

The All-Electronic Archipelago Exchange (ArcaEx) Stands Ready to Trade During Power Outage

-- ArcaEx offers alternative to New York floor-based systems during outage

CHICAGO – August 15, 2003 – ArcaEx notified both the Securities and Exchange Commission (SEC) and other exchanges that ArcaEx would operate under its normal operating schedule today and would not be experiencing any delays or difficulties due to the outage or related transportation problems. As usual, ArcaEx is currently trading all Amex-listed equities including exchange-traded funds (ETFs).

“We have been in contact with the SEC, other government officials, the NYSE and our clients to assure them that our all-electronic exchange stands ready to handle all orders today,” said Archipelago CEO Jerry Putnam. “During times of crisis and emergency, it’s critical that other national market participants, like ArcaEx, offer alternatives in light of the outage and possible shortage of manpower on the exchange floors due to the transportation difficulties for those in the New York area.”

ArcaEx’s primary data site in Chicago was not impacted by the power outage and the New York site opened earlier today operating on generator back-up.

About Archipelago

Dedicated to openness, transparency and equal access to equity markets, Archipelago has been a dynamic agent of change in the financial services industry since inception. Archipelago’s leading-edge technology, open architecture and unbiased trading platform provide investors with fast, cost-efficient and anonymous market access. The Archipelago Exchange (ArcaEx) features a trading system that employs a proprietary algorithm to search for the best execution for each order. ArcaEx is the first totally open, fully electronic stock market to trade in all New York Stock Exchange, NASDAQ, American Stock Exchange and Pacific Exchange securities. ArcaEx is regulated by the Pacific Exchange. The Archipelago ECN, a precursor to ArcaEx, was one of four original ECNs, formed in December 1996 with Townsend Analytics. For more information about Archipelago, please visit www.archipelago.com.

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