



110 Wall Street New York, NY 10005
TEL: 212 269-4914
FAX: 212 269-4923
www.iseoptions.com

FOR IMMEDIATE RELEASE

CONTACTS: Rick Keating/Michael Lipman
Keating Communications, Inc.
(212) 760-2400
rick@keatingpr.com

INTERNATIONAL SECURITIES EXCHANGE
FILES FOR REGISTRATION WITH THE SEC

ISE on Target for Early 2000 Launch

NEW YORK, Feb 2 – The International Securities Exchange (ISE), today, filed its application for registration as a national securities exchange with the Securities and Exchange Commission (SEC).

“The filing marks an important milestone in the development of this unique marketplace,” said David Krell, president and CEO, “and is one of several that we have accomplished in our schedule to launch trading in the first quarter of 2000.” He added, “after a year of discussions with the SEC, we can now share with the world our blueprints for the next generation of markets.”

Michael Simon, SVP, chief regulatory officer and general counsel added “The application’s submission, which includes ISE’s by-laws, trading rules and operating procedures, begins the formal process at the SEC which will culminate in the anticipated approval of our registration later this year.”

He pointed out that “ISE will operate under the full requirements set forth by the SEC for all registered national securities exchanges and is not seeking any exemptions from U.S. securities laws.”

Since the announcement of its formation on November 10, 1998, ISE has generated much media and industry attention and has been cited frequently as a major catalyst in the evolution of options trading. The securities community has been anticipating the filing since news of this extraordinary Exchange was announced.

(more)

“The reaction from the industry has been impressive - far greater than we ever anticipated,” said Gary Katz, SVP, marketing and business development. He added, “we have had discussions with and been approached by key members of the broker-dealer and market maker community, both domestically and internationally.”

Interest in the ISE results from a broker-dealer’s ability to benefit from the lower costs and higher efficiency of an all electronic market, become a market maker on the Exchange and/or invest in the consortium financing ISE.

Upon SEC approval, ISE will become the first new registered U.S. securities exchange in 26 years, first fully electronic options exchange in the United States and the world’s first options marketplace combining electronic trading with auction market principles.

ISE’s combination of auction market principles within a fully automated environment offers several functionalities that result in efficiencies, cost savings, speed and accuracy not available in today’s options markets.

Key features of the Exchange are turnaround times under one second, lower exchange execution costs, no floor brokerage charges, a level playing field for broker-dealer proprietary orders and for the first time in the U.S. options market, size associated with the displayed quote.

ISE’s strategic partners, OM Technology supplying the electronic trading software and Compaq providing computer hardware and network designs, are on target for the 2000 launch.

Additionally, the ISE will become a member-owner of The Options Clearing Corporation (OCC), the organization that issues and guarantees all exchange traded stock options in the United States.

ISE is located at 110 Wall Street, New York, NY 10005 and can be reached at 212-269-4914 or, for additional information, visit their web site at www.iseoptions.com.

###