

Information Circular IC06-08

DATE: January 13, 2006

TO: All Members

FROM: Department of Accounting
Department of Member Firm Regulation
Department of Market Regulation

RE: SUMMARY OF 2005 YEAR-END REGULATORY REPORTING REQUIREMENTS

1) SIPC

Contact Ermer Love at (312) 786-7032 or lovee@cboe.com
Accounting Department

2) OE-418 (ITSFEA) Form

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

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

Contact Mike LaGioia at (312) 786-7728 or lagioia@cboe.com or Tyson Wilson at (312) 786-7011 or wilsont@cboe.com
Department of Member Firm Regulation

4) Anti-Money Laundering Compliance Program

Contact Mike LaGioia at (312) 786-7728 or lagioia@cboe.com or Tyson Wilson at (312) 786-7011 or wilsont@cboe.com
Department of Member Firm Regulation

SIPC

SIPC will be collected through members trading accounts at their clearing firms. If you are a lessor and a registered Broker-Dealer and do not have an account at a member firm, you will need to file a SIPC 4 form and pay the minimum assessment of \$150, which is due by January 31, 2006. Forms can be obtained from and sent to Ermer Love at the CBOE. Any SIPC checks should be made payable to SIPC. Questions regarding SIPC should be directed to Ermer Love of the Accounting Department at (312) 786-7032.

OE- 418 (ITSFEA) Form

Due Date: March 1, 2006

Exchange Rule 4.18 requires every member, other than a lessor, to establish, maintain and enforce written policies and procedures reasonably designed to prevent the misuse of material nonpublic information by the member or persons associated with the

member. 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 members with no employees
- 2) Individual members who employ no more than 3 non-member employees
- 3) Member organizations with no more than 3 nominees/registered for and which employ no more than 6 non-member employees.

You may access the ITSFEA form from the following web address:

<https://www.cboe.org/GeneralInfo>. All instructions including the form submittal fax number and mailing address can be found on the form.

You may also obtain copies of the form and direct any questions to Pat Sizemore of the Department of Market Regulation at sizemore@cboe.com or at (312) 786-7752.

FOCUS Report Part IIA (CBOE) and Schedule I

Due Date: March 1, 2006

Fees: Electronic filing \$50

Paper filing \$150

(Note: Fines are assessed for filing after March 1, 2006)

Please note: The exchange will charge your clearing firm account for the filing fees. If you do not have an active clearing firm account, please submit a check to the Department of Market Regulation no later than March 1, 2006.

Requirements: Every member and member organization registered with the SEC as a broker/dealer for which the Exchange has regulatory responsibility 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 member organization must also submit forms for its activities.
- If you are a CBT exerciser or lessor and have a broker/dealer registration with the SEC, you are required to file the FOCUS and Schedule I, even if you did not execute any trades during calendar year 2005.

To Obtain Winjammer Version 4.0.7 Software: Download the software from www.wjammer.com. Complete and sign the "Individual" or "Firm" "WinJammer Software License Agreement and PIN Agreement" and send it to Mike LaGioia or Tyson Wilson - Department of Member Firm Regulation no later than **February 20, 2006.**

You may obtain copies of FOCUS Report Forms X-17A-5 SCHEDULE I and X-17A-5 PART IIA at the following web address: <https://www.cboe.org/GeneralInfo>.

Questions regarding FOCUS can be directed to Mike LaGioia at (312) 786-7728 or Tyson Wilson at (312) 786-7011 of the Department of Member Firm Regulation.

Anti-Money Laundering (AML) Compliance Program

All registered broker dealers (including sole proprietors) are 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 written AML supervisory procedures
- Evidence of continuing AML training for all associated persons
- A copy of the annual independent review letter for the broker dealer's AML program

If these documents were submitted in 2005 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 annual independent review letter. A regulatory circular will be issued explaining these requirements in more detail.

Copies of RG06-006 and RG06-007 can be found within the Regulatory Circular archive of the Legal Site: <https://www.cboe.org/legal/crcIReg.aspx>

Questions regarding AML compliance can be directed to Mike LaGioia at (312) 786-7728 or Tyson Wilson at (312) 786-7011 of the Department of Member Firm Regulation.