

EXHIBIT 5

The text of the proposed rule change is below. Proposed new language is underlined; proposed deletions are in brackets.

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7014. Market Quality Incentive Programs**[Investor Support Program]Small Cap Incentive Program**

(a) The Small Cap Incentive Program (“SCIP”) is available to Nasdaq Market Makers that are registered in Nasdaq-listed symbols with a market capitalization of less than \$100 million. Nasdaq will update the symbol list every six months via an Equity Trader Alert. The initial list was selected using market capitalizations as determined at the end of January 2016.

(1) Nasdaq Market Makers registered in a SCIP symbol will receive a rebate of \$0.0005 per share executed with respect to all other displayed orders (other than Designated Retail Orders, as defined in Rule 7018) in securities priced at \$1 or more that provide liquidity (“SCIP Rebate”) if their percent of time at the NBBO in the symbol is above 50% (“NBBO Test”) for the month. The SCIP Rebate will be in addition to all other applicable displayed rebates.

(2) Nasdaq Market Makers registered in the symbol and that pass the NBBO Test will be subject to the following rates for shares executed below \$1.00:

(A) the rebate to add liquidity will be 0.10% of the total dollar volume; and

(B) the fee to remove liquidity will be 0.25% of the total dollar volume.

(3) There will be no fee for all quotes and orders executed in the Nasdaq Opening or Closing Cross, or any other cross for Nasdaq Market Makers that meet the NBBO Test in SCIP symbols. All quotes and orders exclude Market-on-Close and Limit-on-Close orders executed in the Nasdaq Closing Cross and Market-on-Open, Limit-on-Open, Good-till-Cancelled, and Immediate-or-Cancel orders executed in the Nasdaq Opening Cross.

[A member wishing to participate in the Investor Support Program (“ISP”) must submit an application in the form prescribed by Nasdaq and designate one or more of its Nasdaq ports for ISP use. By participating in the ISP and entering in the Nasdaq Market Center eligible orders in System Securities, a member may qualify for a monthly ISP fee credit. Eligibility criteria and credit amounts are set forth herein.

Subsequent to the initial designation of Nasdaq ports for ISP use, a member may add or remove such ISP designations for existing ports, provided that Nasdaq must be appropriately notified of such a change on or before the first trading day of the month

when the change is to become effective. A newly established port may be designated for ISP use immediately upon establishment.

(b) Subject to the conditions set forth in section (c) of this Rule, Nasdaq shall issue to the member a monthly ISP credit, which shall be determined by multiplying \$0.00005, \$0.0001, or \$0.0002 by the number of shares of displayed liquidity (other than Designated Retail Orders, as defined in 7018) to which a particular rate applies, as described below.

Except as provided in Rule 7014(e), an ISP credit issued under this Rule will be in addition to (and will not replace) any other credit or rebate for which a member may qualify under Rule 7018(a).

(c) (1) Reserved

(2) A member shall be entitled to receive an ISP credit at the \$0.0001 rate with respect to all shares of displayed liquidity that are executed at a price of \$1 or more in the Nasdaq Market Center and that are entered through ISP-designated ports, and at the \$0.00005 rate with respect to all other shares of displayed liquidity that are executed at a price of \$1 or more in the Nasdaq Market Center during a given month if:

(A) the member's ISP Execution Ratio for the month in question is less than 10;

(B) the shares of liquidity provided by the member through ISP-designated ports during the month are equal to or greater than 0.2% of the Consolidated Volume during the month;

(C) at least 40% of the liquidity provided by the member during the month is provided through ISP-designated ports; and

(D) the member exceeds its Baseline Participation Ratio by at least 0.43%.

(3) A member shall be entitled to receive an ISP credit at the \$0.0002 rate with respect to all shares of displayed liquidity that are executed at a price of \$1 or more in the Nasdaq Market Center and that are entered through ISP-designated ports, and at the \$0.00005 rate with respect to all other shares of displayed liquidity that are executed at a price of \$1 or more in the Nasdaq Market Center during a given month if:

(A) the member's ISP Execution Ratio for the month in question is less than 10;

(B) the shares of liquidity provided by the member through ISP-designated ports during the month are equal to or greater than 0.2% of the Consolidated Volume during the month;

(C) at least 40% of the liquidity provided by the member during the month is provided through ISP-designated ports; and

(D) the member exceeds its Baseline Participation Ratio by at least 0.86%.]

(b) Reserved.

(c) Reserved.

Qualified Market Maker (“QMM”) Program

(d) A member may be designated as a QMM if:

(1) the member is not assessed any "Excess Order Fee" under Rule 7018 during the month; and

(2) [through any single Nasdaq Market Center MPID]the member quotes at the NBBO at least 25% of the time during regular market hours in an average of at least 1,000 securities per day during the month. For purposes of this rule, a member [MPID]is considered to be quoting at the NBBO if one of its MPIDs[it] has a displayed order (other than a Designated Retail Order) at either the national best bid or the national best offer or both the national best bid and offer. On a daily basis, NASDAQ will determine the number of securities in which each of a[the]member’s MPIDs satisfied the 25% NBBO requirement. NASDAQ will aggregate all of a member’s MPIDs to determine the number of securities for purposes of the 25% NBBO requirement. To qualify for QMM designation, the member[MPID] must meet the requirement for an average of 1,000 securities per day over the course of the month.[If a member seeking to be designated as a QMM terminates the use of one MPID and simultaneously commences use of another MPID during the course of a month, it may aggregate activity on the two MPIDs for purposes of determining its eligibility as a QMM.]

(3) the member is a registered Nasdaq market maker.

(e) Nasdaq will provide a rebate per share executed (as defined in the below table) with respect to all other displayed orders (other than Designated Retail Orders, as defined in Rule 7018) in securities priced at \$1 or more per share that provide liquidity and were for securities listed on NYSE (“Tape A QMM Incentive”), securities listed on exchanges other than Nasdaq and NYSE (“Tape B QMM Incentive”), or securities listed on Nasdaq (“Tape C QMM Incentive”). Such rebate will be in addition to any rebate payable under Rule 7018(a):

	QMM Tiers	Tape A QMM Incentive	Tape B QMM Incentive	Tape C QMM Incentive
Tier 1	QMM executes shares of liquidity provided in all securities	\$0.0001	\$0.0001	\$0.0001

through one or more of its Nasdaq Market Center MPIDs that represent above 0.70% up to, and including, 0.90% of Consolidated Volume during the month

Tier 2	QMM executes shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represent above 0.90% of Consolidated Volume during the month	\$0.0002	\$0.0002	\$0.0002
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[If a QMM also participates in the ISP, NASDAQ will pay the greater of any applicable credit under the ISP or the above listed additional rebate, but not both.]

NASDAQ will charge a QMM a fee of \$0.0030 per share executed for orders in NASDAQ-listed securities priced at \$1 or more per share that access liquidity on the NASDAQ Market Center, and charge a QMM a fee of \$0.00295 per share executed for orders in securities listed on exchanges other than NASDAQ priced at \$1 or more per share that access liquidity on the NASDAQ Market Center; provided, however, that the QMM's volume of liquidity added through one or more of its Nasdaq Market Center MPIDs during the month (as a percentage of Consolidated Volume) is not less than 0.80%.

(f) No change.

NBBO Program

(g) Nasdaq will provide a rebate per share executed with respect to all other displayed orders (other than Designated Retail Orders, as defined in Rule 7018) in securities priced at \$1 or more per share that provide liquidity, establish the NBBO, and displayed a quantity of at least one round lot at the time of execution. The rebate will be in addition to any rebate or credit payable under Rule 7018(a) and the [ISP,]QMM Program[,] and NBBO Program under Rule 7014.

To qualify for the \$0.000[2]4 per share executed NBBO Program rebate in NYSE-listed securities and in Securities Listed on Exchanges other than Nasdaq and NYSE a member must execute shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represents 1.0% or more of Consolidated Volume during the month.

If a member (i) executes shares of liquidity provided in all securities through one or more of its Nasdaq Market Center MPIDs that represents 0.5% or more of Consolidated Volume during the month, and (ii) has a ratio of at least 25% NBBO liquidity provided* to liquidity provided during the month, the member will receive an additional \$0.0002 per share executed credit for displayed quotes/orders (other than Supplemental Orders or Designated Retail Orders) that provide liquidity priced at \$1 or more. This rebate will be in addition to any rebate or credit payable under Rule 7018(a) and the [ISP,]QMM Program[,] and NBBO Program under Rule 7014.

*NBBO liquidity provided means liquidity provided from orders (other than Designated Retail Orders, as defined in Nasdaq Rule 7018), that establish the NBBO, and displayed a quantity of at least one round lot at the time of execution.

Definitions and Certifications

(h) Definitions

For purposes of this Rule, the terms set forth below shall have the following meanings:

(1) Reserved[The term “Baseline Participation Ratio” shall mean, with respect to a member, the lower of such member’s Participation Ratio for the month of August 2010 or the month of August 2011, provided that in calculating such Participation Ratios, the numerator shall be increased by the amount (if any) of the member’s Indirect Order Flow for such month, and provided further that if the result is zero for either month, the Baseline Participation Ratio shall be deemed to be 0.485% (when rounded to three decimal places).]

(2) Reserved[The term “ISP Execution Ratio” shall mean the ratio of (A) the total number of liquidity-providing orders entered by a member through its ISP-designated ports during the specified time period to (B) the number of liquidity-providing orders entered by such member through its ISP-designated ports and executed (in full or partially) in the Nasdaq Market Center during such time period; provided that:

(i) no order shall be counted as executed more than once; and

(ii) no Pegged Orders, odd-lot orders, or MIOC or SIOC orders shall be included in the tabulation.]

(3) Reserved[The term "Participation Ratio" shall mean, for a given member in a given month, the ratio of (A) the number of shares of liquidity provided in orders entered by the member through any of its Nasdaq ports and executed in the Nasdaq Market Center during such month to (B) the Consolidated Volume.]

(4) Reserved[The term "Indirect Order Flow" shall mean, for a given member in a given month, the number of shares of liquidity provided in orders entered into the Nasdaq Market Center at the member's direction by another member with minimal substantive intermediation by such other member and executed in the Nasdaq Market Center during such month.]

(5) The term "Consolidated Volume" shall mean the total consolidated volume reported to all consolidated transaction reporting plans by all exchanges and trade reporting facilities during a month, excluding executed orders with a size of less than one round lot. For purposes of calculating Consolidated Volume and the extent of a member's trading activity, expressed as a percentage of or ratio to Consolidated Volume, the date of the annual reconstitution of the Russell Investments Indexes shall be excluded from both total Consolidated Volume and the member's trading activity.

(6) Reserved[The terms "Nasdaq Market Center", "odd-lot", "Pegged Order", "System Securities", "MIOC" and "SIOC" shall have the meanings given to them in Rule 4751, and the term "Nasdaq Opening Cross" shall have the meaning given to it in Rule 4752.]

(7) The term "NBBO" shall mean the national best bid or best offer.

(8) Reserved[The terms "trading center" and "protected quotation" shall have the meanings assigned to them by SEC Rule 600 under Regulation NMS.]

(9) The term "regular market hours" means 9:30 a.m. through 4:00 p.m., or such shorter period as may be designated by NASDAQ on a day when the securities markets close early.

[(i) A member shall certify to the reasonable satisfaction of Nasdaq: (i) its Baseline Participation Ratio; and (ii) if requested by Nasdaq, its compliance with any other sections or requirements of this Rule, but not more often than once a month during participation in any incentive program hereunder.]

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