

1st August 20007

Office of the Secretariat
Securities and Exchange Commission
100 F Street, N. E.
Washington, D.C. 20549

To whom it may concern :

I find it disgraceful, that the CBOE has fought tooth and nail in order to bring their complaints in front of the SEC whom they feel they have in their pocket. Months ago as a member of the Board of Trade, I was told by a CBOE member that the SEC had come to them with a few questions regarding their new rules. I was told that the tone of the questions was the SEC's way of saying with a wink and a nod that they would side with the CBOE on these issues. I know of no one on either side of this issue, who does not feel the SEC has clearly chosen sides. I just don't understand, how one of the most influential bodies in the government today can have such a credibility problem. Has it dawned on you at all, that the CBOE is terrified of the federal court system. Do you have any idea why this would be? Do you have any idea why the CBOE would rather wait 10 years before going public, as long as the SEC was the sole arbiter of this case?

Why did the CBOE make a deal with the ICE exchange in order to pay off all full CBOT seat holders? Now, the CBOE has decided they not only are going to pay nothing to extinguish Board of Trade owners and exercisers, but they themselves would like to collect \$4700 in rent via the new rules. This is nothing more than a property dispute that would've been settled long ago had the CBOE not thought that it controlled the SEC and not the other way around.

Why did the CBOE buyback any CBOT rights ? Why did the CBOE buyback a trading right even after the CME deal had closed?

Let me guess it was the secretary's fault. No, the Board of trade tricked us. No, it doesn't matter ,the SEC will side with us no matter what.

With billions of dollars at stake ,as well as, people's retirement incomes the least we should expect from the SEC is careful thought and integrity regarding this case. The new rules passed by the CBOE serve no public purpose whatsoever. The CBOE leadership has done everything in their power to get these issues in front of the SEC, because they're extremely weak arguments, for their new rules have the best chance of passing with their friends at the SEC. I'm asking you to set aside your differences with the CFTC and look beyond your friendship made over the years with the CBOE leaders and adjudicate on the merits of the case. If you look closely at the Delaware courts decision the judge is asking you to do the same thing. Send the CBOE a message that you can't institute new rules based on greed. Let the country know, the SEC makes its decisions based on integrity. This is not a difficult decision.

Respectfully,

Edward Reardon
CBOT Full member in 1988