



RULE
ADOPTION
NOTICE

RAN-02-26
August 2, 2002

TO: All PCX Members and Member Organizations

FROM: Department of Regulatory Policy

**SUBJECT: Facilitation Crossing Rule - Change to Order Size Parameter
(File No. SR-PCX-2002-46)**

On June 25, 2002, the Exchange filed a rule change proposal with the Securities and Exchange Commission regarding size of orders eligible for facilitation crossing. Under the new rule, the minimum size of a customer order subject to facilitation will be decreased from 200 to fifty contracts. This rule change will become operative on August 26, 2002. The following is the text of the rule change. Questions regarding this bulletin may be directed to Mai Shiver at (415) 393-4266.

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EXHIBIT A

Text of the Rule Change:¹

¶ 4987 “Crossing” Orders and Stock/Option Orders

Rule 6.47(a) – No change.

(b) *Crossing of Facilitation Orders.* A Floor Broker who holds an order for a public customer or a broker-dealer (“customer order”) and an order for the proprietary account of a member organization that is representing that customer (the “facilitation order”) may cross those orders only if the following procedures and requirements are followed.

(1) The size of the customer order subject to facilitation must be at least fifty [two hundred (200)] contracts. Orders for less than fifty [200] contracts may be facilitated pursuant to this rule but are not subject to subsection (4) below pertaining to firm guarantees.

(2)-(6) – No change.

(c)-(f) – No change.

¹ New text is underscored; deleted text is bracketed.