

## Regulatory Circular RG96-54

DATE: June 4, 1996

TO: Members and Member Firm Organizations

FROM: Department of Market Regulation

RE: Member Disclosure of Outside Investment Accounts

This Regulatory Circular is being issued to remind the Membership of their reporting responsibilities as required under Exchange Rules 8.9, and 23.15.

Exchange Rule 8.9(a) requires any member who is registered as a Market-Maker to file with the Exchange and keep current a list identifying all outside accounts used for trading stock, options and related securities in which a member maintains a beneficial interest, controls trading activities, or exercises investment discretion. Any account used for investment purposes separate from a market-maker business is considered a reportable account. **It is the responsibility of the member, not the firm that carries the account, to disclose this information**. The opening of a new account or the closing of an existing account must be reported to the Exchange's Department of Market Regulation within five business days. Form OE-8.9(a), which is to be used to identify such accounts, is attached to this circular but can also be obtained from the Department of Market Regulation on the 7th floor.

In order to satisfy the additional order reporting requirements as set forth in Exchange Rule 8.9(b), the Exchange recommends that members authorize the firms which maintain their outside accounts to supply the Department of Market Regulation with duplicate confirmation and monthly account statements.

It should be noted that Exchange Rule 23.15 supplements Rule 8.9 and similarly requires Market-Makers trading and/or holding positions in Interest Rate Options (IRX/LTX) or any of this product's underlying or related securities or futures, to follow the same instructions given above.

Any questions concerning this memorandum can be directed to Steve Slawinski at (312) 786-7744 or Phil Bianco at (312) 786-7720.

MARKET MAKER REPORT OF ACCOUNTS, RULES 8.9 and 23.15  
(See Instructions on Reverse Side)

NAME:

\_\_\_\_\_

ACRONYM:

\_\_\_\_\_

TYPE OF REPORT: \_\_\_\_\_ NEW OR EXISTING ACCOUNT

\_\_\_\_\_ CLOSED ACCOUNT

ACCOUNT

NAME: \_\_\_\_\_

ACCOUNT NUMBER:

\_\_\_\_\_

LOCATION OF ACCOUNT (Carrying Firm)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

IF ACCOUNT IS NOT IN YOUR NAME, DESCRIBE RELATIONSHIP WITH ACCOUNT:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

For additional accounts please use another form

## INSTRUCTIONS

1. This report must be initially filed and subsequently updated by any Exchange member who is registered as a market maker and has a reportable account. This includes a nominee market maker, a market maker who is registered for a member organization as well as an independent market maker.
2. Market maker accounts which are maintained for a market maker by a market maker clearing firm need not be reported on this form.
3. Accounts to be reported include those in which a market maker individually, directly or indirectly, controls trading activities, and in which CBOE options and underlying or related securities or futures are traded. Underlying securities with respect to Interest rate options include U.S. Treasury bills, notes and/or bonds.
4. Related securities with respect to stock options include warrants, convertible bonds and any other securities which are convertible into or exchangeable for any underlying stock. Related securities and futures with respect to Interest rate options include Government securities futures, options on Government securities futures and Government securities and Interest rate options. Related securities with respect to Interest rate options also include over the counter options.
5. The opening of a new account or the closing of an existing account must be reported within five business days.
6. This report must be filed with the Department of Regulation on the 7th floor immediately after a reportable account is opened or closed.
7. Any question pertaining to this Form or the reporting requirements of Rule 8.9 should be directed to the Department of Market Regulation attention Steve Slawinski (312) 786-7744 or Phil Bianco (312) 786-7720.