



ISE Eliminates Block Orders Fees on All Options Contracts Fees Also Waived For Options on S&P 100® Index ETF

NEW YORK, December 9, 2002 – As part of an ongoing campaign to continually reduce expenses for its members, the International Securities Exchange (ISE) said today that it has suspended certain transaction fees on all block orders, and, also for options on an ETF whose performance tracks the S&P 100® Index.

ISE suspended transaction fees for all Firm Proprietary and Broker/Dealer orders for options on the iShares (sm) S&P 100® Index Fund (OEF), which tracks the performance of the Standard & Poor's 100 Index.

ISE also suspended transaction fees for all block orders for ISE-listed products that are submitted by Firm Proprietary and Broker/Dealer orders via ISE's Block Order.

"The fee reductions for block orders and for the iShares (sm) S&P 100® Index Fund are the latest manifestation of our continued effort to continually reduce costs for our members. We are steadfast in our commitment to provide the most efficient, low cost trading environment in the listed options market," said Bruce D. Goldberg, ISE's Senior Vice President of Marketing.

The transaction fees that ISE suspended ranged from 12 cents to 21 cents per contract. The suspensions were approved by the Securities and Exchange Commission, and are in effect from December to May 31.

ISE Background

ISE pioneered electronic options trading in the U.S. Within 18-months of its May 26, 2000 launch, the Exchange became the third largest of five domestic options exchanges, a position that it has enhanced by capturing the lead market share in its listings.

ISE is the only fully-electronic U.S. options exchange, the first registered securities exchange approved by the Securities and Exchange Commission since 1973, and the first and only electronic options exchange in the global marketplace that has successfully integrated the intrinsic efficiencies of electronic trading with auction market principles.

ISE lists 518 options classes, whose aggregate volume represents more than 90% of the industry's total equity options volume. For more information about ISE, its products and its technology, visit www.iseoptions.com.

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