



Information Circular IC07-067

Date: May 30, 2007
To: CBOE Members
From: The Office of the Chairman
Re: ICE-CBOE Agreement

The attached press release was issued today announcing that CBOE has reached an exclusive agreement with the Intercontinental Exchange (ICE) in which the two exchanges will cooperate to resolve the Exercise Right issue and pending Exercise Right litigation. In addition, the exchanges have reached an agreement in principle for a broad commercial partnership. The ICE-CBOE Agreement is contingent on the completion of the proposed merger of ICE and CBOT Holdings.

Several weeks ago, ICE approached CBOE in an attempt to clarify the status of the Exercise Right and to explore the possibility of structuring a resolution of the Exercise Right that could be coupled with a revised offer by ICE to CBOT shareholders. We were impressed by ICE's willingness to work with us to address the Exercise Right and we are pleased that ICE has agreed to participate in the payment of consideration to resolve the Exercise Right issue.

The Exercise Right has affected both memberships in ways that could never have been contemplated when it was created 34 years ago. The ICE-CBOT Agreement presents a unique opportunity to address the Exercise Right issue for both CBOT and CBOE members. Moreover, acceptance of the revised offer by CBOT would now remove a hurdle that has impeded progress for members at both exchanges.

The Agreement enables ICE and CBOE to create a unique solution to the Exercise Right issue. The Agreement also provides substantial value to the holders of the Exercise Right. In addition, the offer provides liquidity, certainty and, for those who choose, equity participation in CBOE.

The ICE-CBOE Agreement also calls for CBOE and ICE to pursue additional business opportunities. Under this proposed agreement, CBOE would provide ICE with technical assistance on the electronic trading of options; trading access between the two exchanges would be increased; and the two exchanges would work jointly to develop certain new products. The proposed commercial agreement would provide both exchanges an opportunity to create ongoing value for our respective members and stockholders.

We want to emphasize that CBOE is not a party to the proposed ICE-CBOT Merger, and no payment will be made under the ICE-CBOE Agreement unless the ICE-CBOT Merger is approved by both CBOT shareholders and CBOE members, and the ICE-CBOT Holdings Merger is completed.

CBOE members will be asked to vote on the terms of the Agreement, including certain exclusivity provisions between ICE and CBOE. There will be an informational meeting for CBOE members on Thursday, June 14, 2007 to discuss the terms of the Agreement. In the meantime, additional information, as it becomes available, will be posted to the CBOE Members' website.

We look forward to further discussion on the ICE-CBOE Agreement at the June 14th member meeting.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state or jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. 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.

In connection with the proposed restructuring transaction, CBOE Holdings, Inc. ("CBOE Holdings") has filed certain relevant materials with the United States Securities and Exchange Commission (SEC), including a registration statement on Form S-4. Members are encouraged to read the registration statement, including the proxy statement/prospectus that are a part of the registration statement, because it contains important information about the proposed transaction. Members are able to obtain a free copy of the proxy statement/prospectus, as well as the other filings containing information about CBOE Holdings and the Chicago Board Options Exchange, Incorporated ("CBOE"), without charge, at the SEC's Web site, <http://www.sec.gov>, and the companies' website, www.CBOE.com. In addition, CBOE members may obtain free copies of the proxy statement/prospectus and other documents filed by CBOE Holdings or the CBOE from CBOE Holdings by directing a request to the Office of the Secretary, CBOE Holdings, Inc., 400 South LaSalle Street, Chicago, Illinois 60605.

CBOE Holdings, the CBOE and their respective directors, executive officers and other employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of CBOE Holdings and of the CBOE is available in the prospectus/proxy statement.