

EXHIBIT 5

New text is underlined; deleted text is in brackets.

NASDAQ ISE, LLC Rules

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Options 3 Options Trading Rules

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Section 5. Entry and Display of Single-Leg Orders

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(b) **NBBO Price Protection.** Orders, other than Intermarket Sweep Orders (as defined in Options 5, Section 1(h)), will not be automatically executed by the System at prices inferior to the NBBO (as defined in Options 5, Section 1(j)).

(1) [Orders that are not automatically executed will be handled as provided in Supplementary Material .02 to Options 5, Section 2; provided that Members may specify that a Non-Customer order should instead be accepted and immediately cancelled automatically by the System at the time of receipt.

(2)]There is no NBBO price protection with respect to any other market whose quotations are Non-Firm (as defined in Options 5, Section 1(k)).

(c) The System automatically executes eligible orders using the Exchange's displayed best bid and offer ("BBO") or the Exchange's non-displayed order book ("internal BBO") if the best bid and/or offer on the Exchange has been re-priced pursuant to subsection (d) below.

(d) **Trade-Through Compliance and Locked or Crossed Markets.** An order will not be executed at a price that trades through another market or displayed at a price that would lock or cross another market. An order that is designated by the Member as routable will be routed in compliance with applicable Trade-Through and Locked and Crossed Markets restrictions. [Orders that are not automatically executed will be handled as provided in Supplementary Material .02 to Options 5, Section 2; provided that Members may specify that a Non-Customer order should instead be cancelled automatically by the System at the time of receipt.] An order that is designated by a Member as non-routable will be re-priced in order to comply with applicable Trade-Through and Locked and Crossed Markets restrictions. If, at the time of entry, an order that the entering party has elected not to make eligible for routing would cause a locked or crossed market violation or would cause a trade-through violation, it will be re-priced to the current national best offer (for bids) or the current national best bid (for offers) and displayed at one minimum price variance above (for offers) or below (for bids) the national best price.

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Section 7. Types of Orders and Order and Quote Protocols

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(m) Reserved.[**Do-Not-Route Orders.** A do-not-route order is a market or limit order that is to be executed in whole or in part on the Exchange only. Due to prices available on another options exchange (as provided in Options 5 (Order Protection; Locked and Crossed Markets)), any balance of a do-not-route order that cannot be executed upon entry, or placed on the Exchange's limit order book, will be automatically cancelled.]

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(s) Reserved.[**Sweep Order.** A Sweep Order is a limit order that is to be executed in whole or in part on the Exchange and the portion not so executed shall be routed pursuant to Supplementary Material .05 to Options 5, Section 2 to Eligible Exchange(s) for immediate execution as soon as the order is received by the Eligible Exchange(s). Any portion not immediately executed by the Eligible Exchange(s) shall be canceled. If a Sweep Order is not marketable when it is submitted to the Exchange, it shall be canceled.]

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Supplementary Material to Options 3, Section 7

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.04 Routing Strategies. Orders may be entered on the Exchange with a routing strategy of FIND or SRCH, or, in the alternative, an order may be marked as Do-Not-Route (“DNR”) as provided in Options 5, Section 4 through FIX only.

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Section 9. Trading Halts

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(d) Capitalized terms used in this paragraph shall have the same meaning as provided for in the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS, as it may be amended from time to time (“LULD Plan”). During a Limit State and Straddle State in the Underlying NMS stock:

- (1) The Exchange will not open an affected option.
- (2) Provided the Exchange has opened an affected option for trading, the Exchange shall reject Market Orders, as defined in Options 3, Section 7(a), and Market Complex Orders as defined in Options 3, Section 14(b), and shall notify Members of the reason for such rejection. The Exchange shall cancel Complex Orders that are Market Orders residing in the System, if the Market Complex Order becomes marketable while the affected underlying is in a Limit or Straddle State. [Market Orders exposed at the NBBO pursuant to

Supplementary Material. 02 to Option 5, Section 2 or]Market Complex Orders exposed for price improvement pursuant to Supplementary Material .01 to Options 3, Section 14, pending in the System[,] will continue to be processed. If at the end of the exposure period the affected underlying is in a Limit or Straddle State, the [Market Order or the] Market Complex Order will be cancelled. If the affected underlying is no longer in a Limit or Straddle State after the exposure period, the [Market Order or the]Market Complex Order will be processed with normal handling.

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Section 10. Priority of Quotes and Orders

(a) Definitions and Applicability.

([i]1) As provided in Options 1, Section 1(a)(6) and (a)(26), a “bid” is a quotation or Limit Order to buy options contracts and an “offer” is a quotation or Limit Order to sell options contracts. “Quotations,” which are defined in Options 1, Section 1 (a)(46), may only be entered on the Exchange by Market Makers in the options classes to which they are appointed under Options 2, Section 3. Limit Orders may be entered by Market Makers in certain circumstances as provided in the Rules and by Electronic Access Members (either as agent or as principal). “Priority Customer Orders” and “Professional Orders” are defined in Options 1, Section 1(a)(38) and (39).

([ii]2) **Applicability.** This rule does not apply to the Block Order Mechanism described within Options 3, Section 11(a), the Facilitation Mechanism described within Options 3, Section 11(b), the Solicited Order Mechanism described within Options 3, Section 11(d), the Price Improvement Mechanism described within Options 3, Section 13, orders described within Options 3, Section 12[or an exposure period as provided in Options 5, Section 2 at Supplementary Material .02], unless Options 3, Section 10 is specifically referenced within ISE Rules applicable to the aforementioned functionality.

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(c) *Execution Priority and Processing in the System.* The Exchange will apply a Size Pro- Rata execution algorithm to orders, unless otherwise specified. The System shall execute trading interest within the System in price priority, meaning it will execute all trading interest at the best price level within the System before executing trading interest at the next best price. Size Pro-Rata Priority shall mean that if there are two or more resting orders or quotes at the same price, the System allocates contracts from an incoming order or quote to resting orders and quotes beginning with the resting order or quote displaying the largest size proportionally according to displayed size, based on the total number of contracts displayed at that price. If the result is not a whole number, it will be rounded up to the nearest whole number. If there are still contracts to be allocated after the displayed size of all orders at that price has been executed, the remaining size from the incoming order will be allocated proportionally against non-displayed interest according to remaining total size of each resting order at such price, beginning with the order which has the largest total size remaining.

- (1) **Priority Overlays Applicable to Size Pro-Rata Execution Algorithm:** the Exchange will apply the following designated Member priority overlays. No Member shall be entitled to receive a number of contracts that is greater than the size that is associated with their quotation or order.

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(B) Enhanced Primary Market Maker Priority: A Primary Market Maker may be assigned by the Exchange in each option class in accordance with Options 2, Section 3(b). After all Priority Customer orders have been fully executed, provided the Primary Market Maker's quote is at the NBBO, the Primary Market Maker shall be entitled to receive the allocation described in Options 3, Section 10(c)(1)(B)(i), unless the incoming order to be allocated is a Preferred Order and the Primary Market Maker is not the Preferred Market Maker, in which case allocation would be pursuant to (c)(1)(C). If the order is a Preferred Order and the Primary Market Maker is also the Preferred Market Maker ("Preferred Market Maker Priority") then the Preferred Market Maker Participation Entitlement in (c)(1)(C) or (c)(1)(E) applies. The Primary Market Maker shall not be entitled to receive a number of contracts that is greater than the size associated with such Primary Market Maker's quote.

- (i) When the Primary Market Maker is at the same price as a non- Priority Customer Order or Market Maker quote and the number of contracts is greater than 5, the Primary Market Maker shall receive the greater of:
- a. 60% of remaining interest if there is one other non-Priority Customer Order or Market Maker quote at that price; 40% of remaining interest if there are two other non-Priority Customer Orders or Market Maker quotes at that price; or 30% of remaining interest if there are more than two other non-Priority Customer Orders and Market Maker quotes at that price (the "Primary Market Maker Participation Entitlement"); or
 - b. the Primary Market Maker's Size Pro-Rata share under subparagraph ([a]c)(1)(E) ("All Other Remaining Interest").

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Section 11. Auction Mechanisms

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(g) Concurrent Complex Order and single leg auctions. An auction in the Block Order Mechanism at Options 3, Section 11(a), Facilitation Mechanism at Options 3, Section 11(b), Solicited Order Mechanism at Options 3, Section 11(d), or Price Improvement Mechanism at Options 3, Section 13(d), respectively, [or an exposure period as provided in Supplementary Material .02 to Options 5, Section 2,] for an option series may occur concurrently with a Complex Order Exposure Auction at Supplementary Material .01 to Options 3, Section 14,

Complex Facilitation Auction at Options 3, Section 11(c), Complex Solicited Order Auction at Options 3, Section 11(e), or Complex Price Improvement Mechanism auction at Options 11, Section 13(e), respectively, for a Complex Order that includes that series. To the extent that there are concurrent Complex Order and single leg auctions involving a specific option series, each auction will be processed sequentially based on the time the auction commenced. At the time an auction concludes, including when it concludes early, the auction will be processed pursuant to Options 3, Section 11(a), (b), (d), or Section 13(a)[or Supplementary Material .02 to Options 5, Section 2], as applicable, for the single option, or pursuant to Supplementary Material .01 to Options 3, Section 14, Options 3, Section 11(c), 11(e), Options 3, Section 13(e), as applicable, for the Complex Order, except as provided for at Options 3, Section 13(e)(4)(vi).

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Options 5 Order Protection and Locked and Crossed Markets

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Section 2. Order Protection

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[Supplementary Material to Options 5, Section 2

.01 All public customer ISOs entered by an Electronic Access Member on behalf of an Eligible Exchange shall be represented on the Exchange as Priority Customer Orders, as defined in Options 1, Section 1(a)(38). There shall be no obligation on Electronic Access Members to determine whether the public customer for whom the Eligible Exchange is routing an ISO meets the definition of a Priority Customer.

.02 When an incoming order is priced at or through the ABBO, when the ABBO is better than the Exchange BBO, such order shall be exposed at the current NBBO to all Exchange Members for a time period established by the Exchange not to exceed one (1) second. During the exposure period, Exchange Members may enter responses up to the size of the order being exposed in the regular trading increment applicable to the option. If a trading halt is initiated during the exposure period, the exposure period will be terminated without execution.

- (a) If at the end of the exposure period, the order is executable at the then-current NBBO and the Nasdaq ISE is not at the then-current NBBO, responses that equal or better the NBBO will be executed in price priority, and at the same price, allocated pro-rata based on size (i.e., the percentage of the total number of contracts available at the same price that is represented by the size of a Member's response).
- (b) If during the exposure period, the order becomes executable on the Nasdaq ISE at the prevailing NBBO, the exposure period will be terminated, and the order will be executed against orders and quotes on the book and responses received during the exposure period. Such interest will be executed in price priority. At the same price, Priority Customer Orders

will be executed first in time priority and then all other interest (orders, quotes and responses) will be allocated pro-rata based on size.

- (c) If during the exposure period the Exchange receives an unrelated order on the opposite side of the market from the exposed order that could trade against the exposed order at the prevailing NBBO price, the exposure period will be terminated and the orders will be executed pursuant to (b) above.
- (d) If after an order is exposed, the order cannot be executed in full on the Exchange at the then-current NBBO or better, and it is marketable, the lesser of the full displayed size of the Protected Bid(s) or Protected Offer(s) that are priced better than the Nasdaq ISE's quote or the balance of the order will be sent to NES (as defined in Options 5, Section 4) and any additional balance of the order will be executed on the Nasdaq ISE if it is marketable. Any additional balance of the order that is not marketable against the then-current NBBO will be placed on the Nasdaq ISE book.
- (e) If after a an order that is marked "do-not-route" is exposed, the order cannot be executed in full on the Exchange at the then-current NBBO or better (i) the balance of the order will be placed on the Nasdaq ISE book if it is not marketable against the then-current NBBO, or (ii) the balance of the order will be canceled.
- (f) A pattern or practice of submitting orders that cause an exposure period to conclude early for purposes of Options 3, Section 22 will be deemed conduct inconsistent with just and equitable principles of trade and a violation of Options 9, Section 1 and other Exchange Rules.

.04 Non-Customer Order(s), as defined in Options 1, Section 1(a)(25), may opt out of being processed in accordance with Supplementary Material .02 of this Options 5, Section 2. Such order(s) will be processed as follows:

- (a) When the automatic execution of an incoming Non-Customer Order would result in an impermissible Trade Through, and it is marketable, the lesser of the full displayed size of the Protected Bid(s) or Protected Offer(s) that are priced better than the Nasdaq ISE's quote or the balance of the order will be sent to NES (as defined in Options 5, Section 4) and any additional balance of the order will be executed on the Nasdaq ISE if it is marketable. Any additional balance of the order that is not marketable against the then-current NBBO will be placed on the Nasdaq ISE book.
- (b) If an order is marked "do-not-route" and the order cannot be executed in full on the Exchange at the then current NBBO or better (i) the balance of the order will be placed on the Nasdaq ISE book if it is not marketable against the then current NBBO, or (ii) the balance of the order will be cancelled.

.05 Sweep Order(s), as defined in Options 3, Section 7(s), will not be processed in accordance with Supplementary Material .02 of this Options 5, Section 2. Such order(s) will be processed as follows:

- (a) When the automatic execution of an incoming Sweep Order would result in an impermissible Trade Through, and it is marketable, the lesser of the full displayed size of the Protected Bid(s) or Protected Offer(s) that are priced better than the Nasdaq ISE's quote or the balance of the order will be sent to NES and any additional balance of the order will be executed on the Nasdaq ISE if it is marketable. Any portion of the order not executed shall be canceled.
- (b) If a Sweep Order is not marketable when it is submitted to the Exchange, it shall be canceled.

.06 In addressing Public Customer Orders that are not automatically executed because there is a displayed bid or offer on another exchange trading the same options contract that is better than the best bid or offer on the Exchange pursuant to the Supplementary Material of this Options 5, Section 2, the Exchange will act in compliance with these Rules and with the provisions of the Exchange Act and the rules thereunder, including, but not limited to, the requirements in Section (6)(b)(4) and (5) of the Exchange Act that the rules of national securities exchange provide for the equitable allocation of reasonable dues, fees, and other charges among its Members and issuers and other persons using its facilities, and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

.07 All orders entered on the Exchange and routed to another exchange via an ISO pursuant to the Supplementary Material of this Options 5, Section 2 that result in an execution shall be binding on the Member that entered such orders.]

Section 3. Locked and Crossed Markets

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[Supplementary Material to Options 5, Section 3

.01 When the price of an incoming limit order that is not executable upon entry would lock or cross a Protected Quotation, such order shall be handled in accordance with the provisions of Supplementary Material .02, .04 or .05 to Options 5, Section 2, as applicable.]

Section 4. Order Routing[to Other Exchanges]

(a) The Exchange offers two routing strategies, FIND and SRCH. Each of these routing strategies will be explained in more detail below. An order may in the alternative be marked Do Not Route or "DNR". The Exchange notes that for purposes of this Rule the System will route FIND and SRCH Orders with no other contingencies. Immediate-or-Cancel ("IOC") Orders will be cancelled immediately if not executed, and will not be routed. The System checks the order book for available contracts for potential execution against the FIND or SRCH Orders. After the System checks the order book for available contracts, orders are sent to other available market centers for potential execution. When checking the order book, the System will seek to execute at the price at which it would send the order to an away market. For purposes of this Rule, a Route Timer shall not exceed one second and shall begin at the time orders are accepted into the System, and the System will consider whether an order can be routed at the conclusion of each

Route Timer. Finally, for purposes of this Rule, “exposure” or “exposing” an order shall mean a notification sent to Members with the price, size, and side of interest that is available for execution. Exposure notifications will be sent to Members in accordance with the routing procedures described in Options 5, Section 4(a)(iii) below except if an incoming order is joining an already established BBO price when the ABBO is locked or crossed with the BBO, in which case such order will join the established BBO price and no exposure notification will be sent. An order exposure will be sent if the order size is modified. For purposes of this Rule, the Exchange’s opening process is governed by Options 3, Section 8 and includes an opening after a trading halt (“Opening Process”). Routing options may be combined with all available order types and times-in-force, with the exception of order types and times-in-force whose terms are inconsistent with the terms of a particular routing option. The order routing process shall be available to Members from 9:30 a.m. Eastern Time until market close and shall route orders as described below. Members can designate orders as either available for routing or not available for routing. All routing of orders shall comply with Options 5, Options Order Protection and Locked and Crossed Market Rules.

(i) **Priority of Routed Orders.** Orders sent to other markets do not retain time priority with respect to other orders in the System and the System shall continue to execute other orders while routed orders are away at another market center. Once routed by the System, an order becomes subject to the rules and procedures of the destination market including, but not limited to, order cancellation. A routed order can be for less than the original incoming order's size. If a routed order is subsequently returned, in whole or in part, that routed order, or its remainder, shall receive a new time stamp reflecting the time of its return to the System, unless any portion of the original order remains on the System, in which case the routed order shall retain its timestamp and its priority.

(ii) **Entering Members whose orders are routed to away markets shall be obligated to honor such trades that are executed on away markets to the same extent they would be obligated to honor a trade executed on the Exchange.**

[The Exchange may automatically route ISOs to other exchanges under certain circumstances, including pursuant to Supplementary Material .02 to Options 5, Section 2 ("Routing Services"). In connection with such services, the following shall apply:]

([a]A) The Exchange shall route orders in options via Nasdaq Execution Services, LLC ("NES"), a broker-dealer that is a Member of an unaffiliated SRO which is the designated examining authority for the broker-dealer. NES serves as the Routing Facility of the Exchange (the "Routing Facility"). The sole use of the Routing Facility by the System will be to route orders in options listed and open for trading on the System to away markets either directly or through one or more third-party unaffiliated routing broker-dealers pursuant to Exchange Rules on behalf of the Exchange. The Routing Facility is subject to regulation as a facility of the Exchange, including the requirement to file proposed rule changes under Section 19 of the Securities Exchange Act of 1934, as amended.

([b]B) Use of NES to route orders to other market centers is optional. Parties that do not desire to use NES must designate orders as Do-Not-Route-Orders as described in Options [3]5, Section [7(m)]4(a)(iii)(A).

([c]C) The Exchange shall establish and maintain procedures and internal controls reasonably designed to adequately restrict the flow of confidential and proprietary information between the Exchange and the Routing Facility, and any other entity, including any affiliate of the Routing Facility; or, where there is a routing broker, the Exchange, the Routing Facility and any routing broker, and any other entity, including any affiliate of the routing broker (and if the routing broker or any of its affiliates engages in any other business activities other than providing routing services to the Exchange, between the segment of the routing broker or affiliate that provides the other business activities and the segment of the routing broker that provides the routing services).

(1) The books, records, premises, officers, directors, agents, and employees of the Routing Facility, as a facility of the Exchange, shall be deemed to be the books, records, premises, officers, directors, agents, and employees of the Exchange for purposes of and subject to oversight pursuant to the Act. The books and records of the Routing Facility, as a facility of the Exchange, shall be subject at all times to inspection and copying by the Exchange and the Commission.

(2) The Exchange and NES may not use a routing broker for which the Exchange or any affiliate of the Exchange is the designated examining authority.

([d]D) *Market Access*. In addition to the Exchange Rules regarding routing to away trading centers, NES as defined above, has, pursuant to Rule 15c3-5 under the Act, implemented certain tests designed to mitigate risks associated with providing the Exchange's Members with access to such away trading centers. Pursuant to the policies and procedures developed by NES to comply with Rule 15c3-5, if an order or series of orders are deemed to be violative of applicable pre-trade requirements of Rule 15c3-5, the order will be rejected prior to routing and/or NES will seek to cancel any orders that have been routed.

([e]E) The Exchange will determine the logic that provides when, how, and where orders are routed away to other exchanges. Except as provided in subparagraph ([d]D) above, the routing broker(s) cannot change the terms of an order or the routing instructions, nor does the routing broker have any discretion about where to route an order.

[(f) Entering Members whose orders are routed to away markets shall be obligated to honor such trades that are executed on away markets to the same extent they would be obligated to honor a trade executed on the Exchange.]

(iii) The following order types are available:

(A) DNR Order. A DNR Order will never be routed outside of the Exchange regardless of the prices displayed by away markets. A DNR Order may execute on the Exchange at

a price equal to or better than, but not inferior to, the best away market price but, if that best away market remains, the DNR Order will remain in the Exchange's order book and be displayed at a price one minimum price variation ("MPV") inferior to that away best bid/offer. If the DNR Order is locking or crossing the ABBO, the DNR Order shall be entered into the order book at the ABBO price and displayed one MPV away from the ABBO. The Exchange shall immediately expose the order at the ABBO to Members, provided the option series has opened for trading. Any incoming order interacting with such a resting DNR Order will execute at the ABBO price, unless (1) the ABBO is improved to a price which crosses the DNR Order's already displayed price, in which case the incoming order will execute at the previous ABBO price as the away market crossed a displayed price; or (2) the ABBO is improved to a price which locks the DNR Order's displayed price, in which case the incoming order will execute at the DNR Order's displayed price. Should the best away market move to an inferior price level, the DNR Order will automatically re-price from its one MPV inferior to the original ABBO and display one MPV away from the new ABBO or its original limit price, and expose such orders at the new ABBO. Once booked at its original limit price, it will remain at that price until executed or cancelled. Should the best away market improve its price such that it locks or crosses the DNR Order limit price, the Exchange will execute the resulting incoming order that is routed from the away market that locked or crossed the DNR Order limit price.

(B) FIND Order. A FIND Order is an order that is: (i) routable at the conclusion of an Opening Process; and (ii) routable upon receipt during regular trading, after an option series is open. FIND Orders submitted after an Opening Process initiate their own Route Timers and are routed in the order in which their Route Timers end. FIND Orders that are not marketable with the ABBO upon receipt will be treated as DNR for the remainder of the trading day and post to the order book, even in the event that there is a new Opening Process after a trading halt.

(1) At the end of an Opening Process, any FIND Order that is priced through the Opening Price, pursuant to Options 3, Section 8(a)(3), will be cancelled, and any FIND Order that is at or inferior to the Opening Price will execute or book pursuant to Options 3, Section 8(j).

(2) Generally, a FIND Order will be included in the displayed BBO at its limit price, unless the FIND Order locks or crosses the ABBO, in which case it will be entered into the order book at the ABBO price and displayed one MPV inferior to the ABBO. If there exists a locked ABBO when the FIND Order is entered onto the order book, the FIND Order will be entered into the order book at the ABBO price and displayed one MPV inferior to the ABBO. If during a Route Timer, ABBO markets move such that the FIND Order is no longer marketable against the ABBO nor marketable against the BBO, the FIND Order will post at its limit price. If the FIND Order is locked or crossed by away quotes, it will route at the completion of the Route Timer. If the ABBO worsens but remains better than the BBO, the FIND Order will reprice and be re-exposed at the new price(s) without interrupting the Route Timer. If, during the Route Timer, any new interest arrives opposite the

FIND Order that is equal to or better than the ABBO price, the FIND Order will trade against such new interest at the ABBO price, unless the ABBO is improved to a price which crosses the FIND Order's already displayed price, in which case the incoming order will execute at the previous ABBO price as the away market crossed a displayed price.

(3) A FIND Order received after an Opening Process that is not marketable against the BBO or the ABBO will be entered into the order book at its limit price. The FIND Order will be treated as DNR for the remainder of the trading day, even in the event that there is a new Opening Process after a trading halt.

(4) A FIND Order received after an Opening Process that is marketable against the BBO when the ABBO is inferior to the BBO will be traded on the Exchange at or better than the BBO price. If the FIND Order has size remaining after exhausting the BBO, it may: (1) trade at the next BBO price (or prices) if the order price is locking or crossing that price (or prices) up to and including the ABBO price, (2) be entered into the order book at its limit price, or (3) if locking or crossing the ABBO, be entered into the order book at the ABBO price and displayed one MPV away from the ABBO. The FIND Order will be treated as DNR for the remainder of the trading day, even in the event that there is a new Opening Process after a trading halt.

(5) A FIND Order received after an Opening Process that is marketable against the BBO when the ABBO is equal to the BBO will be traded on the Exchange at the BBO. If the FIND Order has size remaining after exhausting the BBO, it will initiate a Route Timer, and expose the FIND Order at the ABBO to allow market participants an opportunity to interact with the remainder of the FIND Order. During the Route Timer, the FIND Order will be included in the BBO at a price one MPV away from the ABBO. If during the Route Timer, the ABBO markets move such that the FIND Order is no longer marketable against the ABBO, it may: (i) trade at the next BBO price (or prices) if the FIND Order price is locking or crossing that price (or prices), and/or (ii) be entered into the order book at its limit price if not locking or crossing the BBO.

(6) If, at the end of the Route Timer pursuant to subparagraph (5) above, the FIND Order is still marketable with the ABBO, the FIND Order will route to an away market up to a size equal to the lesser of either: (1) an away market's size or (2) the remaining size of the FIND Order. If the FIND Order still has remaining size after routing, it will (i) trade at the next BBO price or better, subject to the order's limit price, and, if contracts still remain unexecuted, the remaining size will be routed to away markets disseminating the same price as the BBO, or (ii) be entered into the order book and posted either at its limit price or re-priced one MPV away if the order would otherwise lock or cross the ABBO. If size still remains, the FIND Order will not be eligible for routing until the next time the option series is subject to a new Opening Process, which may include a re-opening after a trading halt.

(7) A FIND Order received after an Opening Process that is marketable against the ABBO when the ABBO is better than the BBO will initiate a Route Timer, and expose the FIND Order at the ABBO to allow Members and other market participants an opportunity to interact with the FIND Order.

(8) If, at the end of the Route Timer pursuant to subparagraph (7) above, the ABBO is still the best price and is marketable with the FIND Order, the order will route to the away market(s) whose disseminated price(s) is better than the BBO, up to a size equal to the lesser of either: (1) the away markets' size, or (2) the remaining size of the FIND Order. If the FIND Order still has remaining size after such routing, it will (i) trade at the BBO price or better, subject to the order's limit price, and, if contracts still remain unexecuted, the remaining size will be routed to away markets disseminating the same price as the BBO, or (ii) be entered into the order book and posted either at its limit price or re-priced one MPV away if the order would otherwise lock or cross the ABBO. If size remains, the FIND Order will not be eligible for routing until the next time the option series is subject to a new Opening Process, which may include a re-opening after a trading halt.

(9) A FIND Order that is routed to an away market(s) will be marked as an Intermarket Sweep Order "ISO" and designated as an IOC Order.

(C) **SRCH Order.** A SRCH Order is routable at any time. A SRCH Order on the order book during an Opening Process (including a re-opening following a trading halt), whether it is received prior to an Opening Process or it is a GTC SRCH Order from a prior day, may be routed as part of an Opening Process. Orders initiate their own Route Timers and are routed in the order in which their Route Timers end.

(1) At the end of an Opening Process, any SRCH Order that is priced through the Opening Price, pursuant to Options 3, Section 8(a)(iii), will be cancelled, and any SRCH Order that is at or inferior to the Opening Price will execute or book pursuant to Options 3, Section 8(k).

(2) Generally, a SRCH Order will be included in the displayed BBO at its limit price, unless the SRCH Order locks or crosses the ABBO, in which case it will be entered into the order book at the ABBO price and displayed one MPV inferior to the ABBO. If there exists a locked ABBO when the SRCH Order is entered onto the order book, the SRCH Order will be entered into the order book at the ABBO price and displayed one MPV inferior to the ABBO. Once on the order book, the SRCH Order is eligible for routing if it is locked or crossed by an away market. If during a Route Timer, ABBO markets move such that the SRCH Order is no longer marketable against the ABBO nor marketable against the BBO, the SRCH Order will book at its limit price. If, during the Route Timer, any new interest arrives opposite the SRCH Order that is equal to or better than the ABBO price, the SRCH Order will trade against such new interest at the ABBO price, unless the ABBO is improved to a price which crosses the SRCH Order's already displayed price, in which case the incoming order will execute at the previous ABBO price as the away

market crossed a displayed price. If the ABBO worsens but remains better than the BBO, the SRCH Order will reprice and be re-exposed at the new price(s) without interrupting the Route Timer. If an ABBO locks or crosses the SRCH Order during a new Route Timer, which would subsequently initiate at the conclusion of any Route Timer if interest remains, the SRCH Order may route to the away market at the ABBO at the conclusion of such Route Timer. If the SRCH Order is locked or crossed by away quotes, it will route at the completion of the Route Timer. The System will route and execute contracts contemporaneously at the end of the Route Timer.

(3) A SRCH Order received after an Opening Process that is not marketable against the BBO or the ABBO will be entered into the order book at its limit price. Once on the order book, the SRCH Order is eligible for routing if it is locked or crossed by an away market.

(4) A SRCH Order received after an Opening Process that is marketable against the BBO when the ABBO is inferior to the BBO will be traded on the Exchange at or better than the BBO price. If the SRCH Order has size remaining after exhausting the BBO, it may: (1) trade at the next BBO price (or prices) if the order price is locking or crossing that price (or prices) up to and including the ABBO price, and/or (2) be routed, subject to a Route Timer, to away markets if all Exchange interest at better or equal prices has been exhausted, and/or (3) be entered into the order book at its limit price if not locking or crossing the BBO or the ABBO.

(5) A SRCH Order received after an Opening Process that is marketable against the BBO when the ABBO is equal to the BBO will be traded on the Exchange at the BBO. If the SRCH Order has size remaining after exhausting the BBO, it will initiate a Route Timer and expose the SRCH Order at the ABBO to allow Members and other market participants an opportunity to interact with the remainder of the SRCH Order. During the Route Timer, the SRCH Order will be included in the BBO at a price one MPV away from the ABBO.

(6) If, at the end of the Route Timer pursuant to subparagraph (5) above, the SRCH Order is still marketable with the ABBO, the SRCH Order will route to an away market up to a size equal to the lesser of either: (1) the away market's size, or (2) the remaining size of the SRCH Order. If the SRCH Order still has remaining size after routing, it may: (i) trade at the next BBO price (or prices) if the order price is locking or crossing that price (or prices) up to the ABBO price, and/or (ii) be entered into the order book at its limit price if not locking or crossing the BBO or the ABBO.

(7) A SRCH Order received after an Opening Process that is marketable against the ABBO when the ABBO is better than the BBO will initiate a Route Timer, and expose the SRCH Order at the ABBO to allow Members and other market participants an opportunity to interact with the SRCH Order. If during the Route Timer, the ABBO markets move such that the SRCH Order is no longer marketable

against the ABBO, it may: (i) trade at the next BBO price (or prices) if the SRCH Order price is locking or crossing that price (or prices), and/or (ii) be entered into the order book at its limit price if not locking or crossing the BBO.

(8) If, at the end of the Route Timer pursuant to subparagraph (7) above, the ABBO is still the best price and is marketable with the SRCH Order, the order will route to the away market(s) whose disseminated price(s) is better than the BBO, up to a size equal to the lesser of either: (1) the away markets' size, or (2) the remaining size of the SRCH Order. If the SRCH Order still has remaining size after such routing, it may: (i) trade at the next BBO price (or prices) if the order price is locking or crossing that price (or prices) up to the ABBO price, and/or (ii) be entered into the order book at its limit price if not locking or crossing the BBO or the ABBO.

(9) A SRCH Order that is routed to an away market(s) will be marked as an ISO and designated as an IOC Order.

Supplementary Material to Options 5, Section 4

[.01 Options 5, Section 4 does not prohibit NES or third-party unaffiliated routing broker-dealers used by NES from designating a preferred market-maker at the other exchange to which the order is being routed pursuant to Options 5, Section 4.

.02 In the event that NES cannot provide Routing Services, the Exchange will cancel orders that, if processed by the Exchange, would violate Options 5, Section 1 (prohibition on trade-throughs) or Options 5, Section 3 (prohibition on locked and crossed markets).]

.0[3]1 Rule 1004 of Regulation SCI under the Exchange Act requires the establishment of standards for the designation of those Members the Exchange reasonably determines are, taken as a whole, the minimum necessary for the maintenance of a fair and orderly market should the Exchange's business continuity and disaster recovery plans be activated. Rule 1004 also requires the Exchange to designate Members pursuant to those standards and require participation by such Designated Members in scheduled functional and performance testing of the operation of such plans, in the manner and frequency specified by the Exchange, provided that such frequency shall not be less than once every 12 months. Therefore, in accordance with Rule 1004 of Regulation SCI under the Exchange Act, NES has been designated by the Exchange as necessary for the maintenance of a fair and orderly market should the Exchange's business continuity and disaster recovery plans be activated. As the result of such designation, NES is required to participate in functional and performance testing of such plans at least once every 12 months.

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Options 7 Pricing Schedule

Section 1. General Provisions

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[A "**Flash Order**" is an order that is exposed at the National Best Bid or Offer by the Exchange to all members for execution, as provided under Supplementary Material .02 to Options 5, Section 2. Unless otherwise noted in Section 3 pricing, Flash Orders will be assessed the applicable "Taker" Fee for the initiation of a Flash Order and will be paid/assessed the applicable "Maker" Rebate/Fee for responses.]

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Section 3. Regular Order Fees and Rebates

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17. Reserved.[A market participant's order that initiates a Flash Order will be assessed the appropriate Taker Fee in Section 3. All market participant responses to Flash Orders in Select Symbols will be paid/assessed the appropriate Maker Rebate/Fee in Section 3. Responses to Flash Orders in Non-Select Symbols will be \$0.25 per contract for non-Priority Customers and \$0.00 for Priority Customers.]

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Section 6. Other Options Fees and Rebates

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E. Marketing Fee

Symbols	Fee
Non-Select Symbols	\$0.00*

* No marketing fees are charged for Select and Non-Select Symbols. If the Exchange determines to charge a marketing fee in the future, it will do so pursuant to a rule filing.

» Marketing fees apply to Nasdaq ISE Market Makers for each Regular Priority Customer contract executed except as noted below.

» Marketing fees do not apply to Nasdaq ISE Market Makers for each Regular Priority Customer contract executed in Select Symbols.

» Marketing fees are waived NDX, NQX, MNX, [Flash Orders] and for Complex Orders in all symbols.

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