

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

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**Chicago Board Options Exchange, Incorporated
Rules**

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Rule 3.3. Qualifications of TPH Organizations

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(b) An organization also must be approved to engage in one or more of the following trading functions authorized for TPH organizations under the Rules: (i) TPH organization approved to transact business with the public (Rule 9.1); (ii) Clearing Trading Permit Holder; (iii) order service firm (Rule 6.77); (iv) Market-Maker (Rule 8.1); (v) Lead Market-Maker (Rules 8.15 and Rule 8.15A) (v) Designated Primary Market-Maker (Rule 8.83); (vi) Reserved. [Electronic DPM (Rule 8.92)]; (vii) Proprietary Trading Permit Holder (Rule 1.1(kkk)); (viii) SBT Designated Primary Market-Maker and SBT Lead Market-Maker (Rule 41.2); and (ix) Trading Permit Holder eligible to trade securities traded pursuant to Chapter L (Rule 50.4)

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Rule 6.2B. Hybrid Opening System ("HOSS")

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. . . Interpretations and Policies:

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.02 Market-Maker Quotes: The initial size of a Market-Maker's opening quote must be for the minimum number of contracts determined by the Exchange on a class-by-class basis, which minimum shall be at least one contract. For purposes of this paragraph, the term "Market-Maker" includes a DPM,[e-DPM,] LMM, or Market-Maker.

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Rule 6.45A. - Priority and Allocation of Equity Option Trades on the CBOE Hybrid System

Generally: The rules of priority and order allocation procedures set forth in this rule shall apply only to equity option classes designated by the Exchange to be traded on the CBOE Hybrid System and has no applicability to index option and options on ETF classes. The term "market participant" as used throughout this rule refers to a Market-Maker, a DPM,[an e-DPM,] and a floor broker or a PAR Official representing orders in the trading crowd. The term "in-crowd

market participant" only includes an in-crowd Market-Maker, in-crowd DPM, and floor broker or PAR Official representing orders in the trading crowd.

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Rule 6.45B - Priority and Allocation of Trades in Index Options and Options on ETFs on the CBOE Hybrid System

Generally: The rules of priority and order allocation procedures set forth in this rule shall apply only to index options and options on ETFs that have been designated for trading on the CBOE Hybrid System. The term "market participant" as used throughout this rule refers to a Market-Maker, a DPM or LMM[, an e-DPM] with an appointment in the subject class, and a floor broker or PAR Official representing orders in the trading crowd. The term "in-crowd market participant" only includes an in-crowd Market-Maker, in-crowd DPM or LMM, and floor broker or PAR Official representing orders in the trading crowd.

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Rule 7.12. PAR Official

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(c) Compensation of PAR Officials. The PAR Official shall be compensated exclusively by the Exchange, which shall determine the amount and form of compensation. No DPM[, e-DPM,] or Market-Maker shall directly or indirectly compensate or provide any other form of consideration to a PAR Official.

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Rule 8.3. Appointment of Market-Makers

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(c) Market-Maker Appointments. Absent an exemption by the Exchange, an appointment of a Market-Maker confers the right to quote electronically and in open outcry in the Market-Maker's appointed classes as described below. Subject to paragraph (e) below, a Market-Maker may change its appointed classes upon advance notification to the Exchange in a form and manner prescribed by the Exchange.

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(vi) A Market-Maker may not hold an appointment and submit electronic quotations in any class in which an affiliated DPM[, or LMM[or e-DPM] is appointed, or in which an affiliated Market-Maker holds an appointment and submits electronic quotations, if CBOE uses in that class an allocation algorithm that allocates electronic trades, in whole or in part, in an equal percentage based on the number of market participants quoting at the best bid or offer. However, the foregoing restriction does not apply if CBOE uses in a particular options class an allocation algorithm that does not allocate electronic trades, in whole or in part, in an equal percentage based on the number of market participants quoting at the best bid or offer. Additionally, there is

no restriction on affiliated Market-Makers holding an appointment in the same class for purposes of trading in open outcry.

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Rule 8.3A. Maximum Number of Market Participants Quoting Electronically per Product

With respect to products trading on the Hybrid Trading System, the Exchange will impose an upper limit on the aggregate number of Trading Permit Holders that may quote electronically in each product ("Class Quoting Limit" or "CQL"). (For purposes of this Rule, the term "product" refers to all options of the same single underlying security/value.) Interpretations and Policies .01 specifies the Class Quoting Limits for all products trading on Hybrid.

When a CQL is established for each product, the following criteria govern which Trading Permit Holders are entitled to quote electronically in that subject product. A Market-Maker [(excluding an e-DPM)] that is not eligible to quote electronically in a product may quote in open outcry in that product.

(a) Products Trading on the Hybrid Trading System

The DPM or LMM(s) [and e-DPMs (if applicable)] assigned to the product and Market-Makers who hold an appointment in the product are entitled to quote electronically in those products for as long as they maintain an appointment in those products.

All other Market-Makers[and approved e-DPMs] that request the ability to submit quotes electronically in the subject product will be entitled to quote electronically in that product in the order in which they so request provided the number of Trading Permit Holders quoting electronically in the product does not exceed the CQL. When the number of Trading Permit Holders in the product quoting electronically equals the CQL, all other Trading Permit Holders requesting the ability to quote electronically in that product will be wait-listed in the order in which they submitted the request.

The waiting list operates based on time priority. When the product can accommodate another electronic quoter (whether due to attrition or an increase in the CQL), the Trading Permit Holder at the "top" of the list (*i.e.*, the Trading Permit Holder that has been on the waiting list the longest amount of time) has priority. Once a Trading Permit Holder is wait-listed, the Exchange may not alter his/her position on the wait-list other than to improve such position (*i.e.*, the Exchange may not place other Trading Permit Holders ahead of a previously wait-listed Trading Permit Holder). If a wait-listed Trading Permit Holder is offered, yet refuses, the ability to quote electronically in the subject product, the Trading Permit Holder will be removed from that waiting list.

(b) Products Added to the Hybrid Trading System: With respect to a product that is added to the Hybrid Trading System, the DPM or LMM(s)[and e-DPMs] appointed to the product will be entitled to quote electronically. All Market-Makers holding an appointment in the product prior to its addition to the Hybrid Trading System will be entitled to quote electronically. If at the time a product is added to the Hybrid Trading System the aggregate number of DPMs or LMMs[, e-DPMs,] and Market-Makers entitled to quote electronically in the product exceeds the CQL, then

the product will have an "increased CQL," as described in Interpretations and Policies .01. Reduction of any "increased CQL" will be in accordance with the procedures described in Interpretations and Policies .01.

All other Trading Permit Holders will be entitled to quote electronically in that product in the order in which they so request provided the number of Trading Permit Holders quoting electronically in the product does not exceed the CQL. When the number of Trading Permit Holders quoting electronically in the product equals the CQL, all other Trading Permit Holders will be wait-listed in the order in which they request the ability to quote electronically. The wait-list will operate as described above in paragraph (a).

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Rule 8.13. Preferred Market-Maker Program

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(c) *Entitlement Rate.* Provided the provisions of subparagraph (b) above have been met, the Preferred Market-Maker participation entitlement shall be 40% when there are two or more Market-Makers also quoting at the best bid/offer on the Exchange, and 50% when there is only one other Market-Maker quoting at the best bid/offer on the Exchange. In addition, the following shall apply:

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(iii) If a Preferred Market-Maker receives a participation entitlement under this Rule, then no other participation entitlements set forth in Exchange Rules (*e.g.* Rule 8.87 Participation Entitlement of DPMs [and e-DPMs] and Rule 8.15B Participation Entitlement of LMMs) shall apply to such order.

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Rule 8.14 Index Hybrid Trading System Classes: Market-Maker Participants

(a) Generally: The Exchange (i) may authorize for trading on the CBOE Hybrid Trading System or the Hybrid 3.0 Platform index options and options on ETFs trading on the Exchange and (ii) if that authorization is granted, shall determine the eligible categories of Market-Maker participants for those options. The Exchange shall also have the authority to determine whether to change the trading platform on which those options trade and to change the eligible categories of Market-Maker participants for those options. The eligible categories of Market-Maker participants may include:

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[Electronic DPMs ("e-DPM"): Market-Makers as defined in Rule 8.92 whose activities are governed by, among other rules, CBOE Rules 8.92 - 8.94.]

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. . . Interpretations and Policies:

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(b) Market-Maker appointments will apply on a class basis, except DPM[,] and LMM [and e-DPM] appointments will apply only to the group of series to which the respective DPM[,] or LMM [or e-DPM] is assigned, if applicable.

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Section C: Designated Primary Market-Makers (Rules 8.80-8.91[4])

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Rule 8.85. DPM Obligations

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(e) *Requirement to Hold Trading Permit.* Each DPM organization shall hold such number of Trading Permits as may be necessary based on the aggregate "appointment cost" for the classes allocated to the DPM organization. Each Trading Permit held owned or leased by the DPM organization has an appointment credit of 1.0. The appointment costs for the classes allocated to the DPM organization are:

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In the event the TPH organization approved as the DPM organization is also approved to act as Market-Maker [and/or e-DPM], and has excess Trading Permit capacity above the aggregate appointment cost for the classes allocated to it as the DPM, the TPH organization may utilize the excess Trading Permit capacity to quote electronically in an appropriate number of Hybrid classes in the capacity of a Market-Maker and not trade in open outcry[, or to quote electronically in the Hybrid classes in which it is appointed an e-DPM]. For example, if the DPM organization has been allocated such number of option classes that its aggregate appointment cost is 1.6, the TPH organization could request an appointment as a Market-Maker in any combination of Hybrid classes whose aggregate "appointment cost" does not exceed .40. The TPH organization will not function as a DPM in any of these additional classes. In the event the TPH organization utilizes any excess Trading Permit capacity to quote electronically in some additional Hybrid classes as a Market-Maker[or e-DPM], it must comply with the provisions of Rule[s] 8.3[and Rule 8.93(vii), respectively].

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Rule 8.87. Participation Entitlement of DPMs [and e-DPMs]

(a) Subject to the review of the Board of Directors, the Exchange may establish from time to time a participation entitlement formula that is applicable to all DPMs.

(b) The participation entitlement for DPMs [and e-DPMs (as defined in Rule 8.92)] shall operate as follows:

(1) *Generally.*

- (i) To be entitled to a participation entitlement, the DPM[/e-DPM] must be quoting at the best bid/offer on the Exchange.
- (ii) A DPM[/e-DPM] may not be allocated a total quantity greater than the quantity that the DPM[/e-DPM] is quoting at the best bid/offer on the Exchange.
- (iii) The participation entitlement is based on the number of contracts remaining after all public customer orders in the book at the best bid/offer on the Exchange have been satisfied.
- (iv) An Off-Floor DPM shall not receive a participation entitlement with respect to orders represented in open outcry on CBOE's trading floor.

(2) *Participation Rates applicable to DPM Complex.* The collective DPM[/e-DPM] participation entitlement shall be: 50% when there is one Market-Maker also quoting at the best bid/offer on the Exchange; 40% when there are two Market-Makers also quoting at the best bid/offer on the Exchange; and, 30% when there are three or more Market-Makers also quoting at the best bid/offer on the Exchange.

(3) Reserved. [*Allocation of Participation Entitlement Between DPMs and e-DPMs.* The participation entitlement shall be as follows: If the DPM and one or more e-DPMs are quoting at the best bid/offer on the Exchange, the e-DPM participation entitlement shall be one-half (50%) of the total DPM/e-DPM entitlement and shall be divided equally by the number of e-DPMs quoting at the best bid/offer on the Exchange. The remaining half shall be allocated to the DPM. If the DPM is not quoting at the best bid/offer on the Exchange and one or more e-DPMs are quoting at the best bid/offer on the Exchange, then the e-DPMs shall be allocated the entire participation entitlement (divided equally between them). If no e-DPMs are quoting at the best bid/offer on the Exchange and the DPM is quoting at the best bid/offer on the Exchange, then the DPM shall be allocated the entire participation entitlement. If only the DPM and/or e-DPMs are quoting at the best bid/offer on the Exchange (with no Market-Makers at that price), the participation entitlement shall not be applicable and the allocation procedures under Rule 6.45A shall apply.]

(4) *Participation Entitlement In Instances Where a Preferred Market-Maker Receives a Participation Entitlement Pursuant to Rule 8.13.* The participation entitlement set forth in this Rule shall not apply in instances where a Preferred Market-Maker receives a participation entitlement pursuant to Rule 8.13.

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... Interpretations and Policies:

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.02 Rule 8.85(a)(i) and Rule 8.93(i) do not require a DPM[or e-DPM, respectively,] to provide continuous electronic quotes in intra-day add-on series on the day during which such series are

added for trading. However, a DPM [or e-DPM] may still receive a participation entitlement in such series if it elects to quote in such series and otherwise satisfies the requirements set forth in Rule 8.87(b).

.03 Where the underlying security for a class is in a limit up-limit down state, as defined in Rule 6.3A, DPMs[and e-DPMs] shall have no quoting obligations in the class. However, a DPM[or e-DPM] may receive a participation entitlement in series of such a class when the underlying security has entered a limit up limit down state if it elects to quote in such series and otherwise satisfies the requirements set forth in Rule 8.87(b).

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[Rule 8.92. Electronic DPM Program

(a) *Definition.* An Electronic DPM ("e-DPM") is a TPH organization that is approved by the Exchange to remotely function in allocated option classes as a DPM and to fulfill certain obligations required of DPMs except for Floor Broker and Order Book Official obligations. The DPM provisions of Rules 8.81 through 8.91 only apply to e-DPMs to the extent they are specifically referenced in Rules 8.92 through 8.94.

(b) *Approval to Act as an e-DPM.* Determinations regarding granting or withdrawing approval to act as an e-DPM shall be made by the Board of Directors or its designee. A TPH organization desiring to be approved to act as an e-DPM shall file an application with the Exchange on such form or forms as the Exchange may prescribe. The Exchange shall determine the appropriate number of approved e-DPMs per option class. Factors to be considered in approving an e-DPM may include any one or more of the following:

- (i) adequacy of resources including capital, technology, and personnel;
- (ii) history of stability, superior electronic capacity, and superior operational capacity;
- (iii) market-making and/or specialist experience in a broad array of securities;
- (iv) ability to interact with order flow in all types of markets;
- (v) existence of order flow commitments;
- (vi) willingness to accept allocations as an e-DPM in options underlying at least 400 securities; and
- (vii) willingness and ability to make competitive markets on the Exchange and otherwise to promote the Exchange in a manner that is likely to enhance the ability of the Exchange to compete successfully for order flow in the options it trades.

In selecting an applicant for approval as an e-DPM, the Exchange may place one or more conditions on the approval concerning the operations of the applicant and the number of option classes which may be allocated to the applicant.

Each e-DPM shall retain its approval to act as an e-DPM until the Exchange relieves the e-DPM of its approval and obligations to act as an e-DPM or the Exchange terminates the e-DPM's approval to act as an e-DPM pursuant to Exchange Rules. An e-DPM may not transfer its approval to act as an e-DPM unless approved by the Exchange.

(c) *Allocation of Option Classes.* The Board of Directors or its designee shall grant e-DPMs allocations in option classes. Factors to be considered in granting allocations include performance, capacity, performance commitments, efficiency, competitiveness, and operational factors. In addition, the following shall apply:

- (i) More than one e-DPM may be allocated to the same option class;
- (ii) Option classes that have been allocated to a DPM may be concurrently allocated to e-DPMs.
- (iii) An e-DPM's allocation in an option class or group of classes is non-transferable unless approved by the Exchange.
- (iv) The Exchange may impose a minimum number of option classes for which an e-DPM may be allocated.
- (v) An e-DPM may not be allocated an option class for which the e-DPM organization serves as DPM on the trading floor,
- (vi) The Exchange may remove any option class from the e-DPM Program at any time if certain factors no longer warrant its inclusion in the program. Factors to be considered in removing an option class include any of the following: market share, number of exchanges trading the product, average daily trading volume, and liquidity in the product. The Exchange shall give prior notice of any removal of an option class to the e-DPMs trading in that option class.

(d) *Trading Permit Requirement.* Each e-DPM organization is required to hold such number of Trading Permits as may be necessary based on the aggregate "appointment cost" for the classes allocated to the e-DPM organization. Each Trading Permit held by the e-DPM organization has an appointment credit of 1.0. The appointment costs for Hybrid classes allocated to e-DPMs are categorized by "tiers" and are set forth in Rule 8.3(c)(i). For example, if the e-DPM organization has been allocated such number of option classes that its aggregate appointment cost is 6.6, the e-DPM organization would be required to hold seven Trading Permits.

As noted in Rule 8.3(c), the Exchange will rebalance the "tiers" (excluding the "AA" tier) once each calendar quarter, which may result in additions or deletions to their composition. When a class changes "tiers" it will be assigned the "appointment cost" of that tier. Upon rebalancing, each e-DPM organization will be required to hold the appropriate number of Trading Permits reflecting the revised "appointment costs" of the classes that have been allocated to it.

Except as provided below, Trading Permits used to satisfy this requirement may not be used for any other purpose. For purposes of this Rule, the term "product" refers to all options of the same single underlying security/value. In the event the TPH organization approved as the e-DPM organization is also approved to act as an RMM and/or DPM, and has excess Trading Permit capacity above the aggregate appointment cost for the classes allocated to it as the e-DPM, the TPH organization may utilize the excess Trading Permit capacity to quote electronically in an appropriate number of Hybrid classes in the capacity of a Remote Market-Maker ("RMM") and not trade in open outcry, and/or to quote electronically and trade in open outcry in the classes in which it is appointed a DPM. For example, if the TPH organization has been allocated such number of option classes that its aggregate appointment cost is 6.6, the TPH organization could request an appointment as an RMM in any combination of Hybrid classes whose aggregate "appointment cost" does not exceed .40. The TPH organization will not function as an e-DPM in any of these additional classes. In the event the TPH organization utilizes any excess Trading Permit capacity to quote electronically in some additional Hybrid classes as an RMM or DPM, it must comply with the provisions of Rules 8.3 and Rule 8.85(a)(v), respectively.

(e) *Trade Participation.* e-DPMs shall participate in trades as set forth in Rules 6.45A and 8.87.

Rule 8.93. e-DPM Obligations

Each e-DPM shall fulfill all of the obligations of a Market-Maker and of a DPM under the Rules (except those contained in Rules 8.85(a)(i), (iv), (v), (vii)- (x), and (xii), 8.85(c)(i) and (v), and 8.85(e)), and shall satisfy each of the following requirements:

- (i) provide continuous electronic quotes (as defined in Rule 1.1(ccc)) in at least the lesser of 99% of the non-adjusted option series or 100% of the non-adjusted option series minus one call-put pair of each allocated class, with the term "call-put pair" referring to one call and one put that cover the same underlying instrument and have the same expiration date and exercise price. This obligation does not apply to intra-day add-on series on the day during which such series are added for trading;
- (ii) assure that its market quotations are accurate;
- (iii) comply with the bid/ask differential requirements determined by the Exchange on a class by class basis;
- (iv) assure that its market quotations comply with the minimum size requirements prescribed by the Exchange, which minimum shall be at least one contract;
- (v) continue to act as an e-DPM and to fulfill all of the e-DPM's obligations as an e-DPM until the Exchange relieves the e-DPM of its approval and obligations to act as an e-DPM;
- (vi) make competitive markets on the Exchange and otherwise to promote the Exchange in a manner that is likely to enhance the ability of the Exchange to compete successfully for order flow in the classes it trades;
- (vii) Reserved;

- (viii) immediately notify the Exchange of any material operational or financial changes to the e-DPM organization as well as obtain the Exchange's approval prior to effecting changes to the ownership, capital structure, voting authority, distribution of profits/losses, or control of the e-DPM organization;
- (ix) provide Trading Permit Holders with telephone access to a designated employee at all times during market hours for purposes of resolving problems involving trading on the Exchange;
- (x) maintain information barriers that are reasonably designed to prevent the misuse of material, non-public information with any affiliates that may conduct a brokerage business in option classes allocated to the e-DPM or act as specialist or Market-Maker in any security underlying options allocated to the e-DPM, and otherwise comply with the requirements of Rule 4.18 regarding the misuse of material non-public information. However, an e-DPM in an option overlying an IPR, IPS or TIR that meets the criteria set forth in Rule 54.7, Interpretation and Policy .03, is not required to maintain information barriers that restrict the flow of information between it and any affiliates that act as a specialist or market-maker in the underlying IPR, IPS or TIR; and
- (xi) ensure that a trading rotation is initiated promptly following the opening of the underlying security (or promptly after 8:30 a.m. (CT) in an index class) in accordance with Rule 6.2B in 100% of the series of each allocated class by entering opening quotes as necessary.

Rule 8.94. Review of e-DPM Operations and Performance

(a) *Review.* The Exchange may conduct a review of an e-DPM's operations or performance at any time. Such review may include an evaluation of the extent to which the e-DPM has satisfied its obligations under Rule 8.93. An e-DPM shall submit to the Exchange such information requested by the Exchange in connection with a review of the e-DPM's operations or performance on the Exchange.

(b) *Revocation of Fee Rate.* The Exchange may, pursuant to a rule change filed with the Commission under Section 19(b) of the Exchange Act, adopt rules detailing objective criteria upon which e-DPMs' fee rates shall be reviewed. The criteria may include average quote size, average quote width, the percentage of time an e-DPM is quoting at the NBBO, and other objective performance related measurements. e-DPMs that fail to meet the objective standards may be summarily required to adhere to fee rates applicable to non-e-DPM Market-Makers.

(c) *Termination and Other Limitations.* The Exchange may terminate, place conditions upon, or otherwise limit a TPH organization's approval to act as an e-DPM on the same basis that DPM privileges may be terminated and/or conditioned under Rules 8.60 and 8.90. If a TPH organization's approval to act as an e-DPM is terminated, conditioned, or otherwise limited by the Exchange pursuant to this Rule, the TPH organization may seek review of that decision under Chapter XIX of the Rules.]

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Rule 17.50. Imposition of Fines for Minor Rule Violations

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(g) The following is a list of the rule violations subject to, and the applicable fines that may be imposed by the Exchange pursuant to, this Rule:

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(14) Failure to Meet Exchange Quoting Obligations

A fine shall be imposed upon a Market-Maker, Designated Primary Market-Maker[, Electronic Designated Primary Market-Maker] or Lead Market Maker (as applicable) in accordance with the fine schedule set forth below for the following conduct:

- Failure to meet the continuous quoting obligation (Rule 8.7, 8.15A, and Rule 8.85[and Rule 8.93]);
- Failure to meet the applicable quote width requirements (Rule 8.7);
- Failure to meet the initial quote volume requirements (Rule 8.7);
- Failure of a Lead Market Maker[, Electronic Designated Market Maker] or Designated Primary Market-Maker to ensure that a trading rotation is initiated promptly following the opening of the underlying security (or promptly after 8:30 a.m. (CT) in an index class) in accordance with Rule 6.2B in 100% of the series of each allocated class by entering opening quotes as necessary (Rule 8.15A and Rule 8.85); and

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