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**INTERNATIONAL SECURITIES EXCHANGE**  
**SELECTS FIRST NON-INDUSTRY DIRECTOR**

**Ivers Riley to Serve on ISE Board**

**NEW YORK, August 25** –The International Securities Exchange (ISE) has selected Ivers W. Riley to fill its first of eight non-industry director positions.

Mr. Riley has held several senior level positions in the financial services industry and is regarded as a worldwide leader in the derivatives sector. He is currently a member of the executive committee of the International Options Market Association (IOMA), where he was formerly president, from 1997 through 1998.

From 1994 to 1997, Mr. Riley was chief executive of the Hong Kong Futures Exchange and chairman of the HKFE Clearing Corporation. From 1986 to 1993, he was senior executive vice president of the American Stock Exchange (AMEX) in charge of all derivatives activity. While at AMEX, Mr. Riley was the driving force in the development and introduction of SPDRs<sup>®</sup>, one of the most successful derivative products traded on any exchange.

From 1983 to 1986 he was executive vice president of the New York Stock Exchange, in charge of the options division. Previously, Mr. Riley was a founding partner of The Options Group, an investment advisory and consulting firm providing computerized support for derivatives dealers and traders. In addition, he was a senior vice president of both PaineWebber and the Chicago Board Options Exchange.

“I look forward to being actively involved in this unprecedented evolution in this country’s financial markets, and I am confident that the business model developed by ISE’s founders will continue to bring much needed efficiencies to the equity options marketplace,” said Mr. Riley.

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David Krell, ISE's president and CEO, added, "We are very fortunate to have the benefit of Ivers' guidance and advice; his abilities and vast experience are invaluable to our efforts as we prepare to begin trading in March 2000."

In designing its governance structure, ISE has established its board with a majority of non-industry directors (eight of fifteen). Six of the positions will be held by representatives of the ISE membership: two Primary Market Makers (PMMs), two Competitive Market Makers (CMMs) and two Electronic Access Members (EAMs). The president and CEO will hold the fifteenth board position. ISE's ten PMMs and one hundred CMMs will provide continuous liquidity, while an unlimited number of EAMs will channel customer and proprietary orders to ISE's trading platform for execution.

## **ISE Background**

ISE will become the first fully electronic options exchange in the United States and the world's first options marketplace combining electronic trading and auction market principles.

On February 2, ISE filed its application for registration as a national securities exchange with the Securities and Exchange Commission (SEC). Upon approval by the SEC, ISE will become the first new registered U.S. securities exchange in 26 years. ISE plans to list options on 600 of the most widely owned and popular stocks.

ISE has recently moved its headquarters to 60 Broad Street, New York, NY 10004 and can be reached at (212) 943-2400 or, for additional information, visit its web site at [www.iseoptions.com](http://www.iseoptions.com).

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