

ISE Schedule of Fees

Last Updated November 28, 2001

	Amount	Billable Unit	Frequency	Notes
Electronic Market Place				
<u>Execution Fees</u>				
• Customer	\$0.05	contract/side	Transaction	Fee waived through May 31, 2002.
• Facilitation	\$0.15	contract/side	Transaction	
• Market Maker & Firm Proprietary				
A.D.V. Less Than 300,000	\$0.21	contract/side	Transaction	Based on Exchange A.D.V.
A.D.V. From 300,001 to 500,000	\$0.17	contract/side	Transaction	Based on Exchange A.D.V.
A.D.V. From 500,001 to 700,000	\$0.14	contract/side	Transaction	Based on Exchange A.D.V.
A.D.V. Over 700,000	\$0.12	contract/side	Transaction	Based on Exchange A.D.V.
• Surcharge for Options on Nasdaq 100 Index Tracking Stock sm	\$0.10	contract/side	Transaction	Excludes Customers
• Payment for Order Flow	\$0.65	contract	Transaction	Applies to market makers only for each public customer contract executed; does not apply to Complex Orders.
• Marketing Fee	\$0.10	contract	Transaction	Applies to market makers only for each public customer contract executed; does not apply to Complex Orders.
<u>Comparison Fee</u>	\$0.03	contract/side	Transaction	Fee waived for Customer Trades through May 31, 2002.
<u>Inactive PMM Fee</u>	\$100,000	Membership	Monthly	Effective January 1, 2001, if a group has not been open for trading, the PMM appointed to that group will be subject to an "inactive" fee of \$100,000 per month; provided that, for an entity that owns a PMM membership and that is not itself a registered broker-dealer, the fee will become effective on May 7, 2001.

* The Payment for Order Flow Fee will be suspended for a Group of options established under Rule 802(b) when the Payment for Order Flow fund balance for such Group reaches \$750,000, and shall be reinstated when any such fund balance falls below \$750,000.

	Amount	Billable Unit	Frequency	Notes
Electronic Market Place (cont.)				
<u>Minimum PMM Fee</u>	\$50,000	Membership	Monthly	Effective January 1, 2001, PMMs are subject to a minimum fee of \$50,000 per options group. To the extent that aggregate execution fees in a group do not total at least \$50,000 per month, the PMM for that group must pay a fee representing the difference between \$50,000 and the aggregate actual execution fees.
Trading Application Software				
<u>Installation</u>				
• Non-standard Services	\$350.00	Hourly	One Time	Time & Material
<u>Software License & Maintenance</u>				
• Torque				
First	\$1,250.00	Terminal	Monthly	
Second through Fourth	\$750.00	Terminal	Monthly	
Fifth and More	\$250.00	Terminal	Monthly	
• Click / Trade Review Terminal				
First through Fifth	\$500.00	Terminal	Monthly	All Click fees for a second and subsequent terminals are waived through May 31, 2002. Thereafter, fees are waived for third and subsequent Click terminals ("incremental Click terminals") if the member executes, on average, at least 500 customer or firm proprietary contracts per day per incremental Click terminal on the Exchange for that month.
Sixth and More	\$250.00	Terminal	Monthly	
<u>Session/API Fee</u>				
• Market Makers				Minimum of Two
First to 20 th	\$1,000.00	API	Monthly	
21 st to 40 th	\$750.00	API	Monthly	
Over 40	\$500.00	API	Monthly	
• EAM / Trade Review Terminal				All Session/API fees associated with a second subsequent Click terminals are waived through May 31, 2002. Thereafter, such fees are waived for third and subsequent Session/API associated with an incremental Click terminal for EAMs if the member executes, on average, at least 500 customer or firm proprietary contracts per day per incremental Click terminal on the Exchange for that month.
First through Fifth	\$250.00	API	Monthly	
Sixth and More	\$100.00	API	Monthly	
• Ordering Routing Service Connection Fee	\$250.00	API	Monthly	

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Access Services				
<u>Access Fees</u>				
• EAM	\$500.00	Membership	Monthly	
• Market Maker				
Primary	\$4,000.00	Membership	Monthly	
Competitive	\$2,000.00	Membership	Monthly	
<u>Network Fees</u>				
• Dedicated Line connection	\$250.00	Line	Monthly	
• Order Routing Service	\$100.00	Line	Monthly	
<u>Gateway</u>				
• Cabinet Installation	\$5,000.00	Gateway	One Time	
• Cabinet Move/Add/Change	\$2,000.00	Gateway	One Time	
• Cabinet Lease/Maint.	\$1,400.00	Gateway	Monthly	
• Additional Servers	\$250.00	Server	Monthly	
• Router Installation/Move/Add/Change	\$500.00	Router	One Time	
• Router Lease/Maint.	\$200.00	Router	Monthly	
• Bisync Controller	\$350.00	Controller	Monthly if leased; member can purchase own equipment.	
<u>Telco Line Charges</u>	n/a	Paid to 3 rd Party		
Legal & Regulatory				
<u>Application</u>				
• Primary Market Maker	\$7,500.00	Member Firm	One Time	
• Competitive Market Maker	\$5,500.00	Member Firm	One Time	
• Electronic Access Member	\$3,500.00	Member Firm	One Time	
• Lessor	\$1,000.00	Applicant	One Time	
<u>Administrative</u>				
• DTR Approval	\$500.00	Trader	One Time	
• U4 Initial Registration	\$25.00	Reg. Person	One Time	
• Pg 2 – U4 for Non-Registered Persons	\$100.00	Individual	One Time	
• CRD Transfer Fee	\$25.00	Individual	Per Occurrence	
• CRD Fee	\$30.00	Reg. Person	Annual	
<u>Regulatory Fee</u>	\$3,500.00	Member Firm	Annual	

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Other Services				
<u>Training</u>	\$500.00	Daily per Trainee	As Incurred	
<u>Reports</u>				
• 11Ac1-6 Order Report	\$500.00	Monthly	Monthly	
<u>Testing</u>	\$100.00	Per candidate	Per Exam	
<u>Third Party Developers</u>				
• Set-Up	\$1,000.00	Developer	One Time	
• Usage	\$1,000.00	Monthly	Monthly	
<u>Disaster Recovery Testing & Relocation Services</u>	\$3,000.00	½ Day	As Incurred	