CBOE
CHICAGO BOARD OPTIONS EXCHANGE

IC06-140

To: Voting Members

From: Office of the Secretary
Election Committee

Re: Voting Procedures for the CBOE Annual Election

Date: October 12, 2006

The CBOE annual election will be held on November 16, 2006. The purpose of this circular is to inform voting members that new voting procedures will be in effect for the annual election.

Voting members will now have the option of submitting ballots by telephone or through the Internet. Voting members will still be able to vote by mail, hand-delivery or in-person at the annual election meeting. CBOE has engaged Georgeson Inc. ("Georgeson") to provide telephone and Internet voting services and to collect and count ballots for the CBOE annual election.

Voting materials (e.g., ballot, notice, supplemental materials) will be mailed to each voting member. The notice of the annual election meeting and the ballot will include detailed instructions on how to vote. The ballot will include a company number and a unique control number assigned to the particular membership. Voting members will be able to vote by proxy in any of the following ways:

(1) by mailing to Georgeson or hand-delivering to CBOE a completed and signed ballot;
(2) by telephone using a toll-free number and unique control number noted on the ballot; or
(3) by visiting the website noted on the ballot and voting through the website using the company number and unique control number. Voting members voting via the Internet will have the option of receiving an e-mail confirmation of their votes.

Also, two voting stations will be set up on the trading floor on November 16, 2006 for the purpose of collecting ballots. Voting members may also vote in-person at the annual election meeting.

CBOE believes the new voting procedures should result in increased member participation in CBOE corporate governance and cost savings for the Exchange. If you have any questions regarding this circular, please contact Jaime Galvan, Senior Attorney, at (312) 786-7058 or galvanj@cboe.com or Stan Leimer, Director of Membership, at (312) 786-7299 or leimer@cboe.com.