



RULE  
ADOPTION  
NOTICE

**RAN-04-16**  
**June 1, 2004**

**TO: All PCX Members and Member Organizations  
ETP Holders and Sponsored Participants**

**FROM: Department of Regulatory Policy**

**SUBJECT: FOCUS Report Late Fees  
(File No. SR-PCX-2004-28)**

On April 14, 2004, the Exchange filed with the Securities and Exchange Commission a proposed rule change to amend PCXE Rule 4.11 (b)(1) relating to late filings of FOCUS Reports to implement a higher late charge schedule. The proposed rule change became effective immediately upon filing, and was published in the Federal Register on June 1, 2004.

The following is the text of the rule changes. Questions regarding this bulletin may be directed to Tania Blanford at (415) 393-4107.

**EXHIBIT A**  
**Text of the Proposed Rule Change:<sup>1</sup>**

**PCX Equities, Inc.**  
**Rule 4**

**Capital Requirements, FOCUS Reports, Margins**

\* \* \*

**Financial Reports**

Rule 4.11(a). – No change.

Rule 4.11(b)(1). Each ETP Holder shall file with the Corporation a Report of Financial Condition on SEC Form X-17A-5 as required by Securities and Exchange Commission Rules

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<sup>1</sup> New text is underscored; deleted text is in brackets.

17a-5 and 17a-10. Any ETP Holder who fails to file such Report of Financial Condition in a timely manner shall be subject to late filing charges as follows:

<u>Occurrence</u>	<u>Number of Days</u>	<u>Amount of Charge</u>
<u>1<sup>st</sup></u>	1-30	<u>\$100.00 per day (capped at \$500)</u> <u>[200.00]</u>
	31-60	<u>\$750.00</u> [400.00]
	61-90	<u>\$1000.00</u> [800.00]
<u>2<sup>nd</sup></u>	<u>1-30</u>	<u>\$100.00 per day (capped at \$1000)</u>
	<u>31-60</u>	<u>\$1500.00</u>
	<u>61-90</u>	<u>\$2000.00</u>
<u>3<sup>rd</sup></u>	<u>1-30</u>	<u>\$2000.00</u>
	<u>31-60</u>	<u>\$2500.00</u>
	<u>61-90</u>	<u>\$3000.00</u>

Occurrences will be calculated on a running two-year basis. Repeated or aggravated failure to file such Report of Financial Condition or failure to file such report [for more than ninety days will] may be referred to the Enforcement Department [Ethics and Business Conduct Committee] for appropriate disciplinary action.

Rule 4.11(b)(2) – No change.

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