



April 14, 2010

Via Electronic Mail

Mr. David Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: CBOE Futures Exchange, LLC Rule Certification
Submission Number CFE-2010-04

Dear Mr. Stawick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended ("Act"), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission ("Commission") under the Act, CBOE Futures Exchange, LLC ("CFE" or "Exchange") hereby submits this rule change ("Amendment") to make CFE's rules and Limited Liability Company Agreement consistent with the provisions of the acceptable practices regarding futures exchange governance and minimizing conflicts of interest that are set forth in Subsection (b) of Core Principle 15 in Appendix B to Part 38 of the Commission regulations.

The Amendment consists of the amendments to CFE's rules set forth in Exhibit A hereto and the amendments to CFE's Limited Liability Company Agreement which are shown in the marked copy of CFE's Fourth Amended and Restated Limited Liability Company Agreement set forth in Exhibit B hereto which shows the changes from CFE's current Limited Liability Company Agreement.

The Amendment will become effective on April 26, 2010.

CFE is not aware of any substantive opposing views to the Amendment. CFE hereby certifies that the Amendment complies with the Act and the regulations thereunder.

Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Jennifer Klebes at (312) 786-7466. Please reference our submission number CFE-2010-04 in any related correspondence.

CBOE Futures Exchange, LLC

By: 

Andrew Lowenthal
Managing Director

cc: Riva Adriance (CFTC)
Bella Rozenberg (CFTC)
National Futures Association
The Options Clearing Corporation

Exhibit A

(Amendments are shown with underlining for additions and [brackets] for deletions)

CBOE Futures Exchange, LLC Rules

* * * * *

Rule 117. Chairman of the Board

The term "Chairman of the Board" means the individual [serving] designated as the chairman of the board of [CBOE] the Exchange in accordance with the Constitutive Documents from time to time.

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Rule 156. Public Director

The term "Public Director" has the meaning set forth in Rule 201(b).

Rule 157. Regulatory Oversight Committee

The term "Regulatory Oversight Committee" means the regulatory oversight committee of the Board, as constituted in accordance with, and with the authority and rights set forth in, Rule 208.

Rule [156] 158. Related Party

No changes to rule text.

Rule [157] 159. Respondent

No changes to rule text.

Rule [158] 160. Responsible Trader

No changes to rule text.

Rule [159] 161. Rule of the Clearing Corporation

No changes to rule text.

Rule [160] 162. Rule of the Exchange

No changes to rule text.

Rule [161] 163. Secretary

No changes to rule text.

Rule [162] 164. Security Future

No changes to rule text.

Rule [163] 165. Series of Options

No changes to rule text.

Rule [164] 166. Single Stock Future

No changes to rule text.

Rule [165] 167. Specifications Supplement

No changes to rule text.

Rule [166] 168. Standing Committees

No changes to rule text.

Rule [167] 169. Subject

No changes to rule text.

Rule [168] 170. Trading Hours

No changes to rule text.

Rule [169] 171. Trading Privilege Holder

No changes to rule text.

Rule [170] 172. Trading Privileges

No changes to rule text.

Rule [171] 173. Treasurer

No changes to rule text.

[Rule 172. Vice Chairman

The term "Vice Chairman" means the individual serving as vice chairman of the board of CBOE from time to time.]

Rule [173] 174. Vice President

No changes to rule text.

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Rule 201. Management by the Board

(a) CBOE, the sole limited liability company member of the Exchange, has vested the power to manage, operate and set policies for the Exchange exclusively in the Board. The Board shall consist of [the chairman, vice chairman, and president of CBOE, as the persons in the foregoing offices of CBOE may change from time to time, and] at least [four other] five individuals elected by CBOE. At least thirty-five percent of the directors on the Board shall be Public Directors. CBOE shall designate one of the directors on the Board to serve as Chairman of the Board. The individuals elected to the Board by CBOE and the director designated as Chairman of the Board by CBOE shall hold office for such term as may be determined by CBOE or until their respective successors are chosen. Members of the Board may be removed from, and substitute or additional members of the Board may be appointed to, the Board, at any time by CBOE. The Chairman of the Board may be removed from that position, and a different member of the Board may be designated as Chairman of the Board, at any time by CBOE. Each member of the Board is designated a "manager" of the Exchange within the meaning of the Delaware LLC Act.

(b) A "Public Director" is a member of the Board with the following qualifications:

(i) To qualify as a Public Director of the Exchange, an individual must first be found, by the Board, on the record, to have no relationship with the Exchange that reasonably could affect the independent judgment or decision making of the individual as a Public Director.

(ii) In addition, an individual shall not qualify as a Public Director if any of the following circumstances exist:

(A) The individual is, or was within the last year, an officer or employee of the Exchange or an officer or employee of any affiliate of the Exchange;

(B) The individual is, or was within the last year, a Trading Privilege Holder or an officer or director of a Trading Privilege Holder;

(C) The individual, or a firm with which the individual is an officer, director or partner, receives, or received within the last year, more than \$100,000 in combined annual payments from the Exchange, or any affiliate of the Exchange, for legal, accounting or consulting services. Compensation for services as a director of the Exchange or as a director of an affiliate of the Exchange does not count toward the \$100,000 payment limit, nor does deferred compensation for services prior to becoming a director, so long as such compensation is in no way contingent, conditioned or revocable.

(D) Any of the above relationships in this paragraph (b)(ii) apply to a member of the director's "immediate family," i.e., spouse, parents, children and siblings.

(iv) Public Directors of the Exchange may also serve as directors of Exchange affiliates if the individuals otherwise meet the definition of Public Director in this Rule 201(b).

(v) For purposes of this Rule 201(b), "affiliate" includes parents or subsidiaries of the Exchange or entities that share a common parent with the Exchange.

(vi) The Exchange shall disclose to the Commission which members of the Board are Public Directors, and the basis for those determinations.

[(b)] (c) Meetings of the Board shall be held at the principal place of business of the Exchange or at any other place that the Chairman of the Board may determine from time to time. Members of the Board may participate in such meetings by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such a meeting. The presence of at least 50% of the members of the Board shall constitute a quorum for the transaction of business; *provided* that members of the Board that are recused with respect to a particular issue nevertheless shall be deemed present for the purpose of determining the existence of a quorum. Board meetings shall be held in accordance with the schedule established by the Board. Special meetings of the Board may be called by the Chairman of the Board, and shall be called by the Secretary upon the written request of any two members of the Board. The Secretary shall give at least one hour's notice of such meetings to each member of the Board.

[(c)] (d) Decisions of the Board shall require the approval of a majority of the members of the Board voting at a meeting; *provided* that should the Board be unable to render a decision due to a tie in the vote, then CBOE, as the sole limited liability company member of the Exchange, may make the decision in lieu of the Board. The Board also may make decisions, without holding a meeting, in either of the following ways:

(i) - (ii) No changes to rule text.

[(d)] (e) The Board shall have the power by itself or through agents, and shall be authorized and empowered on behalf and in the name of the Exchange, to carry out all of the objects and purposes of the Exchange and to perform all acts and enter into and perform all acts and other undertakings that it may in its discretion deem necessary or advisable in that regard. A member of the Board acting individually in his or her capacity shall have the power to act for or bind the Exchange to the extent authorized to do so by the Board. The Chairman of the Board, the President and the Secretary have been designated as authorized persons, within the meaning of the Delaware LLC Act, to execute and file any amendments to, or restatements of, the Exchange's certificate of formation with the secretary of state of the State of Delaware and any applicable filings as a foreign limited liability company in any State where such filings may be necessary or desirable. The Board may confer upon any officer of the Exchange elected in accordance with the procedures described in paragraph (e) below, any of the powers of the Board.

[(e)] (f) The Board shall have the power to elect such officers of the Exchange as it may deem necessary or appropriate from time to time. All officers of the Exchange elected by the Board shall hold office for such terms as may be determined by the Board or until their respective successors are chosen. Any officer, other than the Chairman of the Board and the President, may be removed from his or her position as an officer of the Exchange at any time either with or without cause by the Chairman of the Board, the President or the affirmative vote of a majority of the members of the Board then in office. Each of the officers of the Exchange shall have the powers and duties prescribed by the Board and, unless otherwise prescribed by the Board, shall have such further powers and duties as ordinarily pertain to that office.

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Rule 206. Standing Committees

(a) - (c) No changes to rule text.

(d) Except as may be otherwise provided in the Constitutive Documents, and subject to the authority of the Board, each Standing Committee shall determine the manner, form and

time of conducting its proceedings. Each Standing Committee may act at a meeting, through a quorum composed of a majority of all its members then in office[, exclusive of ex officio members]; provided that a quorum shall not exist unless at least two members of any such Standing Committee are present; provided, further, that members of a Standing Committee that are recused with respect to a particular issue nevertheless shall be deemed present for the purpose of determining the existence of a quorum. The decision of a majority of those voting at a meeting at which a quorum is present shall be the decision of the Standing Committee. Any or all members of any Standing Committee may participate in any meeting thereof by conference telephone or similar communications equipment by means of which all members participating in such meeting can hear each other. Alternatively, each Standing Committee may act without a meeting in either of the following ways:

(i) - (ii) No changes to rule text.

(e) No change to rule text.

Rule 207. Executive Committee

The Executive Committee shall consist of the Chairman of the Board[, the President and the Vice Chairman] and one or more other members of the Board appointed by the Chairman of the Board with the approval of the Board. At least thirty-five percent of the directors on the Executive Committee shall be Public Directors. The Chairman of the Board shall be the Chairperson of the Executive Committee. The Executive Committee shall have and may exercise all of the powers and authority of the Board in the management of the business and affairs of the Exchange, except that it shall not have any power or authority to amend the Constitutive Documents, adopt any agreement of merger or consolidation, approve the sale, lease or exchange of all or substantially all of the Exchange's property and assets or approve the dissolution of the Exchange or a revocation of a dissolution.

Rule 208. Regulatory Oversight Committee

(a) The Regulatory Oversight Committee shall consist of at least two Public Directors appointed by the Chairman of the Board with the approval of the Board. All members of the Regulatory Oversight Committee must be Public Directors. The Chairman of the Board shall designate one of the members of the Regulatory Oversight Committee as the Chairperson of the Regulatory Oversight Committee with the approval of the Board. The Regulatory Oversight Committee shall have the authority granted by the Rules of the Exchange and the Board.

(b) The Regulatory Oversight Committee shall oversee the regulatory program of the Exchange on behalf of the Board of Directors. The Board shall delegate sufficient authority, dedicate sufficient resources, and allow sufficient time for the Regulatory Oversight Committee to fulfill its mandate.

(c) The Regulatory Oversight Committee shall:

(i) Monitor the regulatory program of the Exchange for sufficiency, effectiveness and independence;

(ii) Oversee all facets of the regulatory program of the Exchange, including trade practice and market surveillance; audits, examinations and other regulatory responsibilities with respect to Trading Privilege Holder organizations (including ensuring compliance with financial integrity, financial reporting, sales practice, recordkeeping and other requirements); and the conduct of investigations;

(iii) Review the size and allocation of the regulatory budget and resources of the Exchange; and the number, hiring and termination, and compensation of regulatory personnel of the Exchange;

(iv) Supervise the Chief Regulatory Officer, who will report directly to the Regulatory Oversight Committee, in relation to Exchange regulatory functions;

(v) Prepare an annual report assessing the self-regulatory program of the Exchange for the Board and the Commission, which sets forth the expenses of the regulatory program, describes its staffing and structure, catalogues disciplinary actions taken during the year, and reviews the performance of the Business Conduct Committee and its panels in relation to Exchange disciplinary matters;

(vi) Recommend changes that would ensure fair, vigorous and effective regulation; and

(vii) Review regulatory proposals and advise the Board as to whether and how such changes may impact regulation.

Rule [208] 209. Business Conduct Committee

The functions and responsibilities of the Business Conduct Committee shall be assumed by the business conduct committee of the CBOE, as appointed from time to time pursuant to CBOE Rule 2.1(a). The Business Conduct Committee shall have the authority and rights assigned to it in Chapter 7. The Business Conduct Committee may, in its discretion, designate a panel to act in its place for any and all actions with respect to a particular matter or particular types of matters (each such panel, a “BCC Panel”). Any such BCC Panel shall consist of no fewer than three members of the Business Conduct Committee, each of whom shall be appointed by the chairman of the Business Conduct Committee. At least one member of the Business Conduct Committee and of each BCC Panel shall be an individual who would qualify as a Public Director as defined in Rule 201(b)(ii). No group or class of industry participants shall dominate or exercise disproportionate influence on the Business Conduct Committee or any BCC Panel.

Rule [209] 210. Arbitration Committee

No changes to rule text.

Rule [210] 211. Appeals Committee

No changes to rule text.

Rule [211] 212. Exchange Committees; Special Committees of the Board

(a) The Exchange may create such Exchange committees as it may from time to time deem necessary or advisable. Members of such committees may be members of the Board, Trading Privilege Holders or general partners, shareholders or LLC members (as applicable) or officers or employees of Trading Privilege Holders, Authorized Traders or other individuals who are considered to be qualified, subject to any regulatory requirements. [If either the Chairman, Vice Chairman or President is not a member of an Exchange committee, then that individual shall be a non-voting *ex officio* member of such committee.] Except as may be otherwise provided in the Constitutive Documents, and subject to the authority of the Board, each such committee shall determine the manner, form and time of conducting its proceedings. The vote of a majority of the members of any such committee voting at a meeting at which a quorum is present shall be the act

of such committee. Alternatively, each such committee may act without a meeting in either of the following ways:

(i) - (ii) No changes to rule text.

(b) - (c) No changes to rule text.

Rule [212] 213. Power of the Board to Review Exchange Decisions

The Board shall have the power and authority to call for review, and to affirm, modify, suspend or overrule, any and all decisions and actions of Standing Committees, Exchange committees and special committees of the Board formed pursuant to Rules 206 through [211] 212; all officers of the Exchange appointed pursuant to Rule 205; and all other employees, representatives, or agents of the Exchange. Where applicable, this Board power and authority shall be subject to specific procedures set forth in the Rules of the Exchange.

Rule [213] 214. Confidentiality

(a) - (c) No changes to rule text.

(d) For purposes of this Rule [213] 214, the terms “employee,” “material information,” “non-public information,” “related commodity interest” and “commodity interest” shall have the meanings ascribed to them in Commission Regulation § 1.59 and the term “security” shall have the meaning ascribed to it in Section 3(a)(10) of the Exchange Act.

Rule [214] 215. Conflicts of Interest

(a) - (b) No changes to rule text.

(c) *Documentation.* The minutes of any meeting to which the conflicts determination procedures set forth in this Rule [214] 215 apply shall reflect the following information:

(i) the names of all members of the relevant deliberating body who attended such meeting in person or who otherwise were present by electronic means;

(ii) the name of any member of the relevant deliberating body who voluntarily recused himself or herself or was required to abstain from deliberations or voting on a matter and the reason for the recusal or abstention, if stated;

(iii) information on the position information that was reviewed for each member of the relevant deliberating body; and

(iv) any determination made in accordance with clause (iv) of paragraph (b) above.

Rule [215] 216. Regulatory Cooperation

No changes to rule text.

Rule [216] 217. Regulatory Services Agreement with NFA

No changes to rule text.

* * * * *

Rule 702. Complaint and Investigation

(a) Initiation of Investigation. The Exchange shall investigate possible violations within the disciplinary jurisdiction of the Exchange upon order of the Board, the Regulatory Oversight Committee, the Business Conduct Committee, the President or any other Exchange official designated by the President, or whenever there is a reasonable basis for the Exchange to investigate. The Exchange shall also investigate possible violations within the disciplinary jurisdiction of the Exchange upon receipt of a complaint, written or oral, alleging such violations made by a Trading Privilege Holder or by any other Person alleging injury as a result of such violations (the "Complainant"), provided such complaint specifies in reasonable detail the facts constituting the alleged violation. To assist the Exchange in investigating possible violations, the Complainant should sign written complaints or identify itself when making oral complaints, and also should identify the specific statutory provisions or Rules of the Exchange allegedly violated.

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Rule 710. Review

(a) (i) Petition. A Respondent and the Exchange shall each have the right, within 15 days after service of notice of a decision made pursuant to Rule 709, to petition for review of such decision by filing a copy of such petition with the Secretary and the other party to the hearing. Any such petition shall be in writing and shall specify the findings and conclusions to which exceptions are taken, together with reasons for such exceptions. Any objections to a decision not specified by written exception shall be considered to have been abandoned.

(ii) Written Submissions. Within 15 days after a petition for review has been filed with the Secretary pursuant to clause (i) above, the other party to the hearing may submit to the Secretary a written response to the petition. A copy of such response must be served upon the petitioner. A petitioner has 15 days from the service of the response to file a reply with the Secretary and the other party to the hearing.

(b) Conduct of Review. Any review shall be conducted by the Board, or a committee of the Board that includes at least one Public Director, whose decision must be ratified by the Board. Any director who participated in a particular matter before the Business Conduct Committee or any BCC Panel may not participate in any review of such matter by the Board. Unless the Board decides to open the record for the introduction of evidence or to hear additional arguments, such review shall be based solely upon the record and the written exceptions filed by the parties. In the course of a review pursuant to this Rule 710, new issues may be raised by the Board; provided that the Respondent shall be given notice of, and an opportunity to address, any such new issues. The Board may affirm, reverse or modify, in whole or in part, any decision of the Business Conduct Committee reviewed by it. Any such modification may include additional, lesser or different sanctions. Any decision of the Board pursuant to this Rule 710 shall be in writing, shall be promptly served on the Respondent, and shall be final.

(c) Review on Motion of Board. The Board may on its own initiative order review of any decision made pursuant to Rule 707 or 709 within 30 days after notice of the decision has

been served on the Respondent. Any such review shall be conducted in accordance with the procedures set forth in paragraph (b) above.

(d) Review of Decision Not to Initiate Charges. Upon application by the Regulatory Oversight Committee [President] within 45 [30] days from the date the Exchange serves the Subject with notice of a decision by the Business Conduct Committee [of any decision made] pursuant to Rule 704(a) not to initiate charges that have been recommended by Exchange staff, the Board may order review of such decision. Such review shall be conducted in accordance with the procedures set forth in paragraph (b) above, as applicable.

Exhibit B

(Amendments are shown with double-underlining for additions and ~~strike through~~ for deletions)

**THIRDFOURTH AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT**

OF

CBOE FUTURES EXCHANGE, LLC

THE UNDERSIGNED is executing this ~~Third~~Fourth Amended and Restated Limited Liability Company Agreement (this "Agreement") for the purpose of amending and restating the ~~Second~~Third Amended and Restated Limited Liability Company Agreement of CBOE Futures Exchange, LLC (the "Company"), dated as of ~~August 30, 2004~~February 18, 2005, pursuant to the provisions of the Delaware Limited Liability Company Act (6 Del.C. §§ 18-101, et seq.) (the "Act"), and does hereby certify and agree as follows:

Section 1. Name. The name of the Company shall be "CBOE Futures Exchange, LLC" or such other name as the Board of Directors (as defined below) may from time to time hereafter designate.

Section 2. Purpose. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act and engaging in any and all activities necessary or incidental to the foregoing.

Section 3. Offices. (a) The principal place of business and office of the Company shall be located at, and the Company's business shall be conducted from, such place or places as the Board of Directors may from time to time designate.

(b) The registered office of the Company in the State of Delaware shall be located at The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware shall be The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

Section 4. Member. The sole Member ("Member") of the Company is Chicago Board Options Exchange, Incorporated.

Section 5. Term. The term of the Company commenced on the date of filing of the Certificate of Formation of the Company in accordance with the Act and shall continue until dissolution of the Company in accordance with the Act or Section 12 of this Agreement.

Section 6. Management of the Company. (a) The sole Member hereby exclusively vests the power to manage, operate and set policies for the Company in a management board (the "Board of Directors"). ~~The sole Member has determined it is in the best interest of the Member and the Company that the~~ The Board of Directors of the Company shall consist of the chairman, vice chairman, and president of the Member, as the persons in the foregoing offices of the Member may change from time to time, and at least four other at least five individuals elected by the Members sole Member. At least thirty-five percent of the Directors on the Board of Directors shall be Public Directors. The sole Member shall designate one of the Directors on the Board to serve as Chairman of the Board of Directors. The individuals elected to

the Board of Directors by the sole Member and the Director designated as Chairman of the Board of Directors by the sole Member shall hold office for such term as may be determined by the sole Member or until their respective successors are chosen. The current members of the Board of Directors and the current Chairman of the Board of Directors are listed in Schedule A, which shall automatically be amended as the persons in the foregoing offices of the Member change from time to time and the other individuals on the Board of Directors and the Director serving as Chairman of the Board of Directors change from time to time. Directors may be removed from, and substitute or additional Directors may be appointed to, the Board of Directors, at any time by the sole Member. The Chairman of the Board of Directors may be removed from that position, and a different member of the Board may be designated as Chairman of the Board, at any time by the sole Member. Each Director is designated a "manager" of the Company within the meaning of the Act.

(b) A "Public Director" is a member of the Board of Directors with the following qualifications:

(i) To qualify as a Public Director of the Company, an individual must first be found, by the Board of Directors, on the record, to have no relationship with the Company that reasonably could affect the independent judgment or decision making of the individual as a Public Director.

(ii) In addition, an individual shall not qualify as a Public Director if any of the following circumstances exist:

(A) The individual is, or was within the last year, an officer or employee of the Company or an officer or employee of any affiliate of the Company;

(B) The individual is, or was within the last year, a Trading Privilege Holder (as such term is defined by the rules of the Company promulgated in accordance with the Commodity Exchange Act and the regulations thereunder) or an officer or director of such a Trading Privilege Holder;

(C) The individual, or a firm with which the individual is an officer, director or partner, receives, or received within the last year, more than \$100,000 in combined annual payments from the Company, or any affiliate of the Company, for legal, accounting or consulting services. Compensation for services as a director of the Company or as a director of an affiliate of the Company does not count toward the \$100,000 payment limit, nor does deferred compensation for services prior to becoming a director, so long as such compensation is in no way contingent, conditioned or revocable.

(D) Any of the above relationships in this paragraph (b)(ii) apply to a member of the Director's "immediate family," i.e., spouse, parents, children and siblings.

(iv) Public Directors of the Company may also serve as directors of Company affiliates if the individuals otherwise meet the definition of Public Director in this Section 6(b).

(v) For purposes of this Section 6(b), "affiliate" includes parents or subsidiaries of the Company or entities that share a common parent with the Company.

(vi) The Company shall disclose to the Commodity Futures Trading Commission which members of the Board of Directors are Public Directors, and the basis for those determinations.

(c) ~~(b)~~ Meetings of the Board of Directors shall be held at the principal place of business of the Company or at any other place that the Chairman of the Board of Directors may determine from time to time. Members of the Board of Directors may participate in such meetings by conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such a meeting. The presence of at least 50% of the Directors shall constitute a quorum for the transaction of business, provided that members of the Board that are recused with respect to a particular issue nevertheless shall be deemed present for the purpose of determining the existence of a quorum. Board meetings shall be held in accordance with the schedule established by the Board of Directors. Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors, and shall be called by the Secretary of the Company upon the written request of any two Directors. The Secretary shall give at least one hour's notice of such meeting to each Director.

(d) ~~(e)~~ Decisions of the Board of Directors shall require the approval of a majority of the Directors voting at a meeting; provided that should the Board of Directors be unable to render a decision due to a tie in the vote, then the sole Member may make the decision in lieu of the Board of Directors. The Board of Directors also may make decisions, without holding a meeting, in either of the following ways:

(i) The Board of Directors may make decisions by written consent of all of the Directors. Any such written consent may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts together constituting the same consent. Written consent also may be transmitted by means of "electronic transmission" as described in the Act.

(ii) The members of the Board of Directors may be individually polled to vote on issues (x) requiring prompt action or action prior to the next regularly scheduled Board meeting and (y) where the calling of a special Board meeting, in the opinion of the Chairman of the Board of Directors or the President of the Company, would be impractical. Any such poll may be conducted by telephone, by means of electronic transmission, and/or in person. An attempt shall be made to contact each Director in any such poll. A poll reaching at least 50% of the Directors shall be sufficient to constitute a quorum of the Board and the approval of a majority of the Directors voting in such a poll shall constitute requisite Board action, even if all Directors are not reached in connection with the poll. The results of any such poll shall be reported at the next physical meeting of the Board of Directors.

The Board of Directors may establish such other rules and procedures not inconsistent with the foregoing for its deliberations as it may deem necessary or desirable.

(e) ~~(d)~~ The Executive Committee of the Company shall consist of the Chairman of the Board of Directors of the Company, ~~the President of the Company and the Vice Chairman of the Company~~ and one or more other members of the Board of Directors appointed by the Chairman of the Board of Directors with the approval of the Board of Directors. At least thirty-five percent of the Directors on the Executive Committee shall be Public Directors. The Chairman of the Board of Directors shall be the Chairperson of the Executive Committee. The Executive Committee shall have and may exercise all of the powers and authority of the Board of Directors in the management of the business and affairs of the Company, except that it shall not have any power or authority to amend the certificate of formation of the Company or this

Agreement, each as amended or otherwise modified from time to time; adopt any agreement of merger or consolidation; approve the sale, lease or exchange of all or substantially all of the Exchange's property and assets; or approve the dissolution of the Company or a revocation of a dissolution.

(f) ~~(e)~~ The Board of Directors shall have the power by itself or through agents, and shall be authorized and empowered on behalf and in the name of the Company, to carry out all of the objects and purposes of the Company and to perform all acts and enter into and perform all acts and other undertakings that it may in its discretion deem necessary or advisable in that regard, in each case in accordance with the provisions of this Agreement. A Director acting individually in his or her capacity shall have the power to act for or bind the Company to the extent authorized to do so by the Board of Directors. The Chairman of the Board of Directors, the President and the Secretary are each hereby designated as authorized persons, within the meaning of the Act, to execute and file any amendments to, or restatements of, the Certificate of Formation with the Secretary of State of the State of Delaware and any applicable filings as a foreign limited liability company in any State where such filings may be necessary or desirable. The Board of Directors may confer upon any officer of the Company elected in accordance with paragraph (f) below, any of the powers of the Board of Directors set forth in this Agreement.

(g) ~~(f)~~ ~~The Chairman of the Board of Directors~~ The President of the Company shall be the individual serving as the ~~Chairman of the Board of Directors of the Member from time to time, the Vice Chairman of the Company shall be the individual serving as the Vice Chairman of the Member from time to time and the President of the Company shall be the individual serving as the President of the~~ President of the sole Member from time to time. The Board of Directors shall have the power to elect such other officers of the Company as it may deem necessary or appropriate from time to time. All officers of the Company elected by the Board of Directors shall hold office for such term as may be determined by the Board of Directors or until their respective successors are chosen. Any officer, other than the Chairman of the Board of Directors, ~~the Vice Chairman~~ and the President, may be removed from office at any time either with or without cause by the Chairman of the Board of Directors, the President or the affirmative vote of a majority of the Directors then in office. Each of the officers of the Company shall have the powers and duties prescribed by the Board of Directors and, unless otherwise prescribed by the Board of Directors, shall have such further powers and duties as ordinarily pertain to that office.

Section 7. Liability; Indemnification. (a) The sole Member, any Director or any officer, employee or agent of the Company (including a person having more than one such capacity) shall not be personally liable for any expenses, liabilities, debts or obligations of the Company solely by reason of acting in such capacity, except as otherwise provided by the Act.

(b) The Company shall, to the full extent permitted by law, indemnify any person who is or is threatened to be, made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was the Member, a Director, officer, or member of a committee of the Board of Directors or the Company, or is or was serving at the request of the Company as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, for, and hold each such person harmless against, any and all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided that such indemnification shall not apply to any such person if a court of competent jurisdiction has made a final determination that such claim resulted directly from the gross negligence, bad faith or willful misconduct of such person.

(c) Persons not expressly covered by paragraph (b) of this Section 7, such as those (i) who are or were employees or agents of the Company, or are or were serving at the request of the Company as employees or agents of another corporation, partnership, joint venture, trust or other enterprise, or (ii) who are or were directors, officers, employees or agents of a constituent corporation absorbed in a consolidation or merger in which the Company was the resulting or surviving corporation, or who are or were serving at the request of such constituent corporation as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise, may be indemnified to the extent authorized at any time or from time to time by the Board of Directors.

(d) The indemnification provided or permitted by this Section 7 shall not be deemed exclusive of any other rights to which those indemnified may be entitled by law or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

(e) The provisions of this Section 7 shall be deemed to be a contract between the Company and each Director, officer or member of a committee of the Board of Directors or the Company who serves in any such capacity at any time while this Section 7 is in effect, and any repeal or modification of any applicable law or of this Section 7 shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

Section 8. Capital Contributions. The sole Member may make capital contributions to the Company in such amounts and at such times as it deems necessary or appropriate in its sole discretion.

Section 9. Assignment of Member's Interest. The sole Member may assign all, but not part, of its interest to any of its affiliates.

Section 10. Distributions. Distributions of cash or other assets of the Company shall be made at such time and in such amounts as the sole Member, by itself or through a power of attorney, or the Board of Directors may determine.

Section 11. Return of Capital. The sole Member has no right to receive, but the Board of Directors has absolute discretion to make, any distributions to the sole Member which include a return of all or any part of the sole Member's capital contribution; provided that upon the dissolution of the Company, the assets of the Company shall be distributed as provided in Section 18-804 of the Act.

Section 12. Dissolution. The Company shall be dissolved and its affairs wound up and terminated upon the determination of the Board of Directors or upon the consent of the sole Member to dissolve the Company. Such dissolution and winding up shall be carried out in accordance with the Act.

Section 13. Fiscal Year. The fiscal year of the Company shall be the twelve month period ending on December 31 of each year.

Section 14. Amendments. This Agreement may be amended only upon the written consent of the sole Member.

Section 15. Governing Law. This Agreement and the rights and obligations of the parties hereto shall be subject to, and governed by, the laws of the State of Delaware.

IN WITNESS WHEREOF, the undersigned has duly executed this ~~Third~~Fourth
Amended and Restated Limited Liability Company Agreement as of ~~February~~ April 26,
~~2005-2010~~.

Chicago Board Options Exchange, Incorporated,
a Delaware non-stock corporation

By:

William J. Brodsky, Chairman &
Edward J. Joyce
President and Chief Executive Operating Officer

(This Schedule reflects the CFE directors to take office under CFE's Fourth Amended and Restated Operating Agreement, subject to the required Public Director qualification determinations by CFE's Board of Directors pursuant to Section 6(b) of the Agreement)

SCHEDULE A

BOARD OF DIRECTORS

Names

Edward Tilly, Chairman

Lawrence Blum

Michael Gorham, Public Director

Gerald McNulty

Israel Nelken, Public Director