



RULE
ADOPTION
NOTICE

RAN-05-24
March 18, 2005

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

FROM: Department of Regulatory Policy

SUBJECT: Primary Only Orders
(File No. SR-PCX-2005-15)

On February 1, 2005, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission a proposed rule change to amend PCXE Rule 7.31(x) to provide that Primary Only Orders may apply to Nasdaq securities traded on the Archipelago Exchange and may be either market or limit orders. The Commission approved the rule proposal on March 11, 2005.

The following is the text of the rule change. Questions regarding this bulletin may be directed to Alden Adkins at (415) 393-4037.

EXHIBIT 5
Text of the Proposed Rule Change¹

PCX Equities, Inc.
Rule 7
Equities Trading

Orders and Modifiers

Rule 7.31 (a) – (w) - No change.

(x) Primary Only Order (PO Order). [For exchange-listed securities only,] [a] A market or limit order that is to be routed [as a market order] to the primary market. Such PO Orders may be entered until a cut-off time as determined from time to time by the Corporation.

(1) A PO Order entered for participation in the primary market opening must be entered before 6:28 am (Pacific Time) [and it will not be included in the Market Order Auction].

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

(2) - No change.

(y) – (hh) – No change.

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