

EXHIBIT 5

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

* * * * *

Options Rules

* * * * *

Rule 1019. [Precedence Accorded To Orders Entrusted To Specialists

A specialist shall give precedence to orders entrusted to him as an agent in any option in which he is registered before executing at the same price any purchase or sale in the same option for an account in which he has an interest.

••• Commentary: -----

.01 When a broker inquires of a specialist as to the price at which a block of options may be sold, the specialist may not specify the amount that would be purchased by the book and the amount that he would take as a dealer.

If the block is to be sold at a "clean-up" price the specialist should buy at the bid price one unit of trading for his own account and execute at the "clean-up" price all of the executable buy orders on his book.

However, if the block is sold at different price limits and the specialist buys part of the block for his own account he should to the extent practicable buy round lots for his own account at each price limit at which buy orders on the book are executed, and in doing so, he should divide the option purchased for his own account into round lots of approximately equal size among the price limits at which he participates.

The same principles apply in the case of a purchase of a block of options.

.02 If a specialist has limit sell orders on his book at two or more different prices, he should not, as a dealer, purchase all of the option from the book at the lowest price and then immediately purchase an option on the book at a higher limit price. In such a situation, he should purchase at one price the entire amount of stock he is taking as a dealer. The same principle applies in the event the specialist has limit buy orders on his book at two or more different prices.

.03 If after an opening or reopening a limited price order to sell is left with a specialist and thereafter the specialist receives another order to sell at the market, the specialist must, if the limited price order remains with him and is not cancelled, execute the market order below the limited price order, unless he can execute both orders at the same price.

.04 If after an opening or reopening a limited price order to buy is left with a specialist and thereafter the specialist receives another order to buy at the market, the specialist must, if the limited price order remains with him and is not cancelled, execute the market order above the limited price order, unless he can execute both orders at the same price.

.05 If a specialist elects to take or supply for his own account the options named in an order entrusted to him by another member, or member organization, such member or member organization may request that the transaction be rejected after promptly notifying the specialist of such intentions. The transaction may only be rejected or busted upon the written Options Exchange Official approval for good cause shown in relation to the specialist's responsibility to maintain a fair and orderly market.] Reserved.

* * * * *

Floor Procedures

* * * * *

Options Floor Procedures

* * * * *

A-2 [Types of Orders to be Accepted onto the Specialist's Book

- (i) Unless exempted by an Options Exchange Official, a Specialist must accept all non-contingent limit orders tendered for placement on the "book", including orders for ROTs.
- (ii) A Specialist may refuse to accept contingency orders, as defined in Rule 1066, except that a Specialist may only refuse to accept customer contingency orders with the prior approval of an Options Exchange Official.
- (iii) A Specialist shall not accept option orders consisting of two or more option series (e.g., spread, straddle, combination orders).
- (iv) A Specialist shall not accept discretionary orders.

FINE SCHEDULE (Implemented on a three-year running calendar basis)

1st Occurrence	\$250.00
2nd Occurrence	\$500.00
3rd Occurrence	\$1,000.00
4th Occurrence and Thereafter	Sanction is discretionary with Business Conduct Committee] <u>Reserved.</u>

* * * * *

A-13 [Auto Execution Engagement/Disengagement Responsibility]

(a) It is the responsibility of the option Specialist to engage the Auto Execution (Auto-X) system for an assigned option within three (3) minutes of completing the opening or reopening rotation of that option.

Where extraordinary circumstances occur, a Specialist may be provided an exemption from receiving orders through Auto-X and may then disengage the system upon approval by an Options Exchange Official. Five minutes subsequent to the disengagement of AUTO-X for extraordinary circumstances (and every 15 minutes thereafter as long as AUTO-X is disengaged), the requesting Specialist or his/her designee, an Options Exchange Official, and a designated regulatory staff person, shall re-evaluate the circumstances to determine if the extraordinary circumstances still exist. AUTO-X will be re-engaged with either: (i) Specialist or his/her designee determines that the conditions supporting the extraordinary circumstances no longer exist, at which time the Specialist or his/her designee shall inform the regulatory staff that the extraordinary circumstances no longer exist and that the Specialist is re-engaging AUTO-X; or (ii) when an Options Exchange Official and the designated regulatory staff person determine that the conditions supporting the extraordinary circumstances no longer exist. In the event extraordinary circumstances exist floor-wide, an Options Exchange Official may determine to disengage the AUTO-X feature floor-wide. Five minutes subsequent to a floor-wide disengagement of AUTO-X for extraordinary circumstances (and every 15 minutes thereafter as long as AUTO-X is disengaged), an Options Exchange Official and a designated regulatory staff person shall re-evaluate the circumstances to determine if the extraordinary circumstances still exist. AUTO-X will be re-engaged when either: (1) the Specialist determines that the conditions supporting the extraordinary circumstances no longer exist for their particular class of options at which time the Specialist or his/her designee will inform regulatory staff that the extraordinary circumstances no longer exist for their particular class of options and that the Specialist is re-engaging AUTO-X; or (2) when an Options Exchange Official and the designated regulatory staff person determine that the extraordinary circumstances no longer exist. The NBBO feature is always disengaged when AUTO-X is disengaged.

Extraordinary circumstances include market occurrences and system malfunctions that impact a Specialist's ability to accurately price and disseminate option quotations in a timely manner. Such occurrences include fast market conditions such as volatility, order imbalances, volume surges or significant price variances in the underlying security in the case of equity options or in the underlying currency in the case of U.S. dollar-settled foreign currency options; internal system malfunctions including the Exchange's Auto-Quote system; or malfunctions of external systems such as a specialized quote feed, or delays in the dissemination of quotes from the Option Price Reporting Authority; or other similar occurrences.

The Exchange shall document any action taken to disengage AUTO-X pursuant to this Rule 1080(e), and shall notify all AUTOM Users of each instance in which AUTO-X is disengaged due to extraordinary circumstances. Such documentation shall include: identification of the option(s) affected by such action (except in a case of floor-wide disengagement); the date and time such action was taken and concluded; identification of the Options Exchange Official who approved such action; the reasons for which such action was taken; identification of the Specialist and the Specialist Unit (or in the case of floor-wide disengagement, identification of the Exchange designee); and identification of the regulatory staff person monitoring the situation. The Exchange will maintain these documents pursuant to the record retention requirement of the Securities Exchange Act of 1934 and the rules and regulations thereunder.

(b)(i) Where an Options Exchange Official determines that quotes in equity or equity index options on the Exchange or another market or markets are subject to relief from the firm quote requirement set forth in the SEC Quote Rule, as defined in Exchange Rule 1082(a)(iii) (the "Quote Rule"), customer market orders will receive an automatic execution at the NBBO based on the best bid or offer in markets whose quotes are not subject to relief from the firm quote requirement set forth in the Quote Rule. Such determination may be made by way of notification from another market that its quotes are not firm or are unreliable; administrative message from the Option Price Reporting Authority ("OPRA"); quotes received from another market designated as "not firm" using the appropriate indicator; and/or telephonic or electronic inquiry to, and verification from, another market that its quotes are not firm. AUTOM customers will be duly notified via electronic message from AUTOM that such quotes are excluded from the calculation of NBBO. The Exchange may determine to exclude quotes from its calculation of NBBO on a series-by-series basis or issue-by-issue basis, or may determine to exclude all options quotes from an exchange, where appropriate. The Exchange shall maintain a record of each instance in which another exchange's quotes are excluded from the Exchange's calculation of NBBO, and shall notify such other exchange that its quotes have been so excluded. Such documentation shall include: identification of the option(s) affected by such action; the date and time such action was taken and concluded; identification of the other exchange(s) whose quotes were excluded from the Exchange's calculation of NBBO; identification of the Options Exchange Official who approved such action; the reasons for which such action was taken; and identification of the specialist and the specialist unit. The Exchange will maintain these documents pursuant to the record retention requirements of the Securities Exchange Act of 1934 and the rule and regulations thereunder.

(ii) Where an Options Exchange Official determines that quotes in equity or equity index options on the Exchange or another market or markets previously subject to relief from the firm quote requirement set forth in the Quote Rule are no longer subject to such relief, such quotations will be included in the calculation of NBBO for such options. Such determination may be made by way of notification from another market that its quotes are firm; administrative message from the Option Price Reporting Authority ("OPRA"); and/or telephonic or electronic inquiry to, and verification from, another market that its

quotes are firm. AUTOM customers will be duly notified via electronic message from AUTOM that such quotes are again included in the calculation of NBBO.

FINE SCHEDULE (Implemented on a one-year running basis).

- | | | |
|----|--|---|
| a) | Failure to engage Auto-X: | |
| | 1st Occurrence | \$500.00 |
| | 2nd Occurrence | \$1,000.00 |
| | 3rd Occurrence | \$2,000.00 |
| | 4th Occurrence and Thereafter | Sanction is discretionary with Business Conduct Committee |
| b) | Failure to receive approval to disengage Auto-X: | |
| | 1st Occurrence | \$250.00 |
| | 2nd Occurrence | \$500.00 |
| | 3rd Occurrence | \$1,000.00 |
| | 4th Occurrence and Thereafter | Sanction is discretionary with Business Conduct Committee] <u>Reserved.</u> |

* * * * *

D Reserved [ERRORS

D-1 Missed Orders

(a) When an order held on the book or in the crowd becomes due an execution but is erroneously missed being given the appropriate execution, proper notification that the order was "due" must be made to the responsible floor agent by 9:30 A.M. on the business day following the day the order first became due. Absent proper notification no claim will be qualified to require that the agent on the floor be held responsible for satisfying the missed order or for any associated monetary losses, except as deemed necessary by an Options Exchange Official in the interest of maintaining just and equitable principles of trade.

(b) Remedies for those missed orders discovered by the agent, or for which notification is made to the agent by the 9:30 A.M. cut-off time, shall be made available to the customer's representative by the responsible floor agent as follows:

(i) A missed order discovered during the trading day on the day it became "due" shall be given an execution immediately upon discovery at either the order's limit price or at the available price in the market, whichever is better, and shall be afforded such execution up to the amount of contracts which traded-through or for a minimum of ten contracts with respect to a quote-through.

(ii) A missed order discovered and made known to the responsible floor agent at any time between the previous session's close and 9:30 A.M. on the following business day shall be immediately filled at its limit price or on the previous Exchange closing quoted price, whichever is better, and shall be afforded such execution up to the amount of contracts which traded-through or for a minimum of ten contracts with respect to a quote-through.

Transactions effected under this section (b) must be promptly reported for tape dissemination as a "sold" or "late" sale, as appropriate, when discovered on the day in question or on an "as of" basis if discovered on a subsequent day.

(c) For the purposes of this Advice, an order becomes due when execution guarantees are met in accordance with agreements made between the Specialist and the customer's Firm, or when a trade-through or quote-through at an inferior price to the order's limit occurs on the Exchange. Also, for the purposes of this Advice, the "responsible floor agent" shall be that person or unit in possession of the order at the time the order becomes due an execution.

FINE SCHEDULE

Fine not applicable

D-2 Instances of Non-Liability for Floor Brokers or Specialists

1. A Floor Broker or Specialist shall not be held liable for the non-execution of orders consisting of two or more series (i.e., spreads, straddles, combinations, synthetics) based upon transaction prices that are established at the opening or close of trading or during any trading rotation.

2. A Floor Broker or Specialist shall not be held liable for the opening price on orders for a specific series if such orders are received after the opening rotation has commenced for that specific series.

FINE SCHEDULE

Fine not applicable]

* * * * *

F-3 [Members' Requests for Sold Sale Designations

Sold sales must be initialed by both sides of the trade and the Options Specialist and must be marked SS.

FINE SCHEDULE (Implemented on a two-year running calendar basis)

1st Occurrence	\$250.00
2nd Occurrence	\$500.00
3rd Occurrence	\$1,000.00
4th Occurrence and Thereafter	Sanction is discretionary with Business Conduct Committee] <u>Reserved.</u>

* * * * *

F-7 [Size of Exchange's Disseminated Bid or Offer

The size of any disseminated bid or offer by the Exchange shall be, with respect to the disseminated price for any quoted options series, equal to:

Except as provided below, at least the sum of the size associated with limit orders, Specialists' quotations, SQTs' quotations, and RSQTs' quotations.

The Exchange shall disseminate an updated bid and offer price, together with the size associated with such bid and offer, when:

- (i) the Exchange's disseminated bid or offer price increases or decreases;
- (ii) the size associated with the Exchange's disseminated bid or offer decreases; or
- (iii) the size associated with the Exchange's bid (offer) increases by an amount greater than or equal to a percentage (never to exceed 20%) of the size associated with previously disseminated bid (offer). Such percentage, which shall never exceed 20%, shall be determined on an issue-by-issue basis by the Exchange and announced to membership on the Exchange's website.

FINE SCHEDULE

Fine not applicable] Reserved.

* * * * *

F-21 [Block Transactions in Foreign Currency Options (FOREIGN CURRENCY OPTION ONLY)]

This Advice establishes a procedure for quoting and executing a block transaction, including the priority of execution among the contra-side participants of the block order. In summary, after requesting the current market and stating the size of the block order, a Floor Broker may execute a block order outside of the disseminated market and parameters. The participants to the block trade are determined by paragraph (c) of this Advice, which generally provides that priority is afforded to customers under 100 contracts, then the bids/offers on the disseminated market, then block-size bids/offers on the block quote, then bids/offers for 200 contracts at the block quote and then to any remaining eligible interests.

(a) A member may request the trading crowd to give an indication as to where a large sized order may be executed. A response from the crowd to any such request may include large sized indications of interest at prices outside the existing best bid and offer, but no trade may be consummated at the outside price until the previously established superior bids or offers (as the case may be) are either satisfied or withdrawn and a new market is established within which the large sized order may trade.

(b) The following is an exception to the prohibition against trading outside the best bid and offer; it applies to block orders executed at a clean-up price in accordance with the steps below:

(i) For the purposes of this Advice, the following definitions apply:

(A) A "block order" is any Exchange foreign currency options order of 1,000 contracts or more.

(B) A "block quote" is the best bid and offer at which the block order can be entirely satisfied.

(C) The "clean-up price" is the price at which the block order is executed.

(D) The "clean-up range" includes those bids or offers, as the case may be, of eligible interests at the clean-up price or better.

(E) An "eligible interest" includes the following:

(1) orders placed on the book or held by a broker in the crowd at any price within the clean-up range;

(2) bids/offers within the clean-up range which constituted markets in the crowd in response to the Floor Broker's request for the current market and prior to his request for a block quote;

(3) bids/offers within the clean-up range made in response to the request for a block quote.

(ii) A Floor Broker in possession of a block order shall inquire as to the current market, inform the crowd as to the size of the block order and ask the crowd to provide a block quote;

(iii) The crowd shall then respond with bids and offers (whether agency and/or principal), at prices which may be equal, superior or inferior to the current market, which for that moment are exclusive to that block order. From these responses, the Floor Broker shall derive the block quote and immediately determine the priority of eligible interests established within the clean-up range;

(iv) The Floor Broker may execute the block order at the clean-up price by announcing the trade along with the price and size of the trade.

(c) With respect to determining the priority of eligible interests within the clean-up range, the following shall apply:

(i) Priority among eligible interests is afforded as follows:

(A) First, to customer orders, as defined by Exchange Rule 1014(h), of less than 100 contracts at any price within the clean-up range.

(B) Second, to all eligible interests constituting the best market in the crowd in response to the Floor Broker's request for the current market and prior to his request for a block quote.

(C) Third, to all eligible interests of 1,000 contracts or more at any price better than the clean-up price made in response to the request for a block quote.

(D) Fourth, to all eligible interests of 200 contracts or more at any price within the clean-up range made in response to the request for a block quote.

(E) Fifth, to any remaining eligible interests.

(F) Notwithstanding the above, any bid/offer for the account of a member which relies on the exemption under Section 11(a)(1)(G) of the Securities Exchange Act of 1934 must yield time priority to any bid/offer for the account of a customer.

(ii) In any instance where the question of priority arises in connection with orders within the same category (i.e. the first, second, third, fourth or fifth), priority is established in accordance with Exchange Rule 1014(h) and Rule 119.

FINE SCHEDULE

Fine not applicable] Reserved.

* * * * *