



Information Circular IC08-19

Date: February 7, 2008

To: CBOE Members

From: Legal Division

Re: Penny Pilot Expansion

The Penny Pilot Program currently in effect in 35 option classes¹ is scheduled to expand on March 28, 2008. The following is a preliminary list from the SEC of the 28 additional option classes that may be added to the Pilot Program on that date. This proposed list is not definitive and is subject to change.

Goldman Sachs Group, Inc. (GS)
Countrywide Financial Corporation (CFC)
Bank of America Corporation (BAC)
iShares MSCI Emerging Mkts. Index Fund (EEM)
Merrill Lynch & Co., Inc. (MER)
Vale (RIO)
EMC Corporation (EMC)
Exxon Mobil Corporation (XOM)
Wal-Mart Stores, Inc. (WMT)
The Home Depot, Inc. (HD)
Valero Energy Corporation (VLO)
Alcoa Inc. (AA)
Dell Inc. (DELL)
SanDisk Corporation (SNDK)

The Bear Stearns Companies, Inc. (BSC)
Pfizer Inc. (PFE)
eBay Inc. (EBAY)
Halliburton Company (HAL)
Lehman Brothers Holdings Inc. (LEH)
JPMorgan Chase & Co. (JPM)
Washington Mutual, Inc. (WM)
Ford Motor Company (F)
Target Corporation (TGT)
American International Group, Inc. (AIG)
Newmont Mining Corporation (NEM)
Verizon Communications Inc. (VZ)
Mini-NDX Index Options (MNX)
Starbucks Corporation (SBUX)

CBOE is preparing a report to the SEC and intends to recommend modifications to the Pilot Program. CBOE will keep members apprised of the status of the proposed expansion of the Penny Pilot on March 28, 2008. If you have any questions, please contact Tom Knorrington at (312) 786-7363 or knorrington@cboe.com, or Patrick Sexton at (312) 786-7467 or sexton@cboe.com.

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

¹ CBOE also quotes and trades XSP options and DJX options in \$.01 increments for all option series below \$3, and \$.05 increments for all option series \$3 and above.

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.