

MEMORANDUM

To: Senior Registered Options Principals
Compliance Registered Options Principals
Registration Managers

From: Department of Compliance

Date: July 15, 1994

Re: Filing of Uniform Termination Notices for Securities Industry Registration

This memorandum is designed to inform all member organizations currently conducting a non-member public customer options business of their obligations pursuant to CBOE Rule 9.3(b)- Registration and Termination of Representatives. The Rule has recently been revised to state that a Uniform Termination Notice for Securities Industry Registration ("Form U-5") must be filed with the Exchange's Department of Compliance within thirty (30) days after a registered person's termination. This filing requirement is applicable with respect to any discharge or termination of employment of a registered person - not just termination for cause. Also, an amended U-5 must be filed with the Exchange's Department of Compliance within thirty (30) days after the member organization learns of facts or circumstances causing any information set forth in a U-5 to become inaccurate or incomplete. The member organization must also concurrently provide a copy of the U-5 or Amended U-5 to the registered person within the above time parameter.

The revised Rule also states that each member organization will no longer be required to provide a hard copy U-5 or Amended U-5 to the Exchange's Department of Compliance provided a hard copy or electronic filing is made in a timely manner with the NASAA/NASD Central Registration Depository ("CRD").

The Exchange has received access to all U-5s and Amended U-5s filed with the NASD, via an electronic link. It is anticipated that this non-filing requirement with the Exchange will result in a substantial cost savings in copying, handling and mailing fees for our member firms.

Please be advised that each member firm will still be responsible for reporting directly to the Exchange, matters meeting the parameters of CBOE Rule 4.9 - Disciplinary Action by Other Organizations which states as follows:

Every member shall promptly notify the Exchange in writing of any

disciplinary action, including the basis therefor, taken by any national securities exchange or association, clearing corporation, commodity futures market or government regulatory body against the member or its associated persons, and shall similarly notify the Exchange of any disciplinary action taken by the member itself against any of its associated persons involving suspension, termination, the withholding of commissions or imposition of fines in excess of \$2,500, or any significant limitation on activities.

Questions concerning this circular should be directed to Barry J. Szurgot at (312) 786-7756.