

EXHIBIT 5E – Nasdaq ISE, LLC Rules

Text of proposed rule change.

Underlining indicates additions; [Brackets] indicate deletions.

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CHAPTER 1
Definitions

Rule 100. Definitions

(a) The following terms, when used in these Rules, shall have the meanings specified in this Chapter 1, unless the context indicates otherwise. Any term defined in the Limited Liability Company Agreement (the “LLC Agreement”) or the By-Laws of Nasdaq ISE, LLC (the “By-Laws”)[Article XIV of the Constitution of Nasdaq ISE, LLC (the “Constitution”)] and not otherwise defined in this Chapter shall have the meaning assigned in the LLC Agreement or the By-Laws[Article XIV of the Constitution].

(1) – (10) No change.

(11) The term “**CMM Rights**” means the transferable rights held by a Competitive Market Maker or a non-member owner (as that term is defined in Rule 300(a)). The number of authorized CMM Rights will be 160 CMM Rights[has the meaning set forth in Article VI of the LLC Agreement].

(12) The term “**Competitive Market Maker**” means a Member that is approved to exercise trading privileges associated with CMM Rights.

(13)[(12)] The term “**covered short position**” means (i) the obligation of a writer of a call option is secured by a “specific deposit” or an “escrow deposit” meeting the conditions of Rule 710(f) or 710(h), respectively, of the Rules of the Clearing Corporation, or the writer holds in the same account as the short position, on a share-for-share basis, a long position either in the underlying security or in an options contract of the same type and class of options where the exercise price of the options contract in such long position is equal to or less than the exercise price of the options contract in such short position; and (ii) the writer of a put option holds in the same account as the short position, on a share-for-share basis, a long position in an options contract of the same type and class of options where the exercise price of the options contract in such long position is equal to or greater than the exercise price of the options contract in such short position.

(14)[(13)] The term “**discretion**” means the authority of a broker or dealer to determine for a customer the type of option, the class or series of options, the number of contracts, or whether options are to be bought or sold.

(15)[(14)] The term “**EAM Rights**” means the non-transferable rights held by an Electronic Access Member[has the meaning set forth in Article VI of the LLC Agreement].

(16) The term “**Electronic Access Member**” means a Member that is approved to exercise trading privileges associated with EAM Rights.

(17)[(15)] The term “**European-style option**” means an options contract that, subject to the provisions of Rule 1100 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, can be exercised only on its expiration date.

(18)[(16)] The term “**Exchange Act**” means the Securities Exchange Act of 1934 and the rules and regulations thereunder, as amended from time to time.

(19)[(17)] The term “**Exchange Rights**” means the PMM Rights, CMM Rights and EAM Rights collectively.

(20) The term “**Exchange Transaction**” means a transaction executed on or through the facilities of the Exchange.

(21)[(18)] The term “**exercise price**” means the specified price per unit at which the underlying security may be purchased or sold upon the exercise of an options contract.

(21A)[(18A)] The term “**expiration date**” means, unless separately defined elsewhere in these Rules: (i) in the case of an option expiring prior to February 1, 2015, the Saturday immediately following the third Friday of the expiration month of such option contract; and (ii) in the case of an option expiring on or after February 1, 2015, the third Friday of the expiration month of such option contract, or if such Friday is a day on which the exchange on which such option is listed is not open for business, the preceding day on which such exchange is open for business. Notwithstanding the foregoing, in the case of certain options expiring on or after February 1, 2015 that the Clearing Corporation has designated as grandfathered, the term “expiration date” shall mean the Saturday immediately following the third Friday of the expiration month.

(22)[(19)] The term “**Federal Reserve Board**” means the Board of Governors of the Federal Reserve System.

(23) The term “**good standing**” means that a Member is not delinquent with respect to Exchange dues, fees or other charges and is not suspended or barred from effecting Exchange Transactions or from association with a Member either by the Exchange or by means of a statutory disqualification.

(24)[(20)] The terms “**he**,” “**him**” or “**his**” shall be deemed to refer to persons of female as well as male gender, and to include organizations, as well as individuals, when the context so requires.

(25)[(21)] The term “**long position**” means a person’s interest as the holder of one or more options contracts.

[(22) The term “**LLC Agreement**” means the Limited Liability Company Agreement of the Exchange, dated as of November 18, 2004, as amended from time to time.]

(26)[(23)] The term “**Member**” means an organization that has been approved to exercise trading rights associated with Exchange Rights.

(27)[(24)] The term “**Membership**” refers to the trading privileges associated with Exchange Rights.

(28)[(25)] The term “**market makers**” refers to “Competitive Market Makers” and “Primary Market Makers” collectively.

(29)[(26)] The term “**Market Maker Rights**” refers to PMM Rights and CMM Rights collectively.

(30)[(27)] The term “**Non-Customer**” means a person or entity that is a broker or dealer in securities.

(31)[(28)] The term “**Non-Customer Order**” means an order for the account of a Non-Customer.

(32)[(29)] The term “**offer**” means a quote or limit order to sell one or more options contracts, except that with respect to an Equity Security (as that term is defined in Rule 2100), it means an order to sell such security.

(33)[(30)] The term “**opening purchase transaction**” means an Exchange Transaction that will create or increase a long position in an options contract.

(34)[(31)] The term “**opening writing transaction**” means an Exchange Transaction that will create or increase a short position in an options contract.

(34A)[(31A)] The term “**Voluntary Professional**” means any Public Customer that elects, in writing, to be treated in the same manner as a broker or dealer in securities for purposes of Rules 713, 716, 722, and 723, as well as the Exchange’s schedule of fees.

(35)[(32)] The term “**options contract**” means a put or a call issued, or subject to issuance by the Clearing Corporation pursuant to the Rules of the Clearing Corporation.

(36)[(33)] The term “**OPRA**” means the Options Price Reporting Authority.

(37)[(34)] The term “**order**” means a commitment to buy or sell securities as defined in Rule 715 for options and Rule 2104 for Equity Securities (as that term is defined in Rule 2100).

(38)[(35)] The term “**outstanding**” means an options contract which has been issued by the Clearing Corporation and has neither been the subject of a closing writing transaction nor has expired.

(39)[(36)] The term “**PMM Rights**” means the transferable rights held by a Primary Market Maker or a non-member owner (as that term is defined in Rule 300(a)). The number of authorized PMM Rights will be 10 PMM Rights[has the meaning set forth in Article VI of the LLC Agreement].

(40) The term “**Primary Market Maker**” means a Member that is approved to exercise trading privileges associated with PMM Rights.

(41)~~(37)~~ The term “**primary market**” means the principal market in which an underlying security is traded.

(41A)~~(37A)~~ The term “**Priority Customer**” means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s).

(41B)~~(37B)~~ The term “**Priority Customer Order**” means an order for the account of a Priority Customer.

(41C)~~(37C)~~ The term “**Professional Order**” means an order that is for the account of a person or entity that is not a Priority Customer.

(i) No change.

(a) – (d) No change.

(42)~~(38)~~ The term “**Public Customer**” means a person or entity that is not a broker or dealer in securities.

(43)~~(39)~~ The term “**Public Customer Order**” means an order for the account of a Public Customer.

(44)~~(40)~~ The term “**put**” means an options contract under which the holder of the option has the right, in accordance with the terms and provisions of the option, to sell to the Clearing Corporation the number of shares of the underlying security covered by the options contract.

(45)~~(41)~~ The term “**Quarterly Options Series**” means a series in an options class that is approved for listing and trading on the Exchange in which the series is opened for trading on any business day and that expires at the close of business on the last business day of a calendar quarter.

(46)~~(42)~~ The term “**quote**” or “**quotation**” means a bid or offer entered by a market maker that updates the market maker’s previous bid or offer, if any.

(47)~~(43)~~ The term “**Rules of the Clearing Corporation**” means the Certificate of Incorporation, the By-laws and the Rules of the Clearing Corporation, and all written interpretations thereof, as the same may be in effect from time to time.

(48)~~(44)~~ The term “**SEC**” means the United States Securities and Exchange Commission.

(49)~~(45)~~ The term “**series of options**” means all options contracts of the same class having the same exercise price and expiration date.

(50)~~(46)~~ The term “**short position**” means a person’s interest as the writer of one or more options contracts.

(51)[(47)] The term “**Short Term Option Series**” means a series in an option class that is approved for listing and trading on the Exchange in which the series is opened for trading on any Tuesday, Wednesday, Thursday or Friday that is a business day and that expires on the Wednesday or Friday of the following business week that is a business day. If a Tuesday, Wednesday, Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Tuesday, Wednesday, Thursday or Friday.

(52)[(48)] The term “**SRO**” means a self-regulatory organization as defined in Section 3(a)(26) of the Exchange Act.

(53) The term “**System**” means the electronic system operated by the Exchange that receives and disseminates quotes, executes orders and reports transactions.

(54)[(49)] The term “**type of option**” means the classification of an options contract as either a put or a call.

(55)[(50)] The term “**uncovered**” means a short position in an options contract that is not covered.

(56)[(51)] The term “**underlying security**” means the security that the Clearing Corporation shall be obligated to sell (in the case of a call option) or purchase (in the case of a put option) upon the valid exercise of an options contract.

CHAPTER 2

Organization and Administration

Rule 200. Establishment of Committees

The Chief Executive Officer, with the approval of the Board, shall appoint any committee members that are not Directors to committees established by the Board in the By-Laws[Constitution], or established by the Chief Executive Officer pursuant to authority delegated to him by the Board.

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Rule 202. Committee Procedures

Except as otherwise provided in the By-Laws[Constitution], the Rules or resolution of the Board, each committee shall determine its own time and manner of conducting its meetings, and the vote of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee. Committees may act informally by written consent of all of the members of the committee.

Rule 203. General Duties and Powers of Committees

Each committee shall administer the provisions of the By-Laws[Constitution] and the Rules pertaining to matters within its jurisdiction. Each committee shall have such other powers and duties as may be delegated to it by the Board. Each committee is subject to the control and supervision of the Board.

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CHAPTER 3 Membership

Rule 300. Market Maker Rights

(a) – (c) No change.

(d) Any increase in the number of authorized PMM Rights or CMM Rights must be approved by the affirmative vote of the holders of at least a majority of the then outstanding PMM Rights, voting as a class, and the affirmative vote of the holders of at least a majority of the then outstanding CMM Rights, voting as a class (such voting rights, the “Core Rights”).

(e) Any amendments to the LLC Agreement or the By-Laws that would alter or change the powers, preferences or special rights of one or more series of PMM Rights or CMM Rights must also be approved by the holders of a majority of such PMM Rights or CMM Rights, as applicable.

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Rule 303. Approval to Operate Multiple Memberships

(a) – (b) No change.

Supplementary Material to Rule 303

.01 No change.

.02 In approving any Primary Market Maker to exercise the trading privileges associated with more than 20% of the outstanding Primary Market Maker Memberships, the Board will not approve any arrangement in which such Primary Market Maker, together with any affiliate, would gain ownership or voting rights in excess of 20% of the then outstanding PMM Rights[those permitted under the Exchange's LLC Agreement or Constitution]. For the avoidance of doubt, no Competitive Market Maker, together with any affiliate, may gain ownership or voting rights in excess of 20% of the then outstanding CMM Rights.

Rule 304. Persons Associated with Members

(a) Persons associated with Members shall be bound by the By-Laws[Constitution] and Rules of the Exchange and the rules of the Clearing Corporation. The Exchange may bar a person from becoming or continuing to be associated with a Member if such person does not agree in writing, on a form prescribed by the Exchange, to furnish the Exchange with information with respect to such person's relationship and dealings with the Member, and information reasonably related to such person's other securities business, as may be required by the Exchange, and to permit the examination of its books and records by the Exchange to verify the accuracy of any information so supplied.

(b) – (c) No change.

Rule 305. Documents Required of Applicants and Members

(a) – (b) No change.

(c) In a manner and form prescribed by the Exchange, every Member shall pledge to abide by the By-Laws[Constitution] and Rules of the Exchange, as amended from time to time, and by all circulars, notices, directives or decisions adopted pursuant to or made in accordance with the By-Laws[Constitution] and Rules.

(d) Members shall keep and maintain a current copy of the By-Laws[Constitution] and Rules in a readily accessible place. Members that are approved to do business with the public pursuant to Rule 600 shall make the By-Laws[Constitution] and Rules available for examination by customers.

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Rule 307. Sale and Transfer of Market Maker Rights

(a) No change.

(b) No change.

(1) – (3) No change.

(4) An owner exceeds the concentration limitations contained in [the LLC Agreement or] Rule 303.

Supplementary Material to Rule 307

.01 Pursuant to paragraph (a) above, the Exchange shall either approve or disapprove an executed transfer agreement between an owner and an approved applicant within thirty (30) days of receipt of the agreement. A transfer agreement may be disapproved under the following circumstances: (i) the contract attempts to transfer only part of the rights associated with a Market Maker Right; or (ii) the transfer would result in the transferee exceeding the ownership concentration limits contained in the [LLC Agreement or] Rules, or would otherwise violate the Exchange's Rules. The owner or an approved applicant that is a party to an executed transfer agreement that is denied approval may appeal the Exchange's decision under Chapter 17 (Hearings and Review).

Rule 308. Leasing Memberships

The owner of Market Maker Rights in good standing may lease a market maker Membership to a Member, and a lessee of a market maker Membership in good standing may sublease such Membership with the permission of the owner. The owner must retain the Core Rights associated with such Market Maker Rights and may not transfer such voting rights to the lessee.

(a) No change.

(b) No change.

(1) – (3) No change.

(4) as between the parties, [which party shall exercise the voting rights of the Membership and] which party shall provide the funds necessary to satisfy all applicable Exchange dues, fees and other charges.

(c) No change.

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Rule 312. Limitation on Affiliation between the Exchange and Members

(a) No change.

(b) Nothing in this Rule shall prohibit any Member from being or becoming an affiliate of the Exchange, or any facility of the Exchange, or an affiliate of any affiliate of the Exchange or any facility of the Exchange solely by reason of any officer, director or partner of such Member being or becoming a Member Representative Director (as defined in the By-Laws) pursuant to the By-Laws[an Exchange Director (as defined in the Constitution) pursuant to the Constitution]. For purposes of this rule, any calculation of the voting Limited Liability Company Interest of the Exchange or the voting securities of Nasdaq, Inc. outstanding at any particular time shall be made in accordance with the last sentence of SEC Rule 13d-3(d)(1)(i)(D). The term “beneficially owned”, including all derivative or similar words, shall have the meaning set forth in the Amended and Restated Certificate of Incorporation of Nasdaq, Inc.

(c) No change.

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CHAPTER 4
Business Conduct

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Rule 401. Adherence to Law

No Member shall engage in conduct in violation of the Exchange Act, the By-Laws[Constitution] or the Rules of the Exchange, or the rules of the Clearing Corporation insofar as they relate to the reporting or clearance of any Exchange Transaction, or any written interpretation thereof. Every Member shall so supervise persons associated with the Member as to assure compliance therewith.

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CHAPTER 6
Doing Business With the Public

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Rule 601. Registration of Options Principals

(a) No change.

(b) In connection with their registration, Options Principals shall electronically file a Uniform Application for Securities Industry Registration or Transfer (“Form U4”) through the Central Registration Depository system (“Web CRD”) operated by the Financial Industry Regulatory Authority, Incorporated (“FINRA”), shall successfully complete an examination prescribed by the Exchange for the purpose of demonstrating an adequate knowledge of the options business and of the Rules of the Exchange, and shall further agree in the U4 filing to abide by the By-Laws[Constitution] and Rules of the Exchange and the Rules of the Options Clearing Corporation. Any person required to complete Form U4 shall promptly electronically file any required amendments to Form U4 through Web CRD.

(c) – (e) No change.

Rule 602. Registration of Representatives

(a) – (b) No change.

(c) In connection with their registration, Representatives shall electronically file a Form U4 through Web CRD by appropriately checking the Nasdaq ISE as a requested registration on the electronic U4 filing, and shall successfully complete an examination for the purpose of demonstrating an adequate knowledge of the securities business, and shall further agree in the U4 filing to abide by the By-Laws[Constitution] and Rules of the Exchange and the Rules of the Clearing Corporation. Any person required to complete Form U4 shall promptly electronically file any required amendments to Form U4 through Web CRD.

(d) No change.

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Rule 606. Discipline, Suspension, Expulsion of Registered Persons

The Exchange may discipline, suspend or terminate the registration of any registered person for violation of the By-Laws[Constitution] or Rules of the Exchange or the Rules of the Clearing Corporation.

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CHAPTER 7
Doing Business On The Exchange

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Rule 706. Access to and Conduct on the Exchange

(a) – (b) No change.

Supplementary Material to Rule 706

.01 (a) No change.

.01 (b) No change.

(1) No change.

(2) No change.

(i) – (ii) No change.

(iii) Sponsoring Member shall comply with the Exchange’s Certificate of Formation, By-Laws[Constitution], Rules and procedures with regard to the Exchange and Sponsored Customer shall comply with Exchange’s Certificate of Formation, By-Laws[Constitution], Rules and procedures with regard to the Exchange, as if Sponsored Customer were a Nasdaq ISE Member.

(iv) – (ix) No change.

(3) No change.

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Rule 711. Acceptance of Quotes and Orders

(a) All bids or offers made and accepted on the Exchange in accordance with the Rules shall constitute binding contracts, subject to applicable requirements of the By-Laws[Constitution] and the Rules and the rules of the Clearing Corporation.

(b) No change.

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Rule 713. Priority of Quotes and Orders

(a) *Definitions.* As provided in Rule 100(a)(4) and (a)[(29)](32), 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 Rule 100(a)[(42)](46), may only be entered on the Exchange by market makers in the options classes to which they are appointed under Rule 802.

Limit orders may be entered by market makers in certain circumstances as provided in the Rules and Electronic Access Members (either as agent or as principal). “Priority Customer Orders” and “Professional Orders” are defined in Rule 100(a)[(37B)](41B) and [(37C)](41C).

(b) – (f) No change.

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Rule 720. Nullification and Adjustment of Options Transactions including Obvious Errors

The Exchange may nullify a transaction or adjust the execution price of a transaction in accordance with this Rule. However, the determination as to whether a trade was executed at an erroneous price may be made by mutual agreement of the affected parties to a particular transaction. A trade may be nullified or adjusted on the terms that all parties to a particular transaction agree, provided, however, that such agreement to nullify or adjust must be conveyed to the Exchange in a manner prescribed by the Exchange prior to 8:30 a.m. Eastern Time on the first trading day following the execution. It is considered conduct inconsistent with just and equitable principles of trade for any Member to use the mutual adjustment process to circumvent any applicable Exchange rule, the Act or any of the rules and regulations thereunder.

(a) *Definitions.*

(1) *Customer.* For purposes of this Rule, Customer has the same definition as Priority Customer in Rule 100(a)[(37A)](41A).

(2) – (4) No change.

(b) – (k) No change.

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CHAPTER 8
Market Makers

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Rule 802. Appointment of Market Makers

(a) No change.

(b) Appointments to Primary Market Makers. A Primary Market Maker shall be appointed to each options class traded on the Exchange.

(1) No change.

(2) So long as a Primary Market Maker fulfills its obligations as a Primary Market Maker under these Rules, the Exchange will not reallocate the options classes to which such Primary Market Maker is appointed pursuant to this Rule, unless otherwise requested by the Primary Market Maker. The foregoing will not limit or affect the Exchange's responsibility under Rule 802(d) to reallocate any options classes in the interests of a fair and orderly market.

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CHAPTER 16**Discipline****Rule 1600. Disciplinary Jurisdiction**

(a) A Member or a person associated with a Member who is alleged to have violated or aided and abetted a violation of any provision of the Exchange Act, the rules and regulations promulgated thereunder, or any provision of the By-Laws[Constitution] or Rules of the Exchange or any interpretation thereof or resolution of the Board of the Exchange regulating the conduct of business on the Exchange, shall be subject to the disciplinary jurisdiction of the Exchange under this Chapter, and after notice and opportunity for a hearing may be appropriately disciplined by expulsion, suspension, limitation of activities, functions, and operations, fine, censure, being suspended or barred from being associated with a Member or any other fitting sanction, in accordance with provisions of the Chapter.

(b) – (c) No change.

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Rule 1604. Charges

(a) *Initiation of Charges.* Whenever it shall appear that there is probable cause for finding a violation within the disciplinary jurisdiction of the Exchange and that further proceedings are warranted, the regulatory staff shall prepare a statement of charges against the Member or associated person alleged to have committed a violation (the “Respondent”) specifying the acts in which the Respondent is charged to have engaged and setting forth the specific provisions of the Exchange Act, rules and regulations promulgated thereunder, provisions of the By-Laws[Constitution] or Rules of the Exchange, or interpretations or resolutions of which such acts are in violation. If the statement of charges is approved by the Chief Regulatory Officer, a copy of the charges shall be served upon the Respondent in accordance with Rule 1612. The complainant, if any, shall be notified if further proceedings are warranted.

(b) No change.

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Rule 1607. Decision

(a) No change.

(b) The decision shall include a statement of findings and conclusions, with the reasons therefor, upon all material issues presented on the record. Where a sanction is imposed, the decision shall include a statement specifying the acts or practices in which the Respondent has been found to have engaged and setting forth the specific provisions of the Exchange Act, rules and regulations promulgated thereunder, provisions of the By-Laws[Constitution] or Rules of the Exchange, interpretations or resolutions of the Exchange of which the acts are deemed to be in violation.

(c) No change.

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Rule 1614. Imposition of Fines for Minor Rule Violations

(a) – (c) No change.

(1) – (3) No change.

(4) If, after a hearing or review based on written submissions, the Business Conduct Committee determines that the Subject is guilty of the rule violation(s) alleged, the Committee may impose any one or more of the disciplinary sanctions authorized by the Exchange's By-Laws[Constitution] and Rules. Unless the sole disciplinary sanction imposed by the Committee for such rule violation(s) is a fine that is less than the total fine initially imposed by the Exchange for the subject violation(s), the person charged shall pay a forum fee in the amount of \$100 if the determination was reached without a hearing and \$300 if a hearing was conducted.

(5) – (6) No change.

(d) No change.

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CHAPTER 17
Hearings and Review**Rule 1700. Scope of Chapter**

This Chapter provides the procedure for persons economically aggrieved by Exchange action, including, but not limited to, those organizations whose application to become a Member have been denied, persons who have been barred from becoming associated with a Member, or organizations and persons that have been prohibited or limited with respect to Exchange services, or the services of any Exchange Member, taken pursuant to any contractual arrangement, the By-Laws[Constitution] or the Rules of the Exchange, to apply for an opportunity to be heard and to have the complained of action reviewed. Review of disciplinary actions and arbitrations are not subject to review under this Chapter.

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CHAPTER 19
Order Protection; Locked and Crossed Markets

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Rule 1901. Order Protection

(a) – (b) No change.

Supplementary Material to Rule 1901

.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 Rule 100[(37B)][(41B)]. 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 - .03 No change.

.04 Non-Customer Order(s), as defined in Rule 100(a)[(28)][(31)], may opt out of being processed in accordance with Supplementary Material .02 of this Rule 1901. Such order(s) will be processed as follows:

(a) – (b) No change.

.05 - .07 No change.

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