



RULE
ADOPTION
NOTICE

RAN-06-13
March 2, 2006

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

FROM: Department of Regulatory Policy

**SUBJECT: Two-Sided Quote
(File No. SR-PCX-2006-11)**

On February 9, 2006, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission a proposed rule change to amend PCXE Rule 7.58 to specify that its broker-dealer facility, Archipelago Securities, LLC, would be responsible for entering two-sided orders in all stocks eligible for trading on ArcaEx for purposes of fulfilling the two-sided quote requirement found in section 6(a)(i)(B) of the ITS Plan. The Commission approved the proposed rule change and released the notice on February 24, 2006.

The following is the text of the rule change. Questions regarding this bulletin may be directed to Janet Angstadt at 312/442-7147.

EXHIBIT A

Text of the Proposed Rule Change:¹

Rules of PCX Equities, Inc.

PCX Equities, Inc.

Rule 7

Rule 7.58 [Reserved.] Compliance with Two-Sided Quote Requirement in ITS Plan. Archipelago Securities, LLC will enter two-sided orders in all stocks eligible for trading on the Archipelago Exchange for purposes of fulfilling the two-sided quote requirement found in section 6(a)(i)(B) of the ITS Plan. The quote parameters for these purposes will be buy orders priced at \$0.01 and sell orders priced at two times the previous day's close

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

for the particular security, or, if required due to technology considerations, orders priced as near as possible to the parameters above.