

**IMPORTANT MEMORANDUM**

**TO:** All Exchange Members

**FROM:** Department of Financial  
and Sales Practice Compliance

**DATE:** [January 15, 2002](#)

**SUBJECT:** FOCUS REPORT (Form X-17A-5)  
[2001 Year-End Filing](#)  
[Due March 1, 2002](#)

**EXCHANGE  
CONTACTS:** Jason Sit (312) 786-7784  
[Marc Gutwein \(312\) 786-7754](#)

Under SEC Rule 17a-10(a)(1) every registered broker-dealer is required to file FOCUS Report X-17A-5 Part IIA and Schedule I for the calendar year ended [December 31, 2001](#).

Enclosed you will find a FOCUS Report Part IIA and Schedule I. EVERY EXCHANGE MEMBER AND MEMBER ORGANIZATION registered with the SEC as a broker-dealer and whose designated examining authority is the CBOE, must file FOCUS Report Part IIA and Schedule I thereto for calendar year [2001](#) no later than [March 1, 2002](#), with the Exchange's Department of Financial and Sales Practice Compliance.

The CBOE will compile the data and forward a computer file containing the data for all members to the Securities and Exchange Commission.

In an effort to reduce processing time and errors in the preparation of FOCUS filings, the CBOE has entered into an agreement with the Chicago Board of Trade and the Chicago Mercantile Exchange to utilize WinJammer, an electronic FOCUS filing system. CBOE members have the option of using WinJammer, which provides for the direct electronic submission of FOCUS reports to the CBOE. This program eliminates the need for a paper copy filing. WinJammer is a personal computer program, which requires the installation of WinJammer software and a Personal Identification Number diskette ("PIN" disk). The software and PIN disk will be provided by the CBOE upon a member's completion of the WinJammer Software License Agreement and PIN Agreement (enclosed). The Department must receive all license agreements, no later

than [February 13, 2002](#) in order to ensure you will receive the software in time to meet the [March 1, 2001](#) deadline. If you have any questions regarding WinJammer, and/or would like to request the WinJammer software and PIN disk, please contact Jason Sit at (312) 786-7784, or [Marc Gutwein at \(312\) 786-7754](#) with the Department of Financial and Sales Practice Compliance on the [23rd floor of 111 W. Jackson](#).

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### **WinJammer Version 3.0.0 System Requirements:**

In order to run **WinJammer 3.0.0** you must be running Windows 95, Windows 98, [Windows 2000](#), or Windows NT.

It is highly recommended that you use at least a 486 computer with 16 MB of RAM. Additionally, if the computer you are using has only 4 MB of RAM it is suggested that you shut down all other applications to improve performance. Specific instructions are listed in the Quick Start Guide or the Internet Transmission instructions which are provided with the WinJammer software.

In order to obtain a copy of the WinJammer software along with the instructions, please contact Jason Sit at (312) 786-7784 or [Marc Gutwein at \(312\) 786-7754](#) with the Department of Financial and Sales Practice Compliance on the [23<sup>rd</sup> Floor of 111 W. Jackson](#). For technical questions related to WinJammer's installation and use, please contact [Winjammer Support at \(312\) 786-7035](#) or [Sundar Narayanan at \(312\) 786-8338](#).

A number of clearing firms have indicated that they would be providing assistance to their Members for year-end FOCUS completion and/or electronic FOCUS filing. For information regarding the services offered, please contact your respective clearing firm.

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### **Filing Fees:**

A twenty-five dollar (\$25) filing fee was initiated on June 5, 1991 (Regulatory Circular RG91-39) to partially recover FOCUS report processing costs.

On September 19, 1998, the Board of Directors approved a rule to raise the FOCUS filing fee to **\$100** for those CBOE market-makers who make their annual FOCUS filing by **hard copy**. The Exchange has provided members the opportunity to file their FOCUS reports electronically through the WinJammer system. Because the Exchange is able to review and process filings much quicker if they are submitted electronically, the Exchange did not change the fees for those market-makers who submit their annual FOCUS report electronically. The FOCUS filing fee for **electronic filers**, therefore, will remain **\$25**.

If the FOCUS is filed electronically no later than [March 1, 2002](#), your account at your clearing firm will be charged \$25. If the FOCUS is filed in paper form no later than [March 1, 2002](#), your account at your clearing firm will be charged \$100. If you do not have an active clearing firm account, please submit a check, including your broker-dealer number, made payable to the CBOE, to the Department of Financial and Sales Practice Compliance, no later than [March 1, 2002](#).

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### **Filing Requirements:**

It should be noted that every member and member organization registered with the SEC as a broker/dealer for which the Exchange has regulatory responsibility must file a FOCUS Report Form X-17A-5 Part IIA and Schedule I. Therefore, if you are a nominee and a registered broker/dealer, you must submit a separate FOCUS Report Form X-17A-5 Part IIA and Schedule I for your personal broker-dealer activity. Your member organization must also submit these reports for the firm's activities. In addition if you terminated your broker/dealer registration during [2001](#) and did not already submit a terminating FOCUS to the Department of Financial and Sales Practice Compliance, you are required to file it by [March 1, 2002](#).

### **ATTENTION: CBT Exercisers and Lessors**

Even if you did not execute any trades on the CBOE during calendar year [2001](#), if you have a broker/dealer registration with the SEC you are still required to file the FOCUS Report Form X-17A-5 Part IIA and Schedule I.

### **Please Note:**

In filling out FOCUS Form X-17A-5 and Schedule I, it is very important that the following points be observed:

1. Your filing must be accurate. You may wish to consult your accountant for assistance in satisfying your filing obligations.
2. All entries should pertain to your business as a broker/dealer. You need not list assets, liabilities or revenue derived outside your broker/dealer activity.
3. Line 12 (Total Assets) on page one (1) must equal line 25 (Total Liabilities and Ownership Equity) on page two (2).

4. The form must be signed (unless filing electronically) and must contain your broker/dealer number (SEC file number).
5. Please be aware that it is your ultimate responsibility to file the FOCUS Report. Although your clearing firm may provide assistance with regard to completing the FOCUS Report, it is your responsibility to make sure your FOCUS Report is filed with the Department of Financial and Sales Practice Compliance on or before [March 1, 2002](#).

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**Late Filing Fines:**

In accordance with CBOE Rule 17.50(g)(2), any member who fails to file Form X-17A-5 and Schedule I for calendar year [2001 by March 1, 2002](#) shall be subject to the following fines:

<u>DAYS LATE</u>	<u>AMOUNT</u>
1-30	\$200
31-60	\$400
61-90	\$800

**Repeated failure to file FOCUS Report Form X-17A-5 and Schedule I in a timely manner will be referred to the Exchange's Business Conduct Committee as will a failure to file more than ninety (90) days late.**

If you are unsure as to whether you are required to file or have any questions, please contact Jason Sit at (312) 786-7784 or [Marc Gutwein at \(312\) 786-7754](#) with the Department of Financial and Sales Practice Compliance on the [23rd floor of 111 W. Jackson](#).