



Regulatory Circular RG04-76

To: Members and Member Organizations

From: Regulatory Services Division

Date: June 25, 2004

Re: Anti-Money Laundering ("AML") Compliance Programs: Educational Sessions and Extension of Time to Submit Documents

This Regulatory Circular supplements Regulatory Circular RG 04-57 ("RG 04-57"). Please note that the requirements of the USA PATRIOT Act ("PATRIOT Act") apply to ALL broker dealers, (which include all Independent Market-Makers, Floor Brokers and Sole-Proprietors with an effective broker-dealer registration). CBOE Rule 4.20 memorializes in CBOE rules requirements that are already applicable to members by virtue of the federal law. In an effort to assist our members in complying with the requirements of this federal law and the corresponding CBOE rule, the Regulatory Division issued RG 04-57, which included a short form template (to assist members in preparing a written Anti-Money Laundering Compliance Program) and a certification (to demonstrate to the Exchange that all necessary requirements have been fulfilled), for use by Small-Firm and Sole Proprietor members.

Extension of Time to Submit Documents

RG 04-57 indicates that *certain firms* (see NOTE at end of this circular) are required to submit (1) the "Broker-Dealer Attestation" and (2) their Anti-Money Laundering Compliance Program (which may rely upon the "Short Form Template") by June 30, 2004. Because a number of members have raised questions about these forms, the Regulatory Services Division ("Division") is **extending the deadline for submitting these forms to August 31, 2004**. Please keep in mind that this extension does not relieve members of their obligation to comply with the requirements of the USA PATRIOT Act ("PATRIOT Act") and CBOE Rule 4.20 in the meantime, including the obligation to have procedures in place to review for suspicious financial activity.

Educational Sessions

To assist members in understanding their obligations under the PATRIOT Act and to help members fill out the requisite forms, a representative from the Regulatory Division will be conducting three educational sessions in the 4th floor auditorium at the following times:

Monday, June 28th

11:30-12:30	4 th floor auditorium
3:30-4:30	4 th floor auditorium

Wednesday, June 30th

11:00 – 12:00	4 th floor auditorium
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NOTE: The requirement to submit an attestation as required by RG 04-57 is applicable to CBOE members and member firms that are not subject to an annual examination by the CBOE's Department of Financial and Sales Practice Compliance and that (1) have an effective broker-dealer registration; (2) do not conduct a non-member customer business; and (3) do not receive customer funds or customer securities. Those CBOE member firms and members which are net capital computing, do conduct a non-member customer business

and/or receive customer funds or customer securities are not required to complete the attestation but instead will be subject to an examination by CBOE's Department of Financial and Sales Practice Compliance to verify their compliance with the provisions of the PATRIOT Act and CBOE Rule 4.20.

Members with questions about this circular may contact Kristine Donnelly at (312) 786-7904.