Here are the steps to install the Epson Stylus Photo R260 on a Mac using the Legacy_StylusPhoto2_1262_AM.dmg file:

1. **Download the driver:**
   If you haven't already, download the Legacy_StylusPhoto2_1262_AM.dmg file from the Epson support website or a trusted source. Here's the download link:
   https://ftp.epson.com/drivers/Legacy_StylusPhoto2_1262_AM.dmg

2. **Locate the downloaded file:**
   Go to your "Downloads" folder, or the location where you saved the downloaded file, and find the Legacy_StylusPhoto2_1262_AM.dmg file.

3. **Open the .dmg file:**
   Double-click on the Legacy_StylusPhoto2_1262_AM.dmg file to mount the installer.

4. **Run the installer:**
   Once the .dmg file is mounted, you should see a new window with the installer package. Double-click on the .pkg file (it should have a box icon with an arrow) to start the installation process.

5. **Follow the installation prompts:**
   The installer will guide you through the installation process. Follow the on-screen instructions, read and accept the license agreement, and click "Install" to begin the installation.

6. **Enter your password:**
   You may be prompted to enter your Mac's administrator password to authorize the installation. Enter the password and click "Install Software."

7. **Complete the installation:**
   Wait for the installation to finish. Once it's done, you will see a confirmation message. Click "Close" to exit the installer.

8. **Connect the printer:**
   If you haven't already, connect your Epson Stylus Photo R260 printer to your Mac using the appropriate cable (usually a USB cable). Also, make sure the printer is powered on.

9. **Add the printer in System Preferences:**

a. Click on the Apple menu in the top-left corner of your screen and select "System Preferences."

b. Click on "Printers & Scanners."

c. If the printer is not automatically detected, click on the "+" (plus) icon at the bottom-left of the "Printers & Scanners" window to add a new printer.

d. Select your Epson Stylus Photo R260 printer from the list and click "Add."

Now, your Epson Stylus Photo R260 printer should be installed and ready to use on your Mac.