



INTERNATIONAL SECURITIES EXCHANGE

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FOR IMMEDIATE RELEASE

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**INTERNATIONAL SECURITIES EXCHANGE ANNOUNCES
ADDITIONAL COMPETITIVE MARKET MAKER ASSIGNMENTS**

NEW YORK, June 15, 2000 – The International Securities Exchange (ISE) announced today four additional Competitive Market Makers (CMM).

Cole Roesler Trading Group L.P., LaRocque Trading Group LLC, Option Funding Group, L.P. and Tague Van der Moolen LLC join the roster of other leading institutions operating CMM memberships, providing liquidity and depth of market in the world's first exchange to combine electronic trading with auction market principles.

These new additions to the ranks of ISE's CMM members bring a significant level of market making experience to the Exchange. Their capabilities and experience span all domestic options markets as well as several global markets, and all enjoy reputations as market leaders.

The ISE previously announced that PMM memberships will be operated by: KBC Financial Products USA, Inc.; Knight Financial Products LLC; Banc of America Securities LLC; Bear, Stearns & Co. Inc.; Deutsche Bank Securities, Inc.; Hull Trading Company, LLC; and Morgan Stanley & Co. Incorporated. These firms also trade as Competitive Market Makers.

The firms that operate the remaining CMM memberships are: Binary Traders Inc.; Botta Trading, LLC; G-Bar Limited Partnership; GPZ Trading, LLC; Helios Holding LLC; Hunter Specialists LLC; JAS Securities, LLC; MDNH Traders, LLC; Nordic Options, Ltd.; Omega Options, LLC; SG Cowen Securities Corporation; The Arbitrage Group, LP; Timber Hill LLC; and Wolverine Trading, LP.

Primary Market Makers provide liquidity in their assigned options by making continuous two-sided markets and ensuring that orderly market conditions are maintained. Competitive Market Makers provide additional depth and liquidity by quoting independently, thereby ensuring a competitive process that provides narrow spreads with quotes in size.

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Members' Background

Cole Roesler Trading Group L.P.: Cole Roesler Trading Group is a nationally recognized options market making firm with operations on the Pacific Exchange (PCX), the Chicago Board Options Exchange (CBOE), the International Securities Exchange (ISE) and a membership pending on the American Stock Exchange (AMEX). Cole Roesler Trading Group was formed in San Francisco in 1994 and has expanded steadily into major market centers with over sixty highly trained market makers and support personnel trading in over 400 issues and derivative products.

LaRocque Trading Group LLC: LaRocque Trading Group (LTG) is comprised of 110 professionals dedicated to providing depth and liquidity to domestic and global securities markets. LTG, through its network of proprietary and affiliated trading groups, actively makes markets in a variety of index, equity and interest rate products in addition to operating as a specialist in more than 50 equity derivative classes. LTG has developed proprietary valuation, execution and communications solutions to advance its competitive positions in both open outcry and electronic trading venues. The combination of experienced professionals, state-of-the-art technology and advanced portfolio management processes has enabled LaRocque Trading Group to distinguish itself among an elite peer group of global market maker organizations. LTG has offices in Chicago, New York, San Francisco and London.

Option Funding Group, L.P.: Option Funding Group (OFG) was originally founded in 1990 by James K. Murphy and the late James R. Kipp, former Chairman of the Chicago Board Options Exchange (CBOE). OFG became a Designated Primary Market Maker (DPM) at the CBOE in 1992, becoming the fourth ranked pit out of a total of 65 DPM pits at the CBOE. In 1997, OFG assumed the day-to-day managerial responsibility for a second DPM operation, Tradenet, LLC, and in 1999 took on the management of a third, Prime Markets Group, LLC. These three DPMs together currently make markets in over 100 equity options at the CBOE.

Tague Van der Moolen LLC: Tague Van der Moolen (TVDM) is a proprietary options trading firm headquartered in Philadelphia, PA. TVDM was formed in 1999 when Van der Moolen, N.V. (VDM) purchased a majority interest in Tague Securities Corporation, one of the original options specialist firms when equity options were first listed in 1973. VDM, founded in 1892, is a globally positioned Dutch trading firm in exchange listed equities and options and is listed on the Amsterdam Stock Exchange. TVDM also acts as an options specialist and market maker firm on the Philadelphia Stock Exchange, Chicago Board Options Exchange, Pacific Exchange and Eurex (based in Germany), Europe's largest electronic exchange. The firm focuses its activities on equity, index and currency options products traded both on exchange floors and upstairs in an electronic environment.

ISE Market Structure/Membership Information

The ISE plans to list and trade 600 stock options, which are divided into ten groups of approximately 60 stock options each. Market makers are assigned to provide liquidity in each group.

There are three types of ISE members:

Primary Market Maker (“PMM”) - PMMs, similar to specialists (DPMs or LMMs on other exchanges), are market makers with significant responsibilities, including overseeing the opening, providing continuous quotations in all of their assigned options classes, and ensuring that customer orders are not automatically executed at prices inferior to those available at other options exchanges. One PMM is assigned to each of the ten groups of options traded on the Exchange.

Competitive Market Maker (“CMM”) - CMMs are market makers that add depth and liquidity to the market and are required to provide continuous quotations in at least 60% of the options classes in their assigned group. Each CMM quotes independently. Ten CMMs are appointed to each of the ten groups of stock options traded on the Exchange.

Electronic Access Member (“EAM”) – EAMs are broker/dealers that represent agency and proprietary orders on the Exchange. An EAM does not purchase a membership. Rather, once approved as an ISE member, an EAM pays an access fee that permits the firm to place orders in all of the options traded on the Exchange.

ISE Background

ISE is the first nationally registered securities exchange in twenty-seven years, the first fully electronic options exchange in the United States, and the world’s first options marketplace combining electronic trading and auction market principles. Trading in this innovative market began on May 26, 2000.

ISE has announced its intention to list the top 600 equity options classes representing over 90% of the option industry’s average daily trading volume. ISE’s rollout schedule involves starting trading with a small number of options classes and growing over time to the full list of 600.

ISE headquarters is located at 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.