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December 22, 2006

By Overnight Mail

Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Attn: Nancy M. Morris, Secretary

RE: File Number: SR-CBOE-2006-106

Dear Ladies and Gentlemen,

I am writing on behalf of the putative Class Members in the case *CBOT Holdings, Inc. et al. v. Chicago Board Options Exchange, Inc. et al.*, Case Number 2369-N, currently pending before a chancery court in New Castle County, Delaware. This request is submitted with respect to the filing on December 12, 2006 by the Chicago Board Options Exchange, Inc. ("CBOE") with the Securities and Exchange Commission (the "Commission") of a proposed rule change, SR-CBOE-2006-106 (the "Proposed Rule Change"). For the reasons set forth in this letter, the putative Class Members respectfully request that the Commission and its staff defer consideration of the CBOE's Proposed Rule Change.

On August 23, 2006, the putative Class Members and the Board of Trade of the City of Chicago, Inc. ("CBOT") jointly filed suit in the Delaware court against the CBOE and individual members of CBOE's Board of Directors seeking contractual declarations as to Article Fifth(b) of CBOE's Certificate of Incorporation. When the CBOE was created, the Class Members provided valuable consideration for their rights when they (not the CBOE members) created the CBOE. Article Fifth(b) principally provides that eligible CBOT members are entitled to membership privileges on the CBOE without being required to obtain a separate CBOE membership. This entitlement is commonly referred to as the "Exercise Right."

Through the current lawsuit, the putative Class Members and the CBOT seek a declaration that the CBOE would breach the parties' agreements, including the 1992 agreement, if it did not permit eligible CBOT members to participate equally with regular CBOE members in any cash or property distribution resulting from the CBOE's proposed demutualization. The lawsuit further asserts that the CBOE's Proposed Rule Change is in violation of eligible CBOT members' contractual rights (under Article Fifth(b) as well as the 1992 and 2005 agreements) to access the CBOE because the Proposed Rule Change effectively extinguishes all Exercise Rights



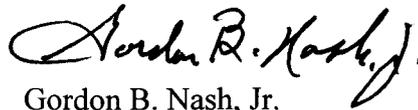
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and creates a new, previously non-existent, financial risk to CBOT's eligible members from becoming active members of the CBOE. Now, a CBOT eligible member is inhibited from exercising because of the CBOE's pronouncement that exercising will not carry the expected benefits under the contracts at issue in the Delaware proceeding.

CBOT Holdings, Inc. and the CBOT, the corporate plaintiffs in the lawsuit, and the CBOE, the corporate defendant, are all Delaware corporations. The lawsuit involves the rights of shareholders under Delaware General Corporation Law and Delaware common law, and Delaware law therefore governs all or some of the claims brought pursuant to the CBOE's Certificate of Incorporation (as amended). The Delaware court is appropriately addressing the matter, and the CBOE is merely attempting to short-circuit the Delaware court system through its Proposed Rule Change.

As a result, the putative Class Members respectfully request that the Commission defer consideration of the Proposed Rule Change for the reasons stated above until the issues have been properly resolved by the Delaware chancery court. Should you have any questions, please do not hesitate to contact me.

Very truly yours,



Gordon B. Nash, Jr.

c: Joanne Moffic-Silver
Patrick Sexton

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