

Celtic Brokerage Inc.

*Futures Commission Merchants
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25 February 2007

Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090
Attn: Nancy M. Morris, Secretary
RE: File No.: SR-CBOE-2006-106
BY E-MAIL: rule-comments@sec.gov

SUBJECT: Proposed rule change SR-CBOE-2006-106

Ladies and Gentlemen:

I have been a Full member of the Chicago Board of Trade since 1976.

By way of the Proposed Rule Change, the CBOE is attempting to confiscate an equity right, set aside in CBOE's Articles of Incorporation, the Chicago Board of Trade members have as founders of an Exchange that was solely the product of the envisagement, capital funding, and effort of the Chicago Board of Trade and its members.

The Proposed Rule change should be rejected or deferred for the following reasons:

1. The Proposed Rule change is an attempt by CBOE to manipulate the regulatory process of Exchange rule changes to legitimize their attempt to extricate themselves from contractual obligations made with Chicago Board of Trade members by preempting a lawsuit filed against them in the Delaware courts.
2. The Proposed Rule change is untimely in that the proposed merger between the Chicago Board of Trade and CME Holdings, Inc. has not taken place, may change materially, or may never take place.
3. The Proposed rule change constitutes a breach of contract that is the subject of pending litigation in a Delaware court of equity. The potential damages project into billions of dollars. Until this matter is adjudicated, a Rule Change approval would only serve to obfuscate and legitimize a rule that's sole purpose is to enrich members of the CBOE to the detriment of Chicago Board of Trade members.

I urge members of the Commission to consider the transparent attempt by CBOE to manipulate the regulatory system requesting a rule change that is completely unrelated to protection of market integrity, and to postpone or deny the Rule Change.

Respectfully submitted,

John F. McKerr

President, Celtic Brokerage, Inc.

