



### Substantive changes incorporated in Amendment #1

The following comprises a list of substantive changes made in Amendment 1 to the Proposed Rule Filing: SR Amex 2005-104 relating to Amex's hybrid market. This list is not to be considered exhaustive.

1. Expansion and re-wording of the Purpose section with additional examples and expansion of reasoning.
2. Re-wording and adjustments for clarification of rules
3. Removal of non-regular way trades. All orders received will settle as per the regular settlement of that security, whether it be 3-day, cash, when-issued or other.
4. Removal of the ability of a Registered Trader to peg a quote to the Specialist's quote.
5. When a manual quote is published in response to an imbalance, the imbalance will be published at the prevailing NBB or NBO. This replaces publication at the last sale and reduces the likelihood of locking or crossing an automated quotation.
6. Removal of the crowd restriction on Hit-or-Take orders, which are now available to all participants.
7. Negotiated trades must print at or inside the APQ
8. Removal of rule relating to REMMs. A separate rule filing will be submitted.
9. Publication of a non-firm indicator for quotes in fast market conditions and revision of the circumstances under which bids and offers are firm.
10. Specialists in Nasdaq UTP stocks will have discretion as to whether or not to publish imbalances.
11. Gap trades to not apply to ETFs.
12. Removal of the 3-second proposal for canceling ISOs when no response is received.
13. ISOs can execute at multiple prices.
14. Changes to Rule 126 regarding precedence of bids and offers, including a detailed list of execution priorities for both equities and ETFs.
15. Specialists have a 3-minute limit for post-trade allocation before a default allocation is applied by AEMI.
16. Floor Brokers have 20 seconds to allocate an auction trade to a customer order in their handheld terminal before the allocation is deemed 'late' but still permitted.
17. Removal of Floor Official approval requirement for Specialist transactions in certain tick situations.
18. Changes to the numerical parameters for Quote Spreads vs. Minimum Price Improvement for PPI orders.

## Substantive changes incorporated in Amendment #2

The following comprises a list of substantive changes made in Amendment 2 to the Proposed Rule Filing: SR Amex 2005-104 relating to Amex's hybrid market. This list is not to be considered exhaustive.

1. Procedures for the self-help provision under RegNMS were included in the purpose section.
2. Non-firm Quotation - AEMI will publish a quotation marked as "auction mode-non firm quote". This applies to a breach of spread tolerance, momentum tolerance, a gapped trade, and when the Specialist gaps the quote.
3. Rule 126-AEMI - The rule governing the precedence of bids and offers on AEMI was re-written and presented as follows:
  - a. How parity is established and determined
  - b. Exceptions to general rules of precedence
  - c. Parity allocation of orders with a reserve quantity
  - d. List of scenarios and their associated precedence
  - e. Inclusion of specialist/crowd allocation table
  - f. Explanation of the allocation wheel
  - g. Precedence of odd lots
  - h. Commentary
4. Rule 128C-AEMI – Locking or Crossing Quotations in NMS Stocks - This rule addresses intentional locking or crossing protected quotations by other market centers or SROs.
5. Rule 131-AEMI – All intermarket sweep orders received by AEMI will be executed at a price equal to or better than their limit price and may execute a multiple price points with the exception of those orders receive via ITS. Intermarket sweep orders receive via ITS will all be executed at a single price point.
6. Two clarifications were incorporated in Rule 154-AEMI:
  - a. F/O approval is only required when the SP elects a stop by crossing the market only in a Listed Equity (e.g. F/O approval is not required in a UTP Equity or an ETF)
  - b. An exception to the gap trade rule was provided for trades that result from an auto execution.
7. In Rule 123-AEMI, where the non-firm quotations are provided for, it is also provided that the Exchange will cease publication of quotes and disable Auto-Ex if unable to accurately collect, process and/or disseminate quotation data due to a fast market or the existence of unusual market conditions.
8. Rule 126A-AEMI includes actions in the event that (a) no response is received to an outbound ISO, (b) an order acknowledgement (but no trade report) is received in response or (c) a no-fill or partial-fill cancellation is received in response.
9. Rule 170-AEMI the potential for a gapped trade to extend beyond two minutes has been eliminated.
10. The recursive check following the initial ten-second period of disablement of auto-ex is now every ten seconds.

### Substantive changes incorporated in Amendment #3

Amendment 3 included a required exhibit that had been omitted in the submission of Amendment 2. There were no substantive changes.

### Substantive changes incorporated in Amendment #4

The following comprises a list of substantive changes made in Amendment 4 to the Proposed Rule Filing: SR Amex 2005-104 relating to Amex's hybrid market. This list is not to be considered exhaustive.

1. The Passive Price Improvement ("PPI") order type has been removed from AEMI until revised parameters can be incorporated.
2. The Exchange is committing to make AEMI's depth of book information broadly available.
3. Additional size and value requirements have been added for certain cross orders.
4. The two different quote indicators in connection with the publication of a non-firm quote have been distinguished.
5. Revised behavior for the proposed procedures with respect to an intermarket sweep order to which no response is received.
6. Revised changes to the manner in which unexecuted or partially executed intermarket sweep orders generated during an auction are handled.
7. Reference to the anticipated deployment timeline.
8. Mention of a separate rule filing which will be filed for a modified version of the AEMI rules that will be in effect during the rollout and prior to the Trading Phase Date. This pre-Rule 611 is known as AEMI-One.

### Substantive changes incorporated in Amendment #5

This Amendment contains a number of clarifications that are listed in the beginning of the Purpose section, and a footnote regarding the circumstances under which the Specialist may charge commissions.