NYSE AMEX OPTIONS LAUNCHES BINARY RETURN DERIVATIVES (BYRDS), AN INNOVATIVE NEW OPTIONS PRODUCT

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ATLANTA & NEW YORK--(BUSINESS WIRE)-- The New York Stock Exchange (NYSE), part of the Intercontinental Exchange (NYSE:ICE), today announced the NYSE Amex Options platform of the NYSE MKT exchange will commence trading of Binary Return Derivatives (ByRDs^{SM}) on April 21. ByRDs are a new listed equity options product with limited profit potential and defined risk for both buyers and sellers. NYSE Amex Options is the first exchange platform to offer ByRDs on equities and exchange traded products (ETPs) to retail investors.

Trading on the NYSE Amex Options platform, ByRDs are based on an underlying equity security, such as a stock or an ETP. They offer a fixed return of $100.00 per contract, based on whether the volume-weighted average price of the underlying security is above or below a given level on a defined future date. They also provide a capped maximum risk to the seller of $100.00 per contract, less the premium received for selling the option.

ByRDs are cash-settled and exercisable only at expiration, unlike standard listed equity options. ByRDs share some of the same features as standard listed options, such as standardized expiration dates and clearing, and settlement at the Options Clearing Corporation.

“The introduction of Binary Return Derivatives, or ByRDs, on NYSE Amex Options gives investors access to a new, simple income-generation tool with the same level of flexibility as standard listed options, plus a straightforward, fixed return,” said NYSE Head of Options Ivan Brown. “We’re excited to offer investors these innovative and solutions-driven investing tools.”

ByRDs are offered on NYSE Amex Options in two forms:

Finish High ByRD^{SM}

A Finish High ByRD is similar to a standard listed call option in that an investor purchasing a Finish High ByRD is bullish on the underlying security. Each long contract returns $100.00, if the NYSE ByRD Settlement Value^{SM} closes above the strike price on expiration Friday.

Finish Low ByRD^{SM}

A Finish Low ByRD is similar to a standard listed put option in that an investor purchasing a Finish Low ByRD is bearish on the underlying security. Each long contract returns $100.00, if the NYSE ByRD Settlement Value closes below the strike price on expiration Friday.

NYSE Amex Options will initially list ByRDs on 15 highly-liquid equity and ETP securities, including AAPL, BABA, IBM, and SPY, with more names to be added in the future as the program expands. **TradeKing Securities, LLC** is the first retail brokerage firm to offer ByRDs starting April 21. The Specialist will be Integral Derivatives LLC.

“At TradeKing, we are always in favor of new, responsible ways for the independent investor to diversify their financial strategies and give them more control over their financial success,” said Don Montanaro, CEO of TradeKing Group, Inc., an innovator in online brokerage and financial services.

“ByRDs open up a new opportunity for people to take advantage of the benefits options can deliver, but through a simpler-to-understand, regulated product that can work in up, down, sideways and turbulent markets, while appropriately limiting their profit and loss potential. We’re excited to be a part of the ByRDs’ debut,” Montanaro said.

Investors should understand the differences in risk/reward profiles and settlement between standard listed options and ByRDs before entering into any ByRDs transaction. For more information, visit **https://www.nyse.com/products/options-byrds**.

About NYSE’s options markets

NYSE has a dual options market structure that offers option traders choice and flexibility, all through a single technology platform. The NYSE Amex Options pro-rata, customer priority model encourages deep liquidity while the NYSE Arca Options price-time priority model provides enhanced throughput and encourages market makers to provide investors with the best possible price. Both markets provide a powerful mix of electronic trading and open outcry interaction to meet all of your options trading needs.

About Intercontinental Exchange

Intercontinental Exchange (NYSE:ICE) operates the leading network of global futures, equity and equity options exchanges, as well as global clearing and data services across financial and commodity markets. The New York Stock Exchange is the world leader in capital raising, listings and equities trading.

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