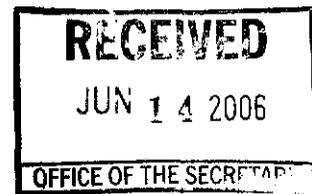


Ms. Nancy M. Morris, Secretary
Securities and Exchange Commission
Station Place
100 F Street, NE
Washington, DC 20549-1090



June 5, 2006

Re: File Number SR-CBOE-2006-45

Dear Ms. Morris,

I am writing this letter to the Commission to ask that the above rule change be denied by the Commission or, at the very least, a full scale comment period, together with public hearings, be granted before the Commission makes its final decision on whether or not to approve the change.

In order to give credibility to my comments, I would like to give you a brief personal history.

I have been a member of the Chicago Board of Trade for 55 years. I was an elected member of the Board of Directors of that exchange when we conceived of and founded the Chicago Board Options Exchange.

On April 23, 1973 I made the very first trade on the C.B.O.E. and I have been an active member and seat owner ever since.

I served 3 full three-year terms as a director of the C.B.O.E. from 1975 to 1984. In 1983 and 1984, I was vice chairman and chairman of the executive committee. From 1973 to 1995, I was either chairman or president of two clearing firms and I was directly responsible for the design and construction of the Exchange building. My committee assignments on the Exchange are too numerous to mention.

Proposed rule change SR-CBOE-2006-45 is unneeded, unwanted and is generally in conflict with the C.B.O.E. constitution, rather than, as it purports, clarifying the document.

The authority for almost all of the sections of the proposed rule already exists in the constitution. This proposal seeks to destroy the very fabric of the foundation of the member organization that we worked so hard to develop and which has been so successful.

In all honesty, these rules would not be so onerous and, in fact would probably be necessary, if the C.B.O.E. were a publicly held corporation. It is to this end that I believe represents the driving force behind the push for these changes.

It is my understanding that these proposals did not come from any membership committee, or from staff or senior management, or from the Board of Directors. It appears that in becoming a "for profit" entity under Delaware law, the Exchange felt it necessary to hire Delaware counsel. I have been told that these attorneys strongly recommend the rule change in question.

This is more than a good old fashion power grab. Underlying this move is the desire to eliminate as much member/owner influence as possible and to perhaps eliminate the requirement of member/owner approval, by ballot, for various corporate structural changes for a potential demutualization.

This is clearly undemocratic and violates the basic principles of corporate and American citizenship and could singularly dilute or destroy membership value.

I fully understand that membership value is not a direct concern of the Commission, but fairness is and we as owner/members have no other venue to appeal to, other than the commission. If we were not a regulated organization and we were to take this proposed rule change to the courts, I am confident that the rule would be doomed to failure.

If the Exchange were to include parts of this rule change in an S4, perhaps it would be more palatable, but not at this stage and not at this time. They are putting the cart before the horse, it might have wheels but it lacks the power of fairness.

The committee system that has worked to build exchanges in Chicago for 150 years is the heart, soul, and brains of our successes. Please do not let overlawying destroy it.

Thank you for this opportunity to present my views on this matter. I trust that, given all of the facts, you will come to the proper conclusion and deny approval of the requested rule change. If there is any other information that you feel would assist you in this matter, please feel free to contact me at any time.

Respectfully,



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