

EXHIBIT 5

Proposed new text is underlined. Deleted text is [bracketed].

Phlx Rules

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Rule 1012. Series of Options Open for Trading

(a) – (d) No Change.

••• *Commentary:* -----

.01 – .04 No Change.

.05 (a) The interval of strike prices of series of options on individual stocks may be:

(i) – (vi) No Change.

(vii) Notwithstanding any other provision regarding strike prices in this rule:

(A) During the expiration week of an option class that is selected for the Short Term Option Series Program pursuant to this rule (Short Term Option), the strike price intervals for the related non-Short Term Option shall be the same as the Short Term Option intervals permitted in Commentary .11 to this Rule 1012; and

(B) During the week before the expiration week of an option class that is selected for the Short Term Option Series Program pursuant to this rule (Short Term Option), the Exchange shall open the related non-Short Term Option for trading in Short Term Option intervals in the same manner as permitted in Commentary .11 to this Rule 1012.

(b) - (c) No Change.

.06 - .10 No Change.

.11 Short Term Option Series Program. After an option class has been approved for listing and trading on the Exchange, the Exchange may open for trading on any Thursday or Friday that is a business day ("Short Term Option Opening Date") series of options on that class that expire on the Friday of the following business week that is a business day ("Short Term Option Expiration Date"). If the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on the Friday of the following business week, the

Short Term Option Expiration Date will be the first business day immediately prior to that Friday. Regarding Short Term Option Series:

(a) – (d) No Change.

(e) The interval between strike prices on Short Term Option Series shall be [the same as the strike prices for series in that same option class that expire in accordance with the normal monthly expiration cycle]\$0.50 or greater where the strike price is less than \$75, and \$1 or greater where the strike price is between \$75 and \$150. During the expiration week of an option class that is selected for the Short Term Option Series Program pursuant to this rule (Short Term Option), the strike price intervals for the related non-Short Term Option shall be the same as the strike price intervals for the Short Term Option.

.12 No Change.

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Rule 1101A. Terms of Option Contracts

(a) The Exchange shall determine fixed point intervals of exercise prices for index options (options on indexes). Generally, except as provided in Commentary .04 below, the exercise (strike) price intervals will be no less than \$5, provided that the Exchange may determine to list strike prices at no less than \$2.50 intervals for options on the following indexes (which may also be known as sector indexes):

(i) - (lxxx) No Change.

The Exchange may also determine to list strike prices at no less than \$2.50 intervals for options on indexes delineated in this rule in response to demonstrated customer interest or specialist request. For purposes of this paragraph, demonstrated customer interest includes institutional (firm) corporate or customer interest expressed directly to the Exchange or through the customer's floor brokerage unit, but not interest expressed by an ROT with respect to trading for the ROT's own account.

Notwithstanding any other provision regarding strike prices in this Rule 1101A:
- During the expiration week of an option class that is selected for the Short Term Option Series Program pursuant to this rule (Short Term Option), the strike price intervals for the related non-Short Term Option shall be the same as the Short Term Option intervals permitted in this Rule 1101A(b)(vi);
- During the week before the expiration week of an option class that is selected for the Short Term Option Series Program pursuant to this rule (Short Term Option), the Exchange shall open the related non-Short Term Option for trading in Short Term Option intervals in the same manner as permitted in this Rule 1101A(b)(vi).

(b) No Change.

(i) – (v) No Change.

(vi) Short Term Option Series Program

After an index option class has been approved for listing and trading on the Exchange, the Exchange may open for trading on any Thursday or Friday that is a business day ("Short Term Option Opening Date") series of options on that class that expire on the Friday of the following business week that is a business day ("Short Term Option Expiration Date"). If the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on the Friday of the following business week, the Short Term Option Expiration Date will be the first business day immediately prior to that Friday. Regarding Short Term Option Series:

(A) – (D) No Change.

(E) The interval between strike prices on Short Term Option Series shall be [the same as the strike prices for series in that same index option class that expire in accordance with the normal monthly expiration cycle]\$0.50 or greater where the strike price is less than \$75, and \$1 or greater where the strike price is between \$75 and \$150. During the expiration week of an index option class that is selected for the Short Term Option Series Program pursuant to this rule (Short Term Option), the strike price intervals for the related index non-Short Term Option shall be the same as the strike price intervals for the Short Term Option.

(c) No Change.

••• *Commentary:* -----

.01 - .04 No Change.

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