

EXHIBIT 5

Below is the text of the proposed rule change. Proposed new language is double-underlined; proposed deletions are in brackets. Amendments to the Rule 6700 Series proposed in SR-FINRA-2012-020, which the SEC approved on April 18, 2012 and will become effective on November 5, 2012, are incorporated herein and are single-underlined.¹

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6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

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6700. TRADE REPORTING AND COMPLIANCE ENGINE (TRACE)

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6710. Definitions

The terms used in this Rule 6700 Series shall have the same meaning as those defined in the FINRA By-Laws and rules unless otherwise specified. For the purposes of this Rule 6700 Series, the following terms have the following meaning:

(a) through (t) No Change.

(u) “To Be Announced” (“TBA”) means a transaction in an Agency Pass-Through Mortgage-Backed Security as defined in paragraph (v) or an SBA-Backed ABS as defined in paragraph (bb) where the parties agree that the seller will deliver to the buyer a pool or pool(s) [an Agency Pass-Through Mortgage-Backed Security] of a specified face amount and meeting certain other criteria but the specific pool or pool(s) to be delivered at settlement is not specified at the Time of Execution [coupon from a specified Agency or Government-Sponsored Enterprise program representing a pool (or

¹ See Securities Exchange Act Release No. 66829 (April 18, 2012), 77 FR 24748 (April 25, 2012) (Order Approving File No. SR-FINRA-2012-020) and Regulatory Notice 12-26 (May 2012).

pools) of mortgages (that are not specified by unique pool number)], and includes TBA transactions “for good delivery” (“GD”) and TBA transactions “not for good delivery” (“NGD”).

(v) “Agency Pass-Through Mortgage-Backed Security” means a type of Asset-Backed Security [a mortgage-backed security] issued [by] in conformity with a program of an Agency or a Government-Sponsored Enterprise (“GSE”), for which the timely payment of principal and interest is guaranteed by [an] the Agency or [a Government-Sponsored Enterprise] GSE, representing ownership interest[s] in a pool (or pools) of [residential] mortgage loans [with the security] structured to “pass through” the principal and interest payments to the holders of the security on a pro rata basis. [made by the mortgagees to the owners of the pool(s) on a pro rata basis.]

(w) No Change.

(x) “Specified Pool Transaction” means a transaction in an Agency Pass-Through Mortgage-Backed Security as defined in paragraph (v) or an SBA-Backed ABS as defined in paragraph (bb) requiring the delivery at settlement of [one or more] a pool or pool(s) [pools of mortgages] that [, at the Time of Execution, are] is identified by [their] a unique pool identification number[s] at the Time of Execution. [and original principal value.]

(y) through (aa) No Change.

(bb) “SBA-Backed ABS” means an Asset-Backed Security issued in conformity with a program of the Small Business Administration (“SBA”), for which the timely payment of principal and interest is guaranteed by the SBA, representing ownership interest in a pool (or pools) of loans and structured to “pass through” the principal and

interest payments made by the borrowers in such loans to the holders of the security on a pro rata basis.

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6730. Transaction Reporting

(a) When and How Transactions are Reported

Each member that is a Party to a Transaction in a TRACE-Eligible Security must report the transaction. A member must report a transaction in a TRACE-Eligible Security within 15 minutes of the Time of Execution, except as otherwise specifically provided below, or the transaction report will be “late.” A member must transmit the report to TRACE during TRACE System Hours.

(1) through (2) No Change.

(3) Reporting Requirements — Asset-Backed Securities Transactions

Transactions in Asset-Backed Securities must be reported as provided in this paragraph (a)(3).

(A) General Reporting Requirements

Except as provided in paragraphs (a)(3)(C), (a)(3)(D), [and] (a)(3)(E), (a)(3)(F) and (a)(3)(G), transactions in Asset-Backed Securities executed on:

(i) a business day at or after 12:00:00 a.m. Eastern Time through 5:00:00 p.m. Eastern Time must be reported the same day during TRACE System Hours;

(ii) a business day after 5:00:00 p.m. Eastern Time but before the TRACE system closes must be reported no later than the

next business day (T + 1) during TRACE System Hours, and, if reported on T + 1, designated “as/of” and include the date of execution; or

(iii) a business day at or after 6:30:00 p.m. Eastern Time through 11:59:59 p.m. Eastern Time, or a Saturday, a Sunday, a federal or religious holiday or other day on which the TRACE system is not open at any time during that day (determined using Eastern Time) must be reported the next business day (T + 1) during TRACE System Hours, designated “as/of” and include the date of execution.

(B) Reserved.

(C) Collateralized Mortgage Obligation and Real Estate

Mortgage Investment Conduit Transactions Before Issuance

Transactions in Asset-Backed Securities that are collateralized mortgage obligations (“CMOs”) or real estate mortgage investment conduits (“REMICs”) that are executed before the issuance of the security must be reported the earlier of:

(i) the business day that the security is assigned a CUSIP, a similar numeric identifier or a FINRA symbol during TRACE System Hours (unless such identifier is assigned after 1:00:00 p.m. Eastern Time, and in such case, such transactions must be reported no later than the next business day during TRACE System Hours), or

(ii) the date of issuance of the security during TRACE System Hours.

In either case, if the transaction is reported other than on the date of execution, the transaction report must be designated “as/of” and include the date of execution.

(D) Agency Pass-Through Mortgage-Backed Securities

Traded To Be Announced For Good Delivery

Transactions in Asset-Backed Securities that are Agency Pass-Through Mortgage-Backed Securities traded to be announced (“TBA”) for good delivery (“GD”) (“MBS TBA transactions GD”) must be reported as provided in this paragraph (a)(3)(D).

(i) During a pilot program for MBS TBA transactions GD (“MBS TBA GD Pilot Program”), which shall expire at 11:59:59 p.m. Eastern Time [insert date that is 180 days following the effective date of the MBS TBA GD Pilot Program (provided that if the 180th day is not a Friday, insert date of the Friday next occurring (that the TRACE system is open) after the 180th day]. [TBA] such transactions [GD] must be reported as follows:

a. Transactions executed on a business day at or after 12:00:00 a.m. Eastern Time through 7:59:59 a.m. Eastern Time must be reported the same day no later than 45 minutes after the TRACE system opens.

b. Transactions executed on a business day at or after 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time (standard TRACE System Hours) must be reported within 45 minutes of the Time of Execution, except as provided in paragraph (a)(3)(D)(i)c. below.

c. Transactions executed on a business day less than 45 minutes before 6:30:00 p.m. Eastern Time must be reported no later than 45 minutes after the TRACE system opens the next business day (T + 1), and if reported on T + 1, designated “as/of” and include the date of execution.

d. Transactions executed on a business day at or after 6:30:00 p.m. Eastern Time through 11:59:59 p.m. Eastern Time or on a Saturday, a Sunday, a federal or religious holiday or other day on which the TRACE system is not open at any time during that day (determined using Eastern Time) must be reported the next business day (T + 1), no later than 45 minutes after the TRACE system opens, designated “as/of” and include the date of execution.

(ii) After the MBS TBA GD Pilot Program expires, MBS TBA transactions GD must be reported as provided in paragraph (a)(1)(A) through paragraph (a)(1)(D).

(E) Agency Pass-Through Mortgage-Backed Securities Traded

To Be Announced Not For Good Delivery [“TBA Transactions

NGD”]

Transactions in Asset-Backed Securities that are Agency Pass-Through Mortgage-Backed Securities traded to be announced (“TBA”) not for good delivery (“NGD”) (“MBS TBA transactions NGD”) must be reported as provided in this paragraph (a)(3)(E).

(i) During a pilot program for MBS TBA transactions NGD (“MBS TBA NGD Pilot Program”), which shall expire at 11:59:59 p.m. Eastern Time [insert date that is 180 days following the effective date of the MBS TBA NGD Pilot Program (provided that if the 180th day is not a Friday, insert date of the Friday next occurring (that the TRACE system is open) after the 180th day], [TBA] such transactions [NGD] must be reported as follows:

a. Transactions executed on a business day at or after 12:00:00 a.m. Eastern Time through 7:59:59 a.m. Eastern Time must be reported the same day no later than 120 minutes after the TRACE system opens.

b. Transactions executed on a business day at or after 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time (standard TRACE System Hours) must be reported within 120 minutes of the Time of Execution, except as provided in paragraph (a)(3)(E)(i)c. below.

c. Transactions executed on a business day less than 120 minutes before 6:30:00 p.m. Eastern Time must

be reported no later than 120 minutes after the TRACE system opens the next business day (T + 1), and if reported on T + 1, designated “as/of” and include the date of execution.

d. Transactions executed on a business day at or after 6:30:00 p.m. Eastern Time through 11:59:59 p.m. Eastern Time or on a Saturday, a Sunday, a federal or religious holiday or other day on which the TRACE system is not open at any time during that day (determined using Eastern Time) must be reported the next business day (T + 1), no later than 120 minutes after the TRACE system opens, designated “as/of” and include the date of execution.

(ii) After the MBS TBA NGD Pilot Program expires, MBS

TBA transactions NGD must be reported as follows:

a. Transactions executed on a business day at or after 12:00:00 a.m. Eastern Time through 7:59:59 a.m. Eastern Time must be reported the same day no later than 60 minutes after the TRACE system opens.

b. Transactions executed on a business day at or after 8:00:00 a.m. Eastern Time through 6:29:59 p.m. Eastern Time (standard TRACE System Hours) must be reported within 60 minutes of the Time of Execution, except as provided in paragraph (a)(3)(E)(ii)c. below.

c. Transactions executed on a business day less than 60 minutes before 6:30:00 p.m. Eastern Time must be reported no later than 60 minutes after the TRACE system opens the next business day (T + 1), and if reported on T + 1, designated “as/of” and include the date of execution.

d. Transactions executed on a business day at or after 6:30:00 p.m. Eastern Time through 11:59:59 p.m. Eastern Time or on a Saturday, a Sunday, a federal or religious holiday or other day on which the TRACE system is not open at any time during that day (determined using Eastern Time) must be reported the next business day (T + 1), no later than 60 minutes after the TRACE system opens, designated “as/of” and include the date of execution.

(F) Agency Pass-Through Mortgage-Backed Securities Traded in Specified Pool Transactions

Agency Pass-Through Mortgage-Backed Securities traded in Specified Pool Transactions (“MBS Specified Pool transactions”) must be reported as provided in this paragraph (a)(3)(F).

(i) During a pilot program for MBS Specified Pool transactions (“MBS Specified Pool Pilot Program”), which shall expire at 11:59:59 p.m. Eastern Time [insert date that is 180 days following the effective date of the MBS Specified Pool Pilot Program (provided that if the 180th day is not a Friday, insert date

of the Friday next occurring (that the TRACE system is open) after the 180th day], such transactions must be reported as provided in paragraph (a)(3)(E)(i)a. through paragraph (a)(3)(E)(i)d.

(ii) After the MBS Specified Pool Pilot Program expires, MBS Specified Pool transactions must be reported as provided in paragraph (a)(3)(E)(ii)a. through paragraph (a)(3)(E)(ii)d.

(G) SBA-Backed ABS

SBA-Backed ABS traded to be announced (“TBA”) or in Specified Pool Transactions must be reported as provided in this paragraph (a)(3)(G).

(i) During a pilot program for SBA-Backed ABS traded TBA or in Specified Pool Transactions (“SBA-Backed ABS Pilot Program”), which shall expire at 11:59:59 p.m. Eastern Time [insert date that is 180 days following the effective date of the SBA-Backed ABS Pilot Program (provided that if the 180th day is not a Friday, insert date of the Friday next occurring (that the TRACE system is open) after the 180th day], such transactions must be reported as provided in paragraph (a)(3)(E)(i)a. through paragraph (a)(3)(E)(i)d.

(ii) After the SBA-Backed ABS Pilot Program expires, SBA-Backed ABS traded TBA or in Specified Pool Transactions must be reported as provided in paragraph (a)(3)(E)(ii)a. through paragraph (a)(3)(E)(ii)d.

(4) through (6) No Change.

(b) through (f) No Change.

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6750. Dissemination of Transaction Information

(a) No Change.

(b) Transaction Information Not Disseminated

FINRA will not disseminate information on a transaction in a TRACE-Eligible Security that is:

(1) through (3) No Change.

(4) an Asset-Backed Security, except:

(A) an Agency Pass-Through Mortgage-Backed Security [traded to be announced (“TBA”) (“TBA transaction”)]; and

(B) an SBA-Backed ABS.

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