

OMB APPROVAL

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. SR - 2007 - 151

Amendment No.

Proposed Rule Change by Chicago Board Options Exchange

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial <input checked="" type="checkbox"/>	Amendment <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) <input checked="" type="checkbox"/>	Section 19(b)(3)(A) <input type="checkbox"/>	Section 19(b)(3)(B) <input type="checkbox"/>
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(Rule)

Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action <input type="checkbox"/>	Date Expires <input type="text"/>
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<input type="checkbox"/> 19b-4(b)(1)	<input type="checkbox"/> 19b-4(b)(4)
<input type="checkbox"/> 19b-4(b)(2)	<input type="checkbox"/> 19b-4(b)(5)
<input type="checkbox"/> 19b-4(b)(3)	<input type="checkbox"/> 19b-4(b)(6)

☐ Section 19(b)(1) - Antifraud Provisions☐ Section 19(b)(2) - Antifraud Provisions**Description**

Provide a brief description of the proposed rule change (limit 250 characters).

Proposes to amend the Linkage fee.

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name	Jaime	Last Name	Galvan
Title	Assistant Secretary		
E-mail	galvanj@cboe.com		
Telephone	(312) 786-7058	Fax	(312) 786-7919

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date 12/20/2007

By Jaime Galvan

(Name)

Assistant Secretary

(Title)

NOTE: Clicking the button at right will digitally sign and lock
this form. A digital signature is as legally binding as a physical
signature, and once signed, this form cannot be changed.

Jaime Galvan, galvanj@cboe.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3).

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

☐

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Item 1. Text of Proposed Rule Change

Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") proposes to amend its Options Intermarket Linkage ("Linkage") fees. The text of the proposed rule change is provided below:

(Changes are indicated by underlining additions and [bracketing deletions]. Only those fees that are affected are shown.)

CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED
FEES SCHEDULE
[DECEMBER 1, 2007]_____

1. OPTIONS TRANSACTION FEES (1)(3)(4)(7)(15):	PER CONTRACT
EQUITY OPTIONS (13):	
I. – IV. Unchanged.	
V. LINKAGE ORDERS (8).....	\$[.26]. <u>30</u>
VI. Unchanged.	
QQQQ and SPDR OPTIONS:	
I. – IV. Unchanged.	
V. LINKAGE ORDERS (8).....	\$[.26]. <u>30</u>
VI. Unchanged.	
INDEX OPTIONS (includes ETF and HOLDRs options):	
I. – V. Unchanged.	
VI. LINKAGE ORDERS (8)(14).....	\$[.26]. <u>30</u>
VII. Unchanged.	

Remainder of Fees Schedule – Unchanged.

Item 2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Exchange's Board of Directors on December 12, 2007.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Under the Exchange's current Fees Schedule, Principal ("P") and Principal Acting as Agent ("P/A") orders¹ are charged a transaction fee of \$.26 per contract.² Satisfaction orders are not assessed Exchange fees. Linkage fees are operating under a pilot program scheduled to expire on July 31, 2008.

The Exchange proposes to increase its Linkage transaction fee from \$.26 per contract to \$.30 per contract. The proposed fee increase would help the Exchange partially offset its costs of crediting Linkage fees and related costs to Designated Primary Market-Makers ("DPMs") pursuant to the Exchange's DPM Linkage Fees Credit Program.³ The Exchange believes the proposed fee is reasonable in that it is significantly lower than Linkage fees currently charged by certain exchanges.⁴

Statutory Basis.

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act")⁵, in general, and furthers the objectives of Section 6(b)(4)⁶ of the Act in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members and other persons using its facilities.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

This proposed rule change does not impose any burden on competition that is not

¹ Under the Plan for the Purpose of Creating and Operating an Options Intermarket Linkage ("Plan") and Exchange Rule 6.80(12), which tracks the language of the Plan, a "Linkage Order" means an Immediate or Cancel Order routed through the Linkage as permitted under the Plan. There are three types of Linkage Orders: (i) "P/A Order", which is an order for the principal account of a specialist (or equivalent entity or another Participant Exchange that is authorized to represent Public Customer orders), reflecting the terms of a related unexecuted Public Customer order for which the specialist is acting as agent; (ii) "P Order", which is an order for the principal account of an Eligible Market Maker and is not a P/A Order; and (iii) "Satisfaction Order," which is an order sent through the Linkage to notify a member of another Participant Exchange of a Trade-Through and to seek satisfaction of the liability arising from that Trade-Through.

² Linkage orders in MNX, NDX and RUT options are also charged a \$.10 per contract surcharge fee. See CBOE Fees Schedule, Footnote 14.

³ See CBOE Fees Schedule, Section 21.

⁴ The Exchange believes NYSEArca, Inc. charges \$.50 per contract on electronically executed Linkage orders and the Boston Options Exchange charges \$.45 per contract or \$.50 per contract for Linkage orders in classes included in its make or take pricing structure.

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

necessary or appropriate in furtherance of the purposes of the Act.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

Item 6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period for Commission consideration of the proposed rule change specified in Section 19(b)(2)⁷ of the Act.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The Exchange requests accelerated effectiveness of the proposed rule change pursuant to Section 19(b)(2) of the Act. The Exchange believes the proposed fee is significantly lower than Linkage fees currently charged by certain exchanges.⁸

Item 8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or the Commission

Not Applicable.

Item 9. Exhibits

Exhibit 1. Form of Notice of Proposed Rule Change for publication in the Federal Register.

⁷ 15 U.S.C. 78s(b)(2)

⁸ See Supra, Footnote 4.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____; File No. SR-CBOE-2007-151)

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by Chicago Board Options Exchange, Incorporated Relating to Linkage Fees.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by CBOE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested parties.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") proposes to amend its Options Intermarket Linkage ("Linkage") fees. The text of the proposed rule change is available on the Exchange's website (<http://www.cboe.org/legal>), at the Exchange's Office of the Secretary and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, CBOE included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places

specified in Item IV below. CBOE has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, Proposed Rule Change

Under the Exchange's current Fees Schedule, Principal ("P") and Principal Acting as Agent ("P/A") orders¹ are charged a transaction fee of \$.26 per contract.² Satisfaction orders are not assessed Exchange fees. Linkage fees are operating under a pilot program scheduled to expire on July 31, 2008.

The Exchange proposes to increase its Linkage transaction fee from \$.26 per contract to \$.30 per contract. The proposed fee increase would help the Exchange partially offset its costs of crediting Linkage fees and related costs to Designated Primary Market-Makers ("DPMs") pursuant to the Exchange's DPM Linkage Fees Credit Program.³ The Exchange believes the proposed fee is reasonable in that it is significantly lower than Linkage fees currently charged by certain exchanges.⁴

Statutory Basis.

¹ Under the Plan for the Purpose of Creating and Operating an Options Intermarket Linkage ("Plan") and Exchange Rule 6.80(12), which tracks the language of the Plan, a "Linkage Order" means an Immediate or Cancel Order routed through the Linkage as permitted under the Plan. There are three types of Linkage Orders: (i) "P/A Order", which is an order for the principal account of a specialist (or equivalent entity or another Participant Exchange that is authorized to represent Public Customer orders), reflecting the terms of a related unexecuted Public Customer order for which the specialist is acting as agent; (ii) "P Order", which is an order for the principal account of an Eligible Market Maker and is not a P/A Order; and (iii) "Satisfaction Order," which is an order sent through the Linkage to notify a member of another Participant Exchange of a Trade-Through and to seek satisfaction of the liability arising from that Trade-Through.

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⁴ The Exchange believes NYSEArca, Inc. charges \$.50 per contract on electronically executed Linkage orders and the Boston Options Exchange charges \$.45 per contract or \$.50 per contract for Linkage orders in classes included in its make or take pricing structure.

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act")⁵, in general, and furthers the objectives of Section 6(b)(4)⁶ of the Act in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among CBOE members and other persons using its facilities.

B. Self-Regulatory Organization's Statement on Burden on Competition

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will (A) by order approve such proposed rule change, or (B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

⁵ 15 U.S.C. 78f(b).

⁶ 15 U.S.C. 78f(b)(4).

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2007-151 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-CBOE-2007-151. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and

3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the CBOE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2007-151 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷

Nancy M. Morris
Secretary

⁷ 17 CFR 200.30-3(a)(12).