CBOE Regulatory Circular RG12-024
C2 Regulatory Circular C2-RG12-008

TO: CBOE, CBSX and C2 Trading Permit Holders

FROM: Department of Regulated Entities

DATE: February 1, 2012

RE: Annual ITSFEA Rule 4.18 Filing

CBOE and C2 Exchange Rules 4.18 require every Trading Permit Holder ("TPH") and every TPH Organization of CBOE, CBSX and of C2 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 Exchanges have created a set of forms to assist individuals and small organizations to generally meet the record keeping requirements of these Rules. TPHs must meet the following guidelines to solely use the OE-418 forms:

1) Individual TPHs with no employees

2) Individual TPHs who employ no more than 3 non-TPH employees

3) TPH organizations with no more than 3 nominees/registered for 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, 2012, are available on the CBOE TPH 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.