

Exhibit 5

Text of the proposed rule change (Additions are underlined; deletions are in [brackets].)

Rule 802. Appointment of Market Makers

(a) In the manner prescribed by the Exchange, a market maker may seek appointment to one or more options classes traded on the Exchange. The [Board] Exchange or a committee designated by the Board shall appoint [market makers to one or more] classes of options contracts traded on the Exchange to market makers taking into consideration: [. In making such appointments the Board or designated committee shall consider] (i) the financial resources available to the market maker, (ii) the market maker's experience and expertise in market making or options trading, and (iii) the maintenance and enhancement of competition among market makers in each class of options contracts to which they are appointed. The [Board] Exchange or designated committee shall make appointments in the best interest of the Exchange to provide competitive markets. No appointment of a market maker shall be without the market maker's consent to such appointment, provided that refusal to accept an appointment may be deemed sufficient cause for termination or suspension of a market maker's registration.

(b) Appointments to Primary Market Makers. A Primary Market Maker shall be appointed to each options class traded on the Exchange.

(1) A Primary Market Maker seeking appointment to options on equity indexes, foreign currency indexes, foreign currency options and Fund Shares (collectively "Index-Based Products") shall provide, at the discretion of the Exchange, and upon its request, specific performance commitments, which shall include, at a minimum, commitments regarding (i) the average quotation size it will disseminate in the Index-Based Product, and (ii) the maximum quotation spread it will disseminate in such product at least ninety percent of the time.

[(b)(1) The Board or designated committee will allocate equity options classes into groupings ("Groups" of options) and will make appointments to those Groups rather than individual classes, except as provided in paragraph (f) and Supplementary Material .02 below. Absent an exemption by the Exchange, an appointment of a market maker shall be limited to the options classes trading in no more than one Group for each Membership held by the market maker.]

(c) Appointments to Competitive Market Makers. Competitive market makers may request appointments to options classes traded on the Exchange, subject to the trading licensing requirements of Rule 2013 with respect to index options and Rule 2213 with respect to foreign currency options.

(1) On a quarterly basis, the Exchange shall assign points to each options class equal to its percentage of overall industry volume (not including exclusively traded index options), rounded down to the nearest tenth of a percentage. New listings with no

industry volume in the previous quarter will be assigned a point value of zero.

(2) A Competitive Market Maker may seek appointments to options classes that total: (A) 20 points for the first CMM Right it owns or leases; and (B) 10 points for the second and each subsequent CMM Right it owns or leases.

(3) A Competitive Market Maker may request changes its appointments at any time upon advance notification to the Exchange in a form and manner prescribed by the Exchange.

[(2) The Board or designated committee will allocate to options on equity indexes, foreign currency indexes, foreign currency options and Fund Shares (collectively “Index-Based Products”) to a Primary Market Maker and to as many Competitive Market Makers that request appointment to the Index-Based Product, subject to paragraph (f) below and in the case of Eligible Index Options, and in the case of foreign currency options and foreign currency index options, subject to Rule 2213. A Primary Market Maker seeking allocation of an Index-Based Product shall provide, at the discretion of the Exchange, and upon its request, specific performance commitments, which shall include, at a minimum, commitments regarding (i) the average quotation size it will disseminate in the Index-Based Product, and (ii) the maximum quotation spread it will disseminate in such product at least ninety percent of the time.]

[(c) The Board or designated committee shall appoint one Primary Market Maker and at least two (2) Competitive Market Makers to each options class traded on the Exchange.]

[(d) No appointment of a market maker shall be without the market maker’s consent to such appointment, provided that refusal to accept an appointment may be deemed sufficient cause for termination or suspension of a market maker’s registration.]

[(e)] (d) The [Board or designated committee] Exchange may suspend or terminate any appointment of a market maker under this Rule and may make additional appointments [or change the options classes included in a market maker’s appointed Group whenever, in the Board’s or designated committee’s] Exchange’s judgment, the interests of a fair and orderly market are best served by such action. In the case of an Index-Based Product, during the term of that appointment, the [Board or designated committee] Exchange may also base a decision to suspend or terminate a Primary Market Maker’s appointment on the failure of the Primary Market Maker to meet the terms of its commitments under paragraph (b)[(2)](1) above.

(f) Market Maker Performance. [The Exchange shall periodically conduct an evaluation of market makers to determine whether they have fulfilled performance standards] In making appointments to market makers, the Exchange may evaluate the performance of market makers relating to, among other things, quality of markets, competition among market makers, observance of ethical standards, and administrative factors. The Exchange may consider any relevant information, including but not limited to the results of a market maker evaluation questionnaire, trading data, a market maker’s regulatory history and such other factors and data as may be pertinent in the circumstances. Moreover, [F]failure by a market maker to meet

minimum performance standards may result in, among other things: (1) suspension, termination or restriction of an appointment to one or more of the options classes within the market maker's appointed Group; (2) restriction of appointments to additional options classes in the market maker's appointed Group; or (3) suspension, termination, or restriction of the market makers registration.

Supplementary Material to Rule 802

.01 Index-Based Options. Pursuant to paragraph (b)~~(2)~~(1) of Rule 802, a Primary Market Maker shall specify the average size and maximum quotation spread to which it will commit on a quarterly basis for four successive calendar quarters. The Primary Market Maker may specify differing size and quotation commitments for different series of an options class, such as by committing to a larger size and narrower quotations for the at-the-money series or series nearer to expiration. A Primary Market Maker also may, but is not required to, provide commitments regarding marketing or other support with respect to the Index-Based Product. In addition, a Primary Market Maker may, but is not required to, provide information regarding order flow arrangements with order flow providers. When an Index-Based Product is allocated to a Primary Market Maker, that Primary Market Maker's size and spread quotations for the fourth quarter following listing shall remain in effect thereafter on a quarter-to-quarter basis unless the Primary Market Maker has requested, and the [Board] Exchange or designated committee has approved, a change in such commitments. Any other commitments that a Primary Market Maker has made also shall remain in effect until modified by the [Board] Exchange or designated committee upon the request of the Primary Market Maker.

.02 A Member that is approved to act in the capacity of a Competitive Market Maker with respect to one or more CMM Rights may voluntarily be appointed to act as an "Alternative Primary Market Maker," so long as the Exchange has determined that such Member has the appropriate systems and procedures in place to undertake the responsibilities of a Primary Market Maker.

(a) through (c) no change.

(d) Options classes allocated to Alternative Primary Market Makers may be traded in the Second Market as provided in Chapter 9 of the Rules. [With respect to options classes traded in the First Market, such classes will not be allocated to a particular Group under Rule 802(b)(1), and all Competitive Market Makers shall be eligible for appointment to such classes.]

(e) no change.

Rule 804. Market Maker Quotations

(a) through (d) no change.

(e) *Continuous Quotes.* A market maker must enter continuous quotations for the options classes to which it is appointed pursuant to the following:

(1) Primary Market Makers. Primary Market Makers must enter continuous quotations and enter into any resulting transactions in all of the series listed on the Exchange of the options classes to which [he] it is appointed on a daily basis.

(2) Competitive Market Makers. (i) On any given day, a Competitive Market Maker is not required to enter quotations in the options classes to which it is appointed. [must participate in the opening rotation and make markets and enter into any resulting transactions on a continuous basis in at least 60% of the series listed on the Exchange of at least sixty percent (60%) of the options classes for the Group to which the Competitive Market Maker is appointed or 40 options classes in the Group, whichever is lesser.]

(ii) A Competitive Market Maker may initiate quoting in options classes to which it is appointed intraday, up to the number of appointed options classes for which they participated in the opening rotation on that day.

[(ii)] (iii) Whenever a Competitive Market Maker enters a quote in an options class to which it is appointed, it must maintain continuous quotations for that series and at least 60% of the series of the options class listed on the Exchange until the close of trading that day; provided, however, that a Competitive Market Maker shall be required to maintain continuous quotations for that series and at least 90% of the series of any options class in which it receives Preferred Orders (see Supplementary Material .03 to Rule 713 regarding Preferred Orders).

[(iii)] (iv) A Competitive Market Maker may be called upon by an Exchange official designated by the Board to submit a single quote or maintain continuous quotes in one or more of the series of an options class to which the Competitive Market Maker is appointed whenever, in the judgment of such official, it is necessary to do so in the interest of fair and orderly markets.

(f) through (h) no change.

Supplementary Material to Rule 804

.01 no change.

Rule 805. Market Maker Orders

(a) *Options Classes to Which Appointed.* Market makers may not place principal orders to buy or sell options in the options classes to which they are appointed under Rule 802, other than immediate-or-cancel orders, market orders, fill-or-kill orders, complex orders, block-size orders executed through the Block Order Mechanism pursuant to Rule 716(c), and non-displayed penny orders (in securities designated by the Exchange pursuant to Rule 715(b)(4)).

Competitive Market Makers shall comply with the provisions of Rule 804(e)(2)[(ii)](iii) upon the entry of such orders if they were not previously quoting in the series.

(b) no change.

Rule 810. Limitations on Dealings

(a) through (e) no change.

(f) *Exceptions to the Information Barrier Requirement.*

(1) A market maker shall be exempt from paragraph (a)(3) of this Rule to the extent the market maker complies with the following conditions:

(A) such Member handles orders as agent only for the account of entities that are affiliated with the Member and solely in options classes [contained in Groups] to which the Member is not appointed as a market maker pursuant to Rule 802 or in which the Member is prohibited from acting as a market maker pursuant to regulatory requirements;

(B) and (C) no change.

(2) no change.

Supplemental Material to Rule 810

.01 no change.