

Receipts ("PDRs"), Index Fund Shares or in investment trust securities listed on the Exchange pursuant to Section 118B of the Exchange's Listing Standards, Policies and Requirements may participate in the After-Hours Trading Facility for their dealer account in such securities. Any reference in this 1300 Series to specialist transactions in the After-Hours Trading Facility is limited to transactions by specialists in PDRs, Index Fund Shares or investment trust securities in which they are registered.]

(b) through (d) No change.

(e) As used in this 1300 series of Rules and other Rules in their application to After-Hours Trading, the following terms shall have the meanings specified below:

(i) The term "closing price" means the price established by the last "regular way" sale on the American Stock Exchange in a security prior to the official closing of the 9:30 a.m. to 4:00 p.m. trading session, as determined by the Exchange. In the case of a Portfolio Depositary Receipt, *Index Fund Share*, or an investment trust security listed pursuant to Section 118B of the Exchange's [Listing Standards, Policies and Requirements] *Company Guide*, the term "closing price" means the price established by the last "regular way" sale on the American Stock Exchange prior to the official closing of the 9:30 a.m. to 4:15 p.m. trading session, as determined by the Exchange.

(ii) through (iv) No change.

Rule 1301 Securities to be Traded

Only such equity securities as the Exchange may specify shall be dealt in through the After-Hours Trading Facility. Any such security must be listed or admitted to unlisted trading privileges on the Exchange. *Orders in Nasdaq securities traded on the Exchange pursuant to unlisted trading privileges are not eligible for entry into the After-Hours Trading Facility.*

Rule 1302 (a) Entry of Orders

(i) Closing-Price Orders—Subject to Rule 1306 (Impact of Trading Halts on After-Hours Trading), a member or member organization may enter into the After-Hours Trading Facility a closing-price order at such times as the Exchange may specify. A specialist registered in a stock or other security traded pursuant to the Exchange's equity trading rules ("equity-traded security"), (including, without limitation, *Portfolio Depositary Receipts* ("PDRssm"), *Index Fund Shares*, *Trust Issued Receipts* ("TIRs"), rights, warrants, and securities listed pursuant to Sections 106, 107 or 118B of the *Exchange Company Guide* [Portfolio

Depositary Receipt, *Index Fund Share* or in an investment trust security listed on the Exchange pursuant to section 118B of the Exchange's Listing Standards, Policies and Requirements] may enter a closing price order for his or her dealer account in such security into the After-Hours Trading Facility if there is an imbalance of either buy or sell orders in the [f]Facility immediately prior to the close of the Facility in order to eliminate all or any part of such order imbalance. *In the event that, in any stock or any equity-traded security, other than PDRs, Index Fund Shares, TIRs, or an investment trust security listed under Section 118B of the Exchange Company Guide ("Section 118B security"), an open agency order to buy (sell) on the specialist's book limited to the closing price remains unexecuted after the specialist buys (sells) at its price in the After-Hours Trading Facility, then the specialist shall offer that execution to the open order prior to the opening of trading on the next business day. In the event that there is more than one such open agency order, then the specialist shall offer the execution to each order in time priority until either the execution is accepted or until all such orders have rejected the execution. Such acceptance must be made within a reasonable time of the offer or the offer will be deemed to have been rejected.*

(ii) Closing-Price Coupled Orders—Subject to Rule 1306, a member or member organization may enter into the After-Hours Trading Facility a closing-price order to buy coupled with a closing-price order to sell the same quantity of the same security for execution against each other. However, *subject to paragraph (ii)(2) of this rule*, a member or member organization may not so enter such coupled orders if both such orders are for an account in which any member or member organization has a direct or indirect interest.

1. A specialist registered in a [Portfolio Depositary Receipt] *PDR*, *Index Fund Share*, *TIR* or [in an investment trust security listed on the Exchange pursuant to Section 118B of the Exchange's Listing Standards, Policies and Requirements] *section 118B security* may agree prior to 4:15 p.m. to take the contra side of an order in such security represented in the crowd by entering a coupled order in the After-Hours Trading Facility.

2. A specialist registered in any stock or any equity-traded security other than a *PDR*, *Index Fund Share*, *TIR* or *section 118B security* may agree prior to the close of the Facility to take the buy (sell) side of a coupled order in such security only after determining no buy (sell)

orders in the After-Hours Trading Facility will remain unexecuted. In addition, a member or member organization may enter a closing-price order to buy (sell) any stock or any equity-traded security other than a PDR, Index Fund Share, TIR or Section 118B security for the account of the specialist registered in such security coupled with a closing price order to sell (buy) for the account of any member or member organization which has agreed to offset all or part of any market-on-close imbalance that existed in the security prior to the official closing of the trading session in such security. However, in the event that an open agency order in any stock or any equity-traded security other than a PDR, Index Fund Share, TIR or section 118B security to buy (sell) on the specialist's book limited to the closing price remains unexecuted after the specialist buys (sells) at its price in the After-Hours Trading Facility, then the specialist shall offer that execution to the open order prior to the opening of trading on the next business day. In the event that there is more than one such open agency order, then the specialist shall offer the execution to each order in time priority until either the execution is accepted or until all such orders have rejected the execution. Such acceptance must be made within a reasonable time of the offer or the offer will be deemed to have been rejected.

(iii) No change.

(b) Migration of Orders—Subject to Rule 1306, a "regular way" good 'til cancelled order that is designated as After-Hours eligible, that is on the specialist's limit order book and that is executable at the closing price or better shall migrate from the specialist's limit order book to the After-Hours Trading Program, except that any order for an account in which the specialist member organization or any associated party has a direct or indirect interest shall not so migrate, and provided further that any order for a [Portfolio Depositary Receipt] *PDR*, *Index Fund Share*, *TIR* or [an investment trust security listed on the Exchange pursuant to Section 118B of the Exchange's Listing Standards, Policies and Requirements] *section 118B security* shall not so migrate.

(c) through (g) No change.

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II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Amex included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed