



RULE
ADOPTION
NOTICE

RAN-06-22
April 28, 2006

TO: ETP Holders and Sponsored Participants

FROM: Department of Regulatory Policy

SUBJECT: Trade Shredding
(File No. SR-PCX-2006-10)

On February 3, 2006, the Pacific Exchange, Inc. (n/k/a NYSE Arca, Inc.) (“Exchange”) filed with the Securities and Exchange Commission a proposed rule change to amend NYSE Arca Equities Rule 6 to amend its rules governing the NYSE Arca Marketplace to prohibit the practice of splitting orders into multiple smaller orders for any purpose other than seeking the best execution of the entire order. The Commission approved the proposed rule change and released the notice on April 24, 2006.

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

EXHIBIT 5

Text of the Proposed Rule Change:¹

Rules of NYSE Arca Equities, Inc.

Rule 6
Business Conduct

Prohibited Acts

Rule 6.2 Any ETP Holder or any associated person thereof found guilty in accordance with the Rules and procedures of the Corporation of any of the following prohibited acts shall be subject to the imposition of penalties in accordance with the Rules of the Corporation.

(a) – (f) – No change.

(g) An ETP Holder may not split any order into multiple smaller orders for any purpose other than seeking the best execution of the entire order.

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