



Chicago Board of Trade

Contact: Gary Compton  
CBOE  
312.786-7612

Contact: Maria Genskie  
CBOT  
312.435-3620

### **CBOT and CBOE Reach Agreement to Permit CBOT Full Members to Sell CBOE Exercise Right Privileges**

December 17, 2003 – The Chicago Board of Trade (CBOT) and the Chicago Board Options Exchange (CBOE) today announced an agreement which enables CBOT Full Members to unbundle and sell their CBOE exercise right privileges. The CBOE exercise right, which was granted to CBOT Full Members when the CBOE was formed, allows a CBOT Full Member to become a CBOE member without having to purchase a membership at the CBOE.

The new agreement, which has been adopted by both the CBOT and the CBOE Board of Directors, will provide the CBOT Full Members the ability to request that the CBOT issue the exercise right privilege associated with their CBOT Full Membership. Under the terms of the agreement and the CBOT rules expected to be adopted in order to give effect to the agreement, the exercise right privilege may be unbundled and rebundled with CBOT Full Memberships and may be separately bought or sold. The agreement includes the possibility of a sale to the CBOE. However, in order to exercise and become a member of the CBOE, a CBOT Member will continue to be required to be in possession of a CBOT Full Membership and an associated exercise right privilege.

CBOT Chairman Charles P. Carey said, “This agreement, which allows CBOT Full Members the ability to sell their exercise right privileges, provides for flexibility and enhances the value of our memberships.”

“We are pleased that by working together, the CBOT and the CBOE have crafted an agreement that provides both exchanges and their memberships with greater flexibility at a time when our competitive environments demand it,” said CBOE Chairman William J. Brodsky.

“We are very happy to come to this agreement, which provides CBOT members with the opportunity to sell their CBOE exercise rights if they wish to do so, and gives CBOE and other potential buyers the opportunity to purchase them,” said CBOE Vice Chairman Mark Duffy.

It is currently expected that the CBOT’s restructuring proposal, which is described in a registration statement on file with the Securities Exchange Commission (SEC), will be revised to accommodate this agreement and any related changes to the CBOT rules.

A vote of the CBOT members relating to this agreement is expected to occur after the first of the year. In addition, before it becomes effective the proposal must be filed by CBOE with, and approved by, the SEC.

*While CBOT Holdings, Inc. (CBOT Holdings) has filed with the SEC a Registration Statement on Form S-4, including a preliminary proxy statement and prospectus, relating to the restructuring of the Board of Trade of The City of Chicago, Inc. (CBOT), it has not yet become effective, which means it is not yet final. CBOT members are urged to read the final Registration Statement on Form S-4, including the final proxy statement and prospectus, relating to the restructuring of the CBOT referred to above, when it is finalized and distributed to CBOT members, as well as other documents which CBOT Holdings or the CBOT has filed or will file with the SEC, because they contain or will contain important information for making an informed investment decision. CBOT members may obtain a free copy of the final prospectus, when it becomes available, and other documents filed by CBOT Holdings or the CBOT at the SEC's web site at [www.sec.gov](http://www.sec.gov). This communication shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in any state in which offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.*

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