



**RULE
ADOPTION
NOTICE**

**RAN-05-37
May 18, 2005**

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

FROM: Department of Regulatory Policy

**SUBJECT: Arbitration Pilot Rule Extension
(File No. SR-PCX-2005-50)**

On April 11, 2005, the Exchange filed with the Securities and Exchange Commission a proposed rule change to extend the pilot rule in PCX Rule 12.1, Commentary .02 and PCXE Rule 12.2(h) for an additional six months. The Exchange filed Amendment No. 1 to the proposed rule change on May 13, 2005.

This rule requires industry parties in arbitration to waive application of contested California arbitrator disclosure standards, upon the request of customers (and, in industry cases, upon the request of associated persons with claims of statutory employment discrimination), for an additional six-month period.

The proposed rule change became effective immediately upon filing and the Commission released the notice on May 18, 2005.

Questions regarding this bulletin may be directed to Tania Blanford at (415) 393-4107.