

AFFIDAVIT OF JOANNE MOFFIC-SILVER

I, Joanne Moffic-Silver, deposes and states as follows:

1. I am the Executive Vice President, General Counsel and Corporate Secretary at the Chicago Board Options Exchange, Incorporated ("Exchange" or "CBOE"). I have personal knowledge of the matters set forth herein and submit this affidavit in support of the Exchange's response to the comment letter, entitled "Emergency Petition for Securities and Exchange Commission Review of Rulemaking Action," submitted by the CME Group, Inc. ("CME"), the Board of Trade of the City of Chicago ("Board of Trade"), Michael Floodstrand and Thomas J. Ward with respect to CBOE rule filing SR-CBOE-2007-77.

December 12, 2006 Board Meeting

2. I was present at the meeting of the Exchange's Board of Directors on December 12, 2006, at which the Board of Directors authorized and directed the preparation and submission of a proposed rule change (SR-CBOE-2006-106) to the Securities and Exchange Commission (the "Commission") to address the impact of the acquisition of the Board of Trade by CME Holdings, Inc., the predecessor of CME (the "CME Holdings Acquisition"), on the eligibility of persons to be exerciser members of CBOE. SR-CBOE-2006-106 includes an interpretation of Article Fifth(b) of CBOE's Certificate of Incorporation that no person will qualify as a CBOT "member" for purposes of Article Fifth(b) after the CME Holdings Acquisition is complete, and therefore no person any longer will qualify to become or remain an exerciser member of CBOE after that transaction.

3. On December 12, 2006, the Exchange's Board of Directors consisted of 21 Directors, including eleven public Directors, nine industry Directors, and CBOE Chairman and CEO William Brodsky.

4. As described in the minutes of the December 12, 2006 meeting of the Board of Directors, a correct copy of which (with irrelevant material redacted) is attached as Exhibit A, the following seven

public Directors of the Exchange were present (in person or by telephone) at the Board of Directors meeting on December 12, 2006, for the discussion of the interpretation of Article Fifth(b) that is set forth in SR-CBOE-2006-106, and these seven public Directors voted unanimously in favor of the interpretation: Robert Birnbaum, Janet Froetscher, Roderick Palmore, Susan Phillips, Samuel Skinner, Carole Stone, and Howard Stone. The members of the Special Committee of Independent Directors, consisting of James Boris, Duane Kullberg, R. Eden Martin, and Eugene Sunshine, were present at the meeting, but recused themselves from, and were not present for, the discussion and vote with respect to the interpretation of Article Fifth(b) that is set forth in SR-CBOE-2006-106. As set forth in the minutes of the December 12 meeting, the seven public Directors met and unanimously voted to approve the interpretation in a separate meeting at which only the Board's legal advisers and outside financial advisers were also present.

5. Following the separate meeting of the public Directors to consider this interpretation, there was a meeting and vote by the entire CBOE Board on this matter at the meeting on December 12, 2006. At this time, the following six industry Directors of the Exchange were present and voted unanimously in favor of the interpretation, as did each of the seven public Directors who had voted at the separate meeting of those Directors, as set forth in paragraph 4 above: Mark Duffy, Jonathan Flatow, Bradley Griffith, Stuart Kipnes, William Power, and John Smollen. The remaining Industry Directors who were present – James MacGilvray, Thomas Patrick, and Thomas Petrone – abstained from the vote with respect to the interpretation of Article Fifth(b) that is set forth in SR-CBOE-2006-106. At the time of this meeting, Mr. Flatow was an exerciser member, while each of the remaining industry Directors held, or was associated with member organizations that held, transferable Exchange memberships.

6. Mr. Brodsky was also present at the Board of Directors meeting on December 12, 2006, for the discussion of the interpretation of Article Fifth(b) that is set forth in SR-CBOE-2006-106, and he voted in favor of the interpretation.

June 29, 2007 Board Meeting

7. I was also present at the meeting of the Exchange's Board of Directors on June 29, 2007, at which the Board of Directors authorized and directed the preparation and submission of a proposed rule change to the Commission (SR-CBOE-2007-77) that would interpret CBOE Rule 3.19, in the event that the CME Holdings Acquisition was consummated before the Commission took final action on SR-CBOE-2006-106, such that certain persons who were exerciser members as of a stated date before the completion of that transaction would continue in that membership status until the Commission had taken such final action.

8. On June 29, 2007, the Exchange's Board of Directors consisted of 23 Directors, including eleven public Directors, eleven industry Directors, and CBOE Chairman and CEO William Brodsky.

9. As described in the minutes of the June 29, 2007 meeting of the Board of Directors, a correct copy of which (with irrelevant material redacted) is attached as Exhibit B, the following ten public Directors of the Exchange were present (in person or by telephone) at the Board of Directors meeting on June 29, 2007, for the discussion of the interpretation of CBOE Rule 3.19 that is set forth in SR-CBOE-2007-77, and these ten public Directors voted unanimously in favor of that interpretation: Mr. Birnbaum, Mr. Boris, Ms. Froetscher, Mr. Kullberg, Mr. Martin, Mr. Palmore, Ms. Phillips, Mr. Skinner, Ms. Stone, and Mr. Sunshine. (Public Director Howard Stone was not present at the June 29, 2007, meeting.) As set forth in the minutes of the June 29 meeting, the public Directors met and voted on this interpretation in a separate meeting at which only the Board's legal advisers were also present.

10. Following the separate meeting of the public Directors to consider this interpretation, there was a meeting and vote by the entire CBOE Board on this matter at the meeting on June 29, 2007. At this time, the following seven industry Directors of the Exchange were present (in person or by telephone), and voted unanimously in favor of the interpretation, as did all of the public Directors (except

Mr. Palmore who left the Board meeting following the separate meeting of public directors) who had voted at the separate meeting of those Directors, as set forth in paragraph 9 above: Mr. Duffy, Paul Jiganti, Mr. Kipnes, Mr. MacGilvray, Anthony McCormick, Kevin Murphy, and Mr. Smollen. Mr. Flatow abstained from the vote with respect to the interpretation of Rule 3.19. Industry Director Thomas Patrick was not present at the June 29, 2007, meeting, and the remaining industry Directors – Mr. Griffith and Mr. Power – were not present for the vote with respect to the interpretation. At the time of this meeting, Mr. Flatow was an exerciser member, while each of the remaining industry Directors held, or was associated with member organizations that held, transferable Exchange memberships.

11. Mr. Brodsky was also present at the Board of Directors meeting on June 29, 2007, for the discussion of the interpretation of Rule 3.19 that is set forth in SR-CBOE-2007-77, and he voted in favor of that interpretation.

12. None of CBOE's public Directors has a membership interest in CBOE, possesses a right to acquire such a membership interest or is affiliated with an entity that owns any CBOE membership.

Dated: August 30, 2007


Joanne Moffic-Silver