

DATE: August 8, 2002

TO: Members and Member Organizations

FROM: Division of Regulatory Services

SUBJECT: Integration of CBOE Registrations into Web CRD<sup>®1</sup>

EXCHANGE  
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This memorandum is to advise Exchange members and member organizations of a change in the filing procedures for Forms U-4 and U-5.<sup>2</sup> The Exchange has established an agreement with NASD to allow CBOE member organizations that are not NASD members to register associated persons electronically with the CBOE through NASD's Web CRD System, as CRD Participants.

The CBOE believes that this revision to the current registration process will benefit those persons seeking and/or maintaining registrations with the CBOE in that it will no longer be necessary to make hard copy filings to the Exchange and will allow the Exchange to facilitate our members' longstanding requests for expanded registration of associated persons not actively engaged in customer business. Further, all registration and disclosure data will be consolidated into one database – Web CRD, thus allowing member firms, easier, online access to their firm's associated persons' records. In addition, this agreement will establish a method to allow registered persons to be notified and satisfy the Continuing Education Regulatory Requirement pursuant to CBOE Rule 9.3A.

**Any Exchange members or member organizations, who are not members of NASD, with associated persons currently holding a registration with CBOE will be required to re-file Form U-4 through NASD's Web CRD system by no later than September 20, 2002. The filings are made electronically through the Internet, after securing a user account and entitlement to Web CRD. Failure to re-file Form U-4 with Web CRD by September 20, 2002 may result in the administrative termination of those individuals' registrations with the CBOE and may result in the need to re-qualify through examination. After this date, Exchange members and member organizations will be required to file initial Forms U-4 and U-5 on behalf of their registered persons through NASD's Web CRD system.<sup>3</sup>**

The Exchange will be providing specific instructions concerning the methods required to re-register with CBOE through NASD's Web CRD system to all member firms with associated persons currently holding CBOE registrations. Please contact Barry Szurgot or Emily Schmitz as noted above if your firm requires additional forms and/or instructions.

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<sup>1</sup> NASD maintains the qualification, employment, and disclosure histories of the more than half a million registered securities employees of member firms through the automated, electronic Web Central Registration Depository (CRD<sup>®</sup>) system.

<sup>2</sup> Form U-4 is the "Uniform Application for Securities Industry Registration or Transfer;" Form U-5 is the "Uniform Termination Notice for Securities Industry Registration".

<sup>3</sup> The changes do not affect the filing requirement for Exchange Membership. A hard copy Form U-4 and U-5 for Members should continue to be submitted to the Exchange's Membership Department.