

RB-00-11
December 8, 2000

TO: All PCX DEA Members, Member Organizations, ASAP Members, ETP Holders, ETP Firms, and Equity ASAP Holders

FROM: Financial & Operational Compliance Department

RE: PCX Invoicing of the 2001 SIPC Assessment

The Pacific Exchange is a collection agent of the Securities Investor Protection Corporation ("SIPC") for all registered broker-dealers for whom the PCX is the Designated Examining Authority ("DEA"). All PCX DEA Members are required to be a member of SIPC and pay an annual SIPC assessment. **For 2001, the annual SIPC assessment will be a one time flat fee of \$150.** This assessment will be included as a separate line item on your December 2000 PCX invoice (usually received in the second week of January). The \$150 SIPC assessment is due on January 30, 2001.

Members only need to pay their December PCX invoice in full and on time to satisfy their 2001 SIPC payment obligation. Members should retain a copy of their December PCX invoice as a record of payment. There are no SIPC forms to file.

If you plan to withdraw your broker-dealer registration by the end of this year, a Form BDW must be filed and acknowledged by the SEC before December 31, 2000, in order to avoid a 2001 SIPC assessment charge. If you join the PCX as a new broker-dealer in the month of December, a 2001 \$150 SIPC assessment may not appear on your December PCX invoice. New broker-dealers should contact the Financial & Operational Compliance Department to arrange for the proper payment of their 2000 and 2001 SIPC assessments.

Please note that a DEA Member or ETP Holder that fails to pay its 2001 SIPC assessment by the due date (January 30, 2001), can be fined pursuant to PCX Rule 2.12(b)(2), as follows:

1 to 30 days late	\$100
31 to 60 days late	\$200
61 to 90 days late	\$300

Please direct any questions regarding annual SIPC assessments to Dagmara Hemsley at (415) 393-7884 or Eve R. Safran at (415) 393-4130 in the Financial & Operational Compliance Department.