

EXHIBIT 5

Text of the Proposed Rule Change:¹

Rules of NYSE Arca

Trading of Option Contracts

Rule 6. Rules Principally Applicable to Trading of Option Contracts

Rule 6.37. Obligations of Market Makers

(a) No Change

(b) *Appointment as a Primary Market Maker.* With respect to each class of option contracts to which his appointment under Rule 6.35 imposes the continuous obligations set forth in this paragraph (b), a Market Maker is expected to engage, to a reasonable degree under the existing circumstances, in dealings for his own account when there exists, or it is reasonably anticipated that there will exist, a lack of price continuity, a temporary disparity between the supply of and demand for a particular option contract, or a temporary distortion of the price relationships between option contracts of the same class. Without limiting the foregoing, a Market Maker is expected to perform the following activities in the course of maintaining a fair and orderly market.

(1) Bidding and/or offering so as to create differences of no more than:

(A) .25 between the bid and the offer for each option contract for which the bid is less than \$2,

(B) no more than .40 where the bid is \$2 or more but does not exceed \$5,

(C) no more than .50 where the bid is more than \$5 but does not exceed \$10,

(D) no more than .80 where the bid is more than \$10 but does not exceed \$20, and

¹ New text is underscored and deleted text is in brackets.

(E) no more than \$1 when the last bid is [~~\$20.10~~] \$20.01 or more, provided that two Trading Officials may establish differences other than the above for one or more series or classes of options.

(F) A Trading Official may, with respect to options trading with a bid price less than \$2, establish bid-ask differentials that are no more than \$0.50 wide ("double-width") when the primary market for the underlying security: (a) reports a trade outside of its disseminated quote (including any Liquidity Quote); or (b) disseminates an inverted quote. The imposition of double-width relief must automatically terminate when the condition that necessitated the double-width relief (i.e., condition (a) or (b)) is no longer present. Market Makers that have not automated this process may not avail themselves of the relief provided herein (i.e. they may not manually adjust prices.)

(G) Quotes given in open outcry may not be quoted with \$5 widths and instead must comply with the legal width requirements specified in paragraph (b)(1)(A)-(F) above.

(2) – (5) No Change

(c) – (f) No Change

Rule 6.60.

Price Protection

(a) Trade Collar Protection.

(1) The Exchange will not immediately execute (i) [incoming] Market Orders [or marketable Limit Orders ("Marketable Orders")] if the width of the NBBO is greater than one Trading Collar, as defined in paragraph (a)(2) below or, (ii) the balance of [an incoming] a Market[able] Order or a marketable Limit Order ("Marketable Orders") to buy (sell) that would execute at a price that exceeds the National Best Offer ("NBO") (National Best Bid ("NBB")) plus (minus) the value of one Trading Collar.

(2) A "Trading Collar" shall be determined by the Exchange on a class-by-class basis and, unless announced otherwise via Trader Update, shall be as follows:

(A) for buy orders:

(i) \$0.25 for each option contract for which the NBB is less than \$2.00,

(ii) \$0.40 where the NBB is \$2.00 or more but does not exceed \$5.00,

(iii) \$0.50 where the NBB is more than \$5.00 but does not exceed \$10.00,

(iv) \$0.80 where the NBB is more than \$10.00 but does not exceed \$20.00, and

(v) \$1.00 when the NBB is \$20.01 or more;

(B) for sell orders:

(i) \$0.25 for each option contract for which the NBO is less than \$2.00,

(ii) \$0.40 where the NBO is \$2.00 or more but does not exceed \$5.00,

(iii) \$0.50 where the NBO is more than \$5.00 but does not exceed \$10.00,

(iv) \$0.80 where the NBO is more than \$10.00 but does not exceed \$20.00, and

(v) \$1.00 when the NBO is \$20.01 or more;

[the same value as the bid-ask differential guidelines established pursuant to Rule 6.37(b)(1).]

(C) To preserve a fair and orderly market, the Exchange may, with the approval of two Trading Officials, grant intra-day relief to widen or narrow the Trading Collar for one or more option series.

(3) Trade Collar Protection does not apply to [incoming] quotes, IOC Orders, AON Orders, FOK Orders and NOW Orders. IOC Orders, AON Orders, FOK Orders and NOW Orders receive immediate execution [or cancel], depending upon the availability of execution pursuant to the terms of those orders.

(4) When [an incoming] a Market[able] Order is subject to Trade Collar Protection pursuant to (a)(1)(i) above, the Exchange will not immediately execute or route such orders and instead will process the [incoming] Market[able] Order as follows:

(A) [An incoming] A Market[able] Order to buy (sell) will be displayed at a price equal to the NBB (NBO) plus (minus) one Trading Collar (the “collared order”).

(B) The Exchange will execute or route the collared order to buy (sell) against any contra interest priced within one Trading Collar above (below) the displayed price of the collared order.

(C) The Exchange will redisplay the collared order upon the following:

- i. an update to the NBBO (based on another market or a[n inbound] quote on the Exchange or a Limit Order [order] on the Exchange priced one Trading Collar or less away from the collared order) that improves the same side of the market as the collared order will result in the collared order being redisplayed at the new NBB (for buy orders) or NBO (for sell orders);
- ii. a[n inbound limit order] Marketable Order to buy (sell) on the same side of the market as the collared order or a Limit Order, other than an IOC Order, AON Order, FOK Order or NOW Order, to buy (sell) on the same side of the market as the collared order and priced greater than one Trading Collar above (below) the displayed price of the collared order will itself become subject to Trade Collar Protection and will result in the collared order and the [inbound limit order] Marketable Order or the Limit Order being displayed at one Trading Collar above (below) the displayed price of the collared order;
- iii. upon the expiration of one second, the collared order(s) to buy (sell) will redisplay at a price one Trading Collar above (below) the displayed price of the collared order.
- [iv. An inbound market order that is received on the same side as the collared order will become subject to Trade Collar Protection and will be displayed at the same price as the collared order.]

(D) If the collared order is a [l]Limit [o]Order that has reached its limit price, it will not be displayed at a price beyond its limit, but will be posted at its limit in the Consolidated Book.

- (5) When the balance of a partially executed Marketable Order to buy (sell) is subject to Trade Collar Protection pursuant to (a)(1)(ii) above, the balance of the order will be displayed at the last sale price. If there is an opportunity for trading within a Trading Collar above (below) the last sale price, the balance of the buy (sell) order will be displayed at the NBB (NBO) established at the time of the initial execution. The Exchange will treat the balance of the partially executed order subject to Trade Collar Protection as a collared order described in (a)(4) above.
- (6) All orders for which Trade Collar Protection prevents immediate execution will be ranked based on time priority (with all other orders for which Trade Collar Protection prevents immediate execution).

(b) No Change.