



RULE
ADOPTION
NOTICE

RAN-04-29
July 23, 2004

**TO: All PCX OTP Holders and OTP Firms
All ETP Holders and Sponsored Participants**

FROM: Department of Regulatory Policy

**SUBJECT: Time for Entering Orders Eligible for Closing Auction.
(File No. SR-PCX-2004-14)**

On March 3, 2004, the Exchange filed a proposed rule change with the Securities and Exchange Commission to amend PCXE Rule 7.34(d)(2)(B) to permit Users to enter Market-on-Close Orders Limit-On-Close Orders and Limit Price Orders beginning 6:30 a.m. rather than 4:30 a.m. The Exchange filed the proposal pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6) thereunder, which rendered the proposal effective upon filing with the Commission. On March 12, 2004, the Commission published the notice of filing and immediate effectiveness of the proposed rule change.

The following is the text of the rule change. Questions regarding this bulletin may be directed to Mai S. Shiver at (415) 393-4266.

EXHIBIT A
Text of the Proposed Rule Change:¹

Rule 7.34(a) – (c) – No change.

(d) Orders Permitted in Each Session.

(1) – No change.

(A) – (H) – No change.

(2) During the Core Trading Session:

(A) – No change.

(B) Users may enter Market-on-Close Orders, Limit-on-Close Orders, and Limited Price Orders beginning at [4]6:30 am (Pacific Time) and concluding at 1:00 pm (Pacific Time) for inclusion in the Closing Auction, except as provided in Rule 7.35(e)(2). Market-on-Close

¹ New text is underscored; deleted text is in brackets.

Orders and Limit-on-Close Orders are eligible for execution only during the Closing Auction. Market Orders are not eligible for execution in the Closing Auction.

(C) – No change.

(3) – No change.

(e) – (f) – No change.