlying index is at an index level below \$200. Any option class added under this provision will be added on the first trading day of the month after it qualifies and will remain in the Penny Program for one full calendar year, after which it will be subject to the Annual Review stated in section (c) above.

(e) Classes with Significant Growth in Activity. The Exchange may add any option class to the Penny Program, provided that (i) it is among the 75 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in the past six full calendar months of trading and (ii) the underlying security is priced below \$200 or the underlying index is at an index level below \$200. Any option class added under this provision will be added on the first trading day of the second full month after it qualifies and will remain in the Penny Program for the rest of the calendar year, after which it will be subject to the Annual Review stated in section (c) above.

(f) Corporate Actions. If a corporate action involves one or more option classes in the Penny Program, all adjusted and unadjusted series of the option class will be included in the Penny Program. Any new option class added to the Penny Program under this provision will remain in the Penny Program for at least one full calendar year, after which it will be subject to the Annual Review stated in section (c) above.

(g) Delisted or Ineligible Option Classes. Any series in an option class participating in the Penny Program in which the underlying security has been delisted, or are identified by OCC as ineligible for opening customer transactions, will continue to quote pursuant to the terms of the Penny Program until all such options have expired.

.02 – .03 No change.

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## **Section 8. Options Opening Process**

(a) **Definitions.** The Exchange conducts an electronic opening for all option series traded on Phlx using its System.

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(viii) A Quality Opening Market is a bid/ask differential applicable to the best bid and offer from all Valid Width Quotes defined in a table to be determined by the Exchange and published on the Exchange's web site. The calculation of Quality Opening Market is based on the best bid and offer of Valid Width Quotes. The differential between the best bid and offer are compared to reach this determination. The allowable differential, as determined by the Exchange, takes into account the type of security (for example, Penny [Pilot] versus non-Penny Interval Program[Pilot] issue), volatility, option premium, and liquidity. The Quality

Opening Market differential is intended to ensure the price at which the Exchange opens reflects current market conditions.

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### **Options 8 Floor Trading**

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### **Section 33. Accommodation Transactions**

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(d) **Limit Orders Priced Below \$1:** Limit orders with a price of at least \$0 but less than \$1 per option contract may trade under the terms and conditions in Options 8, Section 33 above in each series of option contracts open for trading on the Exchange, except that:

- (1) Bids and offers for opening transactions are only permitted to accommodate closing transactions.
- (2) These procedures are available for trading in all options classes trading on the Exchange, including options classes participating in the Penny Interval[Pilot] Program.
- (3) Transactions shall be reported for clearing utilizing forms, formats and procedures established by the Exchange.

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