



RULE  
ADOPTION  
NOTICE

**RAN-03-16**  
**June 18, 2003**

**TO: All PCX Members and Member Organizations**

**FROM: Department of Regulatory Policy**

**SUBJECT: Auto-Ex Incentive Pilot Program Extension**  
**(File No. SR-PCX-2003-16)**

On May 21, 2003, the Exchange filed with the Securities and Exchange Commission a proposed rule change to extend the Exchange's Automatic Execution System ("Auto-Ex") Incentive pilot program for one year. On June 5, 2003, the Exchange filed Amendment No. 1 requesting that the pilot program be extended until June 30, 2004 in order to coincide with the date PCX Plus is expected to become completely operative. The Commission granted accelerated approval of the proposal and Amendment No. 1 on June 11, 2003. The following is the text of the proposal. Questions regarding this bulletin may be directed to Tania Cho at (415) 393-4107.

\* \* \*

**EXHIBIT A**

**Text of the Rule Change:<sup>1</sup>**

**Rules of the Board of Governors  
Of  
the Pacific Exchange, Inc.**

**Rule 6 Options Trading**

\* \* \*

Rule 6.87(a) – (p) – No change.

*Commentary:*

.01 – No change.

.02 – .07 – Reserved.

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<sup>1</sup> New text is underscored; deleted text is in brackets.

.08 *Pilot Program.* The Auto-Ex Incentive Program set forth in Rule 6.87(k)(1) is subject to a pilot program, which is set to expire on June 30, [2003] 2004.

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