

CBOE News Release

Chicago Board Options Exchange
400 S. LaSalle Street
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FOR IMMEDIATE RELEASE

CBOE Board of Directors Approves Monthly Fee Cap for Firm Orders

CHICAGO, January 21, 2004 — The Chicago Board Options Exchange (CBOE) Board of Directors today approved a monthly cap on transaction fees charged to orders entered on behalf of a firm's proprietary trading account and orders in which the firm facilitates a customer order.

"For most firms, CBOE is already the marketplace of choice in terms of efficient order execution and superior customer service. The provision of a monthly fee cap on CBOE index and equity orders will make it more cost effective for firms to execute their proprietary orders and facilitate their customer orders at CBOE. In essence, the monthly cap will enable firms to make their order routing decision based on factors other than fees, and we are confident that firms looking for reliable and efficient order handling will look to CBOE," said Chairman and CEO William J. Brodsky.

The fee cap will go into effect February 1, 2004, and includes fees charged on firms' proprietary equity and index option orders. The cap sets a ceiling of \$75,000 per firm, per month, for all firm proprietary contracts executed at CBOE, including orders in which a firm facilitates a customer order, and will apply to orders from firms whose business is primarily public-customer related.

CBOE, regulated by the Securities and Exchange Commission (SEC), is the creator of listed options and the world's largest options marketplace. For additional information about the CBOE and its products, visit the CBOE website at www.cboe.com.

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