

9. Tick-sensitive LOC orders limited to the closing price (not including sell short "G");

10. All other "G" orders on book and in the crowd.

Item numbers 1–5 above (Order of Execution of MOC Orders) are treated like MOC orders. Accordingly, the buy side is matched against the sell side to determine the imbalance. That imbalance will be executed against the prevailing bid or offer, as appropriate. (An imbalance of buy orders would be executed against the offer. An imbalance of sell orders would be executed against the bid.) The order of execution of the orders limited to that bid or offer (i.e., the orders that the imbalance will trade against) is set forth above in item numbers 6 through 10. The specialist then stops the remaining buy and sell "MOC" orders (i.e., those not part of the imbalance) against each other and pairs them off at the price of the imbalance trade. The "pair off" transaction is to be reported as a "stopped stock" transaction.

(d) Auxiliary Opening Procedures.

For each expiration settlement value day on which derivative, index-related products (e.g., options, futures, options on futures) settle against opening prices, several auxiliary procedures are necessary to integrate stock orders relating to expiring contracts into Amex's opening procedures in a manner that assures an efficient market opening in each stock as close to 9:30 a.m. as possible. An expiration settlement value day is a trading day prior to the expiration of index-related derivative products whose settlement value is based upon opening prices on the Exchange, as identified by a qualified clearing corporation (e.g., the Options Clearing Corporation). The twelve expiration days are "Expiration Fridays" which generally fall on the third Fridays in every month. If that Friday is an Exchange holiday, there will be an expiration Thursday in such a month.

Order Entry

Stock orders relating to index-related derivative contracts whose settlement pricing is based upon opening prices must be received by the Amex Order File (AOF) or by the specialist by 9 a.m. These orders may be cancelled or reduced in size. (Firms canceling these orders or reducing them in size shall prepare contemporaneously a written record describing the rationale for the change and shall preserve it as Rule 153 provides.) All other orders may be entered before or after 9 a.m.

To facilitate early order entry, AOF will begin accepting orders at 7:30 a.m.

and will accept market orders of 99,900 shares or less. "Limit-at-the-opening" ("limit OPG") orders are permitted, including delivery through Exchange systems. Ordinary limit and market orders may also be entered.

Order Identification

Stock orders relating to expiring derivatives whose settlement pricing is based on opening prices must be identified "OPG".

Firms entering these orders through AOF, but unable to use "OPG" in the order instructions, may use a unique AOF branch code or a separate AOF subscription mnemonic to identify these orders. The Amex Market Surveillance Department must be advised in writing of the branch code or subscription mnemonics by the business day following the expiration trade date.

Firms unable to identify these orders in any of the above three ways, and firms not using AOF, must submit a list of all these orders and related details to the Amex Market Surveillance Department by the business day following the expiration trade date.

Dissemination of Order Imbalances

As soon as practicable after 9:00 a.m. on expiration days, the Exchange will publish market order imbalances of 25,000 shares or more in all stocks. In addition, imbalances of less than 25,000 shares may be published at that time with Floor Official approval. A "no imbalance" status will not be published for any stock.

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Representation of Orders

Rule 156 (a) through (b) No change.

(c) The acceptance of a market [an] at the close (MOC) order by a broker [does not make him] makes the broker responsible for an execution at the Exchange's closing price, and if the order can not be so executed, it is to be cancelled. A broker handling a limit at the close (LOC) order is to use due diligence to execute the order at the Exchange's closing price if that closing price is at the order's limit price, or better, and if the order can not be so executed, in whole or in part, the amount of the order not so executed is to be cancelled. [Bids or offers qualified as at the close cannot be publicly made in the Trading Crowd.] Cancellation of MOC and LOC orders will only occur in certain circumstances such as (1) when trading has been halted in the security and does not reopen prior to the close of the market; (2) for tick sensitive orders whose execution will violate customer instructions (i.e., to buy only

on a minus or zero minus tick or to sell only on a plus or zero plus tick) or Exchange Rule 7; (3) for LOC orders, when the Amex closing price is not at the limit price or better, or (4) for tick sensitive MOC/LOC orders and LOC orders, all of which are limited to the closing price, the limited quantity of shares to be traded and the rules of priority as to which orders would trade first left these orders unexecuted in whole or in part.

(d) through (e) No change.

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Trading in Nasdaq National Market Securities

Rule 118

(a) through (k) No change.

(l) Reserved.

(m) Market-on-Close and Limit-on-Close Orders "The following procedures apply to market-on-close (MOC) and limit-on-close (LOC) orders in Nasdaq National Market securities

(i) A market at the close (MOC) order is an order to buy or sell a stated amount of a security at the Exchange's closing price. If the MOC order cannot be so executed in its entirety at the Exchange closing price it will be cancelled. A limit at the close (LOC) order is an order to buy or sell a stated amount of a security at the Exchange's closing price if that closing price is at the order's limit price, or better. If the LOC order can not be so executed, in whole or in part, the amount of the order not so executed is to be cancelled. Cancellation of MOC and LOC orders will only occur in certain circumstances such as (1) When trading has been halted in the security and does not reopen prior to the close of the market; (2) for tick sensitive orders whose execution will violate customer instructions (i.e., to buy only on a minus or zero minus tick or to sell only on a plus or zero plus tick) or Exchange Rule 7; (3) for LOC orders, when the Amex closing price is not at the limit price or better, or (4) for tick sensitive MOC/LOC orders and LOC orders, all of which are limited to the closing price, the limited quantity of shares to be traded and the rules of priority as to which orders would trade first left these orders unexecuted in whole or in part.

(ii) In an attempt to minimize price volatility on the close, all market-on-close (MOC) and limit-on-close (LOC) orders should be entered as early in the day as possible to provide market participants an opportunity to better ascertain possible order imbalances that might exist at the close.

Between 3:00 and 3:40 p.m. (Eastern Time), imbalances of any size may be