

Securities and Exchange Commission
Attn: Ms. Nancy M. Morris, Secretary
100 F Street, N.E.
Washington, D.C. 20549-1090

November 21, 2007

Re: File number SR-CBOE-2007-107 and SR-CBOE-2006-106

Dear Ms. Morris,

I am responding to a letter from Carl Zapffe that seemed to impugn the reputation of Joanne Moffic-Silver, Executive Vice President, General Counsel and Corporate Secretary of the Chicago Board Options Exchange. Ms. Moffic-Silver was responding to a request from the SEC regarding an SEC provision, Section 6 (C)(4), that essentially says that all United States security exchanges cannot reduce by fiat, or other means, the number of memberships below the number of memberships that they had on May 1, 1975. It is obvious that the SEC was asking for this information to make sure that the CBOE would be in compliance with Section 6 (C)(4), if applicable, in connection with SR-CBOE-2006-106. Any change in membership numbers was not caused by the CBOE, but was caused by actions taken by the CBOT.

The information that was supplied to the SEC was taken from the official records of the CBOE. The implication that the CBOE and SEC are somehow in cahoots is simply outrageous. It seems that the comments that the SEC and CBOE are working against the interests of the former CBOT exercise right holders and impugning the reputation of Ms. Moffic-Silver is simply the desperate attempt of some one trying to get something they are not and were not entitled to. If Mr. Zapffe and others would look at the terms of the CME Holdings acquisition of the CBOT, they would see that they, the former CBOT members, willingly ignored the risk of giving up any possible exercise right claim for great financial gain bestowed on them by the CME.

Under the terms of the CBOT acquisition the CBOT members were stripped of the right to elect directors and nominating committee members, the right to nominate candidates for election as directors, the right to call special meeting of members, the right to initiate proposals at meetings of members, the right to vote on extraordinary transactions involving the CBOT, and the right to amend or repeal the bylaws of the CBOT. How can they call themselves members when they are now no more then renters or tenants in a building?

Lastly, the comment that the CBOE was issuing memberships to overwhelm the CBOT members is simply not true. The numbers speak for themselves. The CBOE has had, for a number of years, a maximum of 931 transferable memberships. At any time if more than 931 of the former 1402 CBOT exercise right holders had chosen to exercise, they could have overwhelmed any vote taken at the CBOE.

Thank you,

Norman S. Friedland
Member CBOE since 1976