

**EXHIBIT 5**

Deleted text is [bracketed]. New text is underlined.

**NASDAQ PHLX LLC Rules**

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**Options Rules**

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**Options 3 Options Trading Rules**

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**Section 3. Minimum Increments**

(a) No change.

***Supplementary Material to Options 3, Section 3***

.01 - .03 No change.

.04 All Nasdaq-100<sup>®</sup> Volatility Index Options shall have a minimum increment of \$.01.

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**Options 4A Options Index Rules**

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**Section 6. Position Limits**

(a) The position limit for a broad-based (market) index option shall be 25,000 contracts on the same side of the market except as provided below. Certain positions must be aggregated in accordance with paragraph (d) or (e) below.

(i) – (iii) No change.

(iv) Respecting Nasdaq-100<sup>®</sup> Volatility Index Options, there shall be no position limits.

(b) No change.

(c) *Reporting Requirements for Options on Market Indexes.*—Each member or member organization that maintains a position on the same side of the market in excess of 100,000 contracts for its own account or for the account of a customer in the Full Value Russell 2000<sup>®</sup> Options, RUT; or in excess of 100,000 contracts for its own account or for the account of a customer in Full Value Nasdaq-100<sup>®</sup> Options, NDX[.]; or in excess of 100,000 contracts for its own account for the account of a customer in Nasdaq-100<sup>®</sup> Volatility Index options, must file a report with the Exchange that includes, but is not limited to, data related to the option positions, whether such positions are hedged and if applicable, a description of the hedge and information concerning collateral used to carry

the positions. Market Makers are exempt from this reporting requirement. For positions exceeding the position limit in paragraph (a), Supplementary Material .01 contains the requirements for qualifying for the Index Hedge Exemption under this Rule.

(d) – (f) No change.

*Supplementary Material to Options 4A, Section 6*

**.01 - .04** No change.

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## **Section 12. Terms of Index Options Contracts**

(a) No change.

(b) After a particular class of stock index options has been approved for listing and trading on the Exchange, the Exchange shall from time to time open for trading series of options therein. Within each approved class of stock index options, the Exchange shall open for trading a minimum of one expiration month and series for each class of approved stock index options and may also open for trading series of options having not less than twelve and up to 60 months to expiration (long-term options series) as provided in subparagraph (b)(2). Prior to the opening of trading in any series of stock index options, the Exchange shall fix the expiration month and exercise price of option contracts included in each such series.

(1) No change.

### **(2) Long-Term Option Series**

The Exchange may list, with respect to any class of stock index options or Nasdaq-100<sup>®</sup> Volatility Index options, series of options having not less than twelve and up to 60 months to expiration, adding up to ten expiration months. Such series of options may be opened for trading simultaneously with series of options trading pursuant to this rule. Strike price interval, bid/ask differential and continuity rules shall not apply to such options series until the time to expiration is less than twelve months.

(3) – (5) No change.

### **(6) Nasdaq-100<sup>®</sup> Volatility Index Options (“VOLQ options”).**

(A) Listing Schedule. The Exchange may list up to six weekly expirations and up to 12 standard (monthly) expirations in VOLQ options. The six weekly expirations shall be for the nearest weekly expirations from the actual listing date and weekly expirations may not expire in the same week in which standard (monthly) VOLQ options expire. Standard (monthly) expirations in VOLQ

options are not counted as part of the maximum six weekly expirations permitted for VOLQ options.

(B) Exercise Settlement Value Date. The exercise settlement value of a VOLQ option for all purposes under these Rules and the Rules of the Clearing Corporation shall be calculated on the specific date (usually a Wednesday) identified in the option symbol for the series. If that Wednesday or the Friday that is 30 days following that Wednesday is an Exchange holiday, the exercise settlement value shall be calculated on the business day immediately preceding that Wednesday.

(C) Expiration Date and Last Day of Trading. The expiration date of a VOLQ option shall be the same day that the exercise settlement value of the VOLQ option is calculated. The last trading day for a VOLQ option shall be the business day immediately preceding the expiration date of the VOLQ option. When the last trading day is moved because of an Exchange holiday, the last trading day for an expiring VOLQ option contract will be the day immediately preceding the last regularly scheduled trading day.

(D) Final Settlement Price Calculation.

(I) The final settlement price for VOLQ options will be the Closing Volume Weighted Average Price (“Closing VWAP”) calculated on the morning of the VOLQ options expiration.

(II) The Closing VWAP shall be determined by reference to the prices and sizes of executed transactions or quotes in the thirty-two underlying Nasdaq-100® index (“NDX”) component options on the Exchange. The following process is used to calculate the Closing VWAP of the VOLQ options. At the end of individual one-second time observations during a 300 second period of time (the “Closing Settlement Period”) commencing at 9:32:010 on the expiration day (or 2.01 minutes after the open of trading in the event trading does not commence at 9:30:00 a.m. ET), and continuing each second for the next 300 seconds, the number of contracts traded at each price during the observation period is multiplied by that price to yield a Reference Number. All Reference Numbers are then summed, and that sum is then divided by the total number of contracts traded during the observation period [Sum of (contracts traded at a price x price) ÷ total contracts traded] to calculate a Volume Weighted Average Price for that observation period (a “One Second VWAP”) for that component option. If no transactions occur on Phlx during any one-second observation period, the NBBO midpoint at the end of the one second observation period will be considered the One Second VWAP for that observation period for purposes of this settlement methodology. VOLS would utilize the

best bid and best offer, which may consist of a quote or an order, from among the listing markets, Phlx, Nasdaq ISE, LLC and Nasdaq GEMX, LLC markets. Each One Second VWAP for each component option is then used to calculate the Volatility Index, resulting in the calculation of 300 sequential Volatility Index values. Finally, all 300 Volatility Index values will be arithmetically averaged (i.e., the sum of 300 Nasdaq-100® Volatility Index calculations is divided by 300) and the resulting figure is rounded to the nearest .01 to arrive at the settlement value disseminated under the ticker symbol VOLS.

If the Exchange is unable to publish a settlement value by 12:00 p.m. (New York time) due to a trading halt, the Exchange will commence the calculation of the settlement window beginning 2.00.001 minutes after the re-opening of trading and publish that value on its website.

(E) *Strike Price Intervals.* Notwithstanding subsection (a) to this Options 4A, Section 12, the interval between strike prices for VOLQ options will be \$0.50 or greater where the strike price is less than \$75, \$1 or greater where the strike price is \$200 or less and \$5 or greater where the strike price is more than \$200.

(c) and (d) No change.

(e) A.M.-Settled Index Options. The last day of trading for A.M.-settled index options shall be the business day preceding the business day of expiration, or, in the case of an option contract expiring on a day that is not a business day, the business day preceding the last day of trading in the underlying securities prior to the expiration date. The current index value at the expiration of an A.M.-settled index option shall be determined, for all purposes under these Rules and the Rules of The Options Clearing Corporation, on the last day of trading in the underlying securities prior to expiration, by reference to the reported level of such index as derived from first reported sale (opening) prices of the underlying securities on such day, except that:

(I) In the event that the primary market for an underlying security does not open for trading on that day, the price of that security shall be determined, for the purposes of calculating the current index value at expiration, as set forth in Options 4A, Section 12(g), unless the current index value at expiration is fixed in accordance with the Rules and By-Laws of The Options Clearing Corporation; and

(II) in the event that the primary market for an underlying security is open for trading on that day, but that particular security does not open for trading on that day, the price of that security, for the purposes of calculating the current index value at expiration, shall be the last reported sale price of the security. The following A.M.-settled index options are approved for trading on the Exchange:

- (i) PHLX Semiconductor Sector
- (ii) PHLX Housing Sector
- (iii) PHLX Oil Service Sector
- (iv) KBW Bank Index
- (v) Full Value Nasdaq-100® Options
- (vi) Reduced Value Nasdaq-100® Options
- (vii) Nasdaq-100® Volatility Index Options

(f) and (g) No change.

*Supplementary Material to Options 4A, Section 12*

**.01** Transactions in broad-based (market) index options traded on the Exchange, including Full Value Russell 2000® Options and Reduced Value Russell 2000® Options, Full and Reduced Value Russell 3000® Index, Full and Reduced Value Russell 3000® Value Index, Full and Reduced Value Russell 3000® Growth Index, Full and Reduced Value Russell 2500™ Index, Full and Reduced Value Russell 2500™ Value Index, Full and Reduced Value Russell 2500™ Growth Index, Full and Reduced Value Russell 2000® Value Index, Full and Reduced Value Russell 2000® Growth Index, Full and Reduced Value Russell 1000® Index, Full and Reduced Value Russell 1000® Value Index, Full and Reduced Value Russell 1000® Growth Index, Full and Reduced Value Russell Top 200® Index, Full and Reduced Value Russell Top 200® Value Index, Full and Reduced Value Russell Top 200® Growth Index, Full and Reduced Value Russell MidCap® Index, Full and Reduced Value Russell MidCap® Value Index, Full and Reduced Value Russell MidCap® Growth Index, Full and Reduced Value Russell Small Cap Completeness® Index, Full and Reduced Value Russell Small Cap Completeness® Value Index, and Full and Reduced Value Russell Small Cap Completeness® Growth Index and Full Value Nasdaq-100® Options, [and ]Reduced Value Nasdaq-100® Options and Nasdaq-100® Volatility Index Options may be effected on the Exchange until 4:15 P.M. each business day, through the expiration date. Transactions in Alpha Index options may also be effected on the Exchange until 4:15 P.M. each business day, through the expiration date.

**.02 - .05** No change.

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