

ISE Implements Volume-Based Discount on QQQ Options

NEW YORK, December 22, 2003 – The International Securities Exchange (ISE) said today that it implemented a volume-based discount for trading options on the Nasdaq 100 Index Tracking Stock (QQQ).

Effective immediately, ISE has introduced a volume-based discount for non-customer orders in options on the Nasdaq 100 Index Tracking Stock. ISE member firms that trade an average daily volume (ADV) of 8,000 to 10,000 QQQ non-customer contracts for a month will receive a \$0.10 per contract reduction in transaction fees for every non-customer contract over 8,000 contracts. ISE member firms whose monthly ADV exceeds 10,000 QQQ non-customer contracts will incur no transaction or comparison fees for any non-customer contracts over 10,000. The QQQ volume-based discount is a six-month pilot program effective through May 31. This will be in addition to ISE's current waiver of all fees for customer orders in all products, which is also effective through May 31. ISE's current fee schedule is available at: http://iseoptions.com/membership/pdf/fee_schedule.pdf.

"ISE is committed to providing investors with an efficient, cost effective and competitive market. The QQQ volume-based discount is an example of our ongoing adherence to those principles," said Bruce D. Goldberg, ISE's Senior Vice President of marketing.

ISE Background

The International Securities Exchange, the world's largest equity options exchange, was founded on the principle that technology fosters and infuses new efficiencies and operational innovations into securities trading. After developing an innovative market structure that integrated auction market principles into an advanced screen-based trading system, ISE launched the first fully electronic US options exchange in May 2000. ISE continually enhances its trading systems to provide investors and the trading community with the most efficient, least expensive order executions possible.

For more information about ISE, its products and its technology, visit www.iseoptions.com.

CONTACT:

Alicia Curran
Corporate Affairs Manager
Research & Corporate Affairs
International Securities Exchange
(212) 897-8181
acurran@iseoptions.com