

EXHIBIT 5

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

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6700. TRADE REPORTING AND COMPLIANCE ENGINE (TRACE)

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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 as soon as practicable, but no later than within 15 minutes of the Time of Execution, except as otherwise specifically provided below. Transactions not reported within the specified timeframe will be designated as “late.” A member must transmit the report to TRACE during TRACE System Hours.

(1) through (3) No Change.

(4) Reporting Requirements — U.S. Treasury Securities

Transactions in U.S. Treasury Securities must be reported as soon as practicable, but no later than the time period specified [as provided] in this paragraph (a)(4).

(A) General Reporting Requirements

Transactions in U.S. Treasury Securities executed on:

- (i) a business day at or after 12:00:00 a.m. Eastern Time through [5:00:00 p.m.] 7:59:59 a.m. Eastern Time must be reported

the same day [during TRACE System Hours] no later than 60 minutes after the TRACE system opens;

(ii) 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)(4)(A)(iii) of this Rule; [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 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; or

(iv) 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) no later than 60 minutes after the TRACE system opens [during

TRACE System Hours], designated “as/of” and include the date of execution.

(B) No Change.

(5) through (7) No Change.

(b) through (f) No Change.

••• **Supplementary Material:** -----

.01 through .02 No Change.

.03 Trade Reporting Time Frame

(a) Each member with an obligation to report a transaction in a TRACE-Eligible Security “as soon as practicable” pursuant to paragraph (a) of this Rule[a trade reporting obligation pursuant to paragraph (a) above for a TRACE-Eligible Security that is subject to dissemination] must adopt policies and procedures reasonably designed to comply with this[the] requirement [that transactions in TRACE-Eligible Securities be reported “as soon as practicable”] by implementing systems that commence the trade reporting process at the Time of Execution without delay. Where a member has such reasonably designed policies, procedures and systems in place, the member generally will not be viewed as violating the “as soon as practicable” requirement because of delays in trade reporting that are due to extrinsic factors that are not reasonably predictable and where the member does not purposely intend to delay the reporting of the trade. In no event may a member purposely withhold trade reports, e.g., by programming its systems to delay reporting until the end of the reporting time period.

(b) No Change.

.04 Time of Execution for Transactions in U.S. Treasury Securities. When reporting transactions in U.S. Treasury Securities executed electronically, members must report the T[time] of E[execution] pursuant to paragraph (c)(8) of this Rule to the finest increment of time captured [in the member's] by the execution system (e.g., millisecond, microsecond), but reporting must be [at a minimum,] in an increment[s] of (i) no longer than a second[s] and (ii) no shorter than a microsecond.

.05 No Change.

.06 [Temporary Exception for Aggregate Transaction Reporting of U.S. Treasury Securities Executed in ATS Trading Sessions]

[(a) A member alternative trading system ("ATS") and members engaging in trades on such ATS are permitted to report transactions in U.S. Treasury Securities executed within discrete ATS trading sessions (sometimes referred to as "work-up sessions") in an aggregated manner. Pursuant to this temporary exception, members may submit a transaction report reflecting the aggregate amount of a U.S. Treasury Security purchased (sold) to another party during a single trading session at the average price of such transactions, with the Time of Execution communicated by the ATS to each Party to a Transaction, irrespective of the number of trades in the trading session.]

[(b) A member ATS availing itself of this exception must provide individual transaction information for each trade in a U.S. Treasury Security occurring in a trading session to FINRA upon request.]

[(c) This Supplementary Material .06 shall be in effect until April 12, 2019.]

[.07] ATS Identification of Non-FINRA Member Counterparties for Transactions in U.S. Treasury Securities

(a) through (d) No Change.

.07 Exception for Members with Limited Trading Volume in U.S. Treasury

Securities

(a) Supplementary Material .04 shall not apply to a member with limited trading volume in U.S. Treasury Securities, as defined in paragraph (b) of this Supplementary Material .07, provided that, when reporting transactions in U.S. Treasury Securities executed electronically, such member reports the Time of Execution pursuant to paragraph (c)(8) of this Rule to the finest increment of time captured in the member's system (e.g., millisecond, microsecond), but reporting must be in an increment of: (i) no longer than a second and (ii) no shorter than a microsecond.

(b) For purposes of this Supplementary Material .07, a "member with limited trading volume in U.S. Treasury Securities" is a member that executed transactions in U.S. Treasury Securities of \$10 million or less in average daily par value, computed by aggregating buy and sell transactions, during the preceding calendar year.

(c) A member relying on the exception under paragraph (a) of this Supplementary Material .07 shall confirm on an annual basis that it continues to meet the criteria for a "member with limited trading volume in U.S. Treasury Securities" set forth in paragraph (b) of this Supplementary Material .07. If a member no longer meets the criteria set forth in paragraph (b) in a given calendar year, such member shall no longer be eligible for the exception under paragraph (a) beginning 90 days after the end of such calendar year. Thereafter, such member may no longer rely on the exception under paragraph (a), irrespective of whether such member meets the criteria in a subsequent calendar year, except where the member has changed business lines or undergone a

corporate restructuring that significantly impacts its level of activity in U.S. Treasury Securities.

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