



Regulatory Circular RG11-022

Date: February 4, 2011
To: Trading Permit Holders
From: Department of Regulated Entities
Department of Member Firm Regulation

Re: **SUMMARY OF 2010 YEAR-END REGULATORY
REPORTING REQUIREMENTS**

1) OE-418 (ITSFEA) Form

Contact Pat Sizemore at (312) 786-7752 or sizemore@cboe.com
Department of Regulated Entities

2) FOCUS Report Part IIA (CBOE) and Schedule I

Contact Mike LaGioia at (312) 786-7728 or lagioia@cboe.com, Don Sitarz at (312) 786-7414 or sitarz@cboe.com, or Leo Rutkowski at (312) 786-7749 or rutkowski@cboe.com
Department of Member Firm Regulation

3) Anti-Money Laundering Compliance Program

Contact Tyson Wilson at (312) 786-7011 or wilsont@cboe.com or Dan Sieracki at (312) 786-7167 or sieracki@cboe.com
Department of Member Firm Regulation

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Contact SIPC directly at (202) 371-8300

OE- 418 (ITSFEA) Form

Exchange Rule 4.18 requires every TPH, to establish, maintain and enforce written policies and procedures reasonably designed to prevent the misuse of material nonpublic information by the TPH or persons associated with the TPH. The Exchange has created a set of forms to assist individuals and small organizations to generally meet the record keeping requirements of the Rule. You must meet the following guidelines to solely use the OE-418 forms:

- 1) Individual TPH with no employees
- 2) Individual TPHs who employ no more than 3 non-TPH employees
- 3) TPH organizations with no more than 3 nominees and which employ no more than 6 non-TPH employees.

Please note the definition of “non-TPH employee” has been clarified to include all associated persons. The term "person associated with a broker or dealer" or "associated person of a broker or dealer" means any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such broker or dealer, or any employee of such broker or dealer, except that any person associated with a broker or dealer whose functions are solely clerical or ministerial shall not be included in the meaning of such term for purposes of section 15(b) (other than paragraph (6) thereof).

Forms, which are due by March 1, 2011 are available on the website at <http://www.cboe.org/GeneralInfo>, or if you wish to receive the form via email please contact Pat Sizemore at sizemore@cboe.com

Questions regarding the forms can be directed to Pat Sizemore of the Department of Regulated Entities at (312) 786-7752.

FOCUS Report Part IIA (CBOE) and Schedule I

Due Date: March 1, 2011

Fees: Filing fees have been eliminated
(Note: Fines are assessed for filing after March 2, 2009)

Requirements: Every TPH registered with the SEC as a broker/dealer for which the Exchange is the Designated Examining Authority ("DEA") and does not file FOCUS monthly must file a FOCUS Report Form X-17A-5 Part IIA (CBOE) and Schedule I.

Please Note:

- If you are a nominee and a registered broker/dealer, you must submit a separate FOCUS Report Form X-17A-5 Part IIA (CBOE) and Schedule I for your personal broker-dealer activity. Your TPH must also submit forms for its activities.
- Even if you did not execute any trades during calendar year 2010, you are still required to file the FOCUS and Schedule I if you are a registered broker/dealer and CBOE is your DEA.

FOCUS Reports and Schedule I may be filed either in hard copy or electronically via the web-based WinJammer application. In order to file electronically CBOE needs you to provide the following information: Broker-Dealer Name, Tax Identification Number, designated filer Name, Phone Number and Email Address. Please provide this information to one of the individuals listed below. Upon receipt of this information you will receive a Winjammer Quickstart guide, and a user id and temporary password.

You may obtain copies of paper FOCUS Report Forms X17A-5 Part IIA and Schedule I forms at the following web address: <http://www.cboe.org/GeneralInfo>

Questions regarding FOCUS can be directed to Mike LaGioia at (312) 786-7728, Don Sitarz at (312) 786-7414, or Leo Rutkowski at (312) 786-7749 of the Department of Member Firm Regulation.

Anti-Money Laundering (AML) Compliance Program

Every TPH registered with the SEC as a broker/dealer for which the Exchange is the DEA and who does not file FOCUS monthly is required to demonstrate compliance with CBOE Rule 4.20 by submitting the following:

- Name of the broker dealer's designated AML Compliance Officer
- A copy of the broker dealer's AML supervisory procedures, approved in writing
- Evidence of continuing AML training for appropriate associated persons
- A copy of the independent review letter for the broker dealer's AML program

If these documents were submitted in 2010 and no changes to your procedures were made since the submission, you will only be required to submit evidence of continuing

training and a copy of the 2010 independent review letter if no review was conducted in calendar year 2009. See the following regulatory circulars for more detail.

Copies of RG11-009 and RG11-010 can be found within the Regulatory Circular archive of the Legal Site: <http://www.cboe.org/legal/crcIReg.aspx>

Questions regarding AML compliance can be directed to Tyson Wilson at (312) 786-7011 or Dan Sieracki at (312) 786-7167 of the Department of Member Firm Regulation.

SIPC

As you are aware, in March 2009, SIPC changed the manner in which they calculate and collect their assessment. SIPC forms and any assessments are now due twice a year. Please contact SIPC directly if you have any questions at (202) 371-8300.