



Regulatory Circular RG10-03

IMPORTANT MEMORANDUM

TO: Members

FROM: Department of Member Firm Regulation

DATE: January 4, 2010

SUBJECT: FOCUS REPORT (Form X-17A-5)
2009 Year-End Filing
Due **MARCH 1, 2010**

EXCHANGE CONTACTS: Mike LaGioia (312) 786-7728
Don Sitarz (312) 786-7414
Leo Rutkowski (312) 786-7749

Every registered broker-dealer is required by SEC rule¹ to file FOCUS Report X-17A-5 and Schedule I for the calendar year ended December 31, 2009.

Enclosed you will find FOCUS Report Part IIA (CBOE) and Schedule I. Every Exchange member and member organization registered with the SEC as a broker-dealer whose designated examining authority is the CBOE and who does not file FOCUS monthly, must file a FOCUS Report Part IIA (CBOE) **and** Schedule I for calendar year 2009 no later than **MARCH 1, 2010** with the Exchange's Department of Member Firm Regulation.

The CBOE will compile the data and forward a computer file containing the data to the Securities and Exchange Commission.

In an effort to reduce processing time and errors in the preparation of FOCUS filings, the CBOE has entered into an agreement with Chicago Mercantile Exchange Holdings, Inc, and the National Futures Association to utilize Winjammer, an electronic FOCUS filing system. CBOE members are encouraged to file electronically with the CBOE using WinJammer.

¹ SEC Rule 17a-10(a)(1).

Beginning in January 2010, broker-dealers will be able to submit statements through a new WinJammer application. Some highlights of the new application include:

- Application is web based so you no longer will need to install WinJammer on a computer.
- Transmissions to regulators will be handled by the application when you indicate the statement is ready for submission eliminating the need for you to send emails with attachments.
- Application uses a Universal Signer Authorization Agreement (PIN agreement) so that once an individual is approved as a signer they will be able to submit statements to any regulator that is part of WinJammer under this one agreement. This also eliminates the need for PIN numbers as your WinJammer ID and password will be tied to the authorization form.

Part of the setup of this new application involves the DEA (or DSRO for FCMs) adding broker-dealers and an initial security manager for the firm. The security manager will be the individual who will initially access the WinJammer site to add other users should you so desire, and set their access level.

To begin this process CBOE needs you to identify the individual who will fill this role, and provide us with the following information:

- Broker-Dealer Name
- Tax Identification Number
- Security Manager Name
- Phone Number
- Email Address

Please provide this information to one of the individuals listed at the bottom of this circular. Once the information is obtained, CBOE will be contacting the security manager and providing details on how to add additional users and set their access level, as well as instructions on how to create and submit statements. For technical questions related to WinJammer's installation and use, please consult the instructions on the WinJammer website (www.wjammer.com).

The "old" way of filing FOCUS Reports, if you already have the pc-based WinJammer software loaded on your system, will still be available for the first two to three months of 2010.

Filing Fees: FOCUS Filing Fees have been eliminated beginning 1/1/2010
(Fines for late filing still apply, please see below)

Filing Requirements:

Every member and member organization registered with the SEC as a broker-dealer for which the Exchange is the Designated Examining Authority and does not file monthly FOCUS reports (i.e. is not capital computing) is required to file FOCUS Report Form X-17A-5 Part IIA (CBOE) and Schedule I. Therefore, if you are a nominee of a broker-dealer and have an individual broker-dealer registration, two FOCUS filings must be made, one for your individual broker-dealer registration, and one for the firm.

ATTENTION: Lessors and Temporary Members

Even if you did not execute any trades on the CBOE during calendar year 2009, if you have a broker-dealer registration with the SEC, you are still required to file FOCUS Report Form X-17A-5 Part IIA (CBOE) and Schedule I.

Please Note:

In completing FOCUS Report Form X-17A-5 and Schedule I, it is very important that the following points be observed:

1. Your filing must be accurate. You may wish to consult your accountant for assistance in satisfying your filing obligations.
2. All entries should pertain to your business as a broker-dealer. You need not list assets, liabilities or revenue derived outside your broker-dealer activity.
3. Line 12 (Total Assets) on page one (1) must equal line 25 (Total Liabilities and Ownership Equity) on page two (2).
4. The form must be signed (unless filing electronically) and must contain your broker-dealer number (SEC file number beginning with "8-").
5. Please be aware that it is your ultimate responsibility to file the FOCUS Report and Schedule I. Although your clearing firm may provide assistance with regard to completing the FOCUS Report, it is your responsibility to make sure your FOCUS Report and Schedule I are accurate and filed with the Department of Member Firm Regulation on or before **MARCH 1, 2010.**

Please note that this circular also applies to lessors and other individuals who may not necessarily be actively trading but are still registered broker-dealers.

Late Filing Fines:

In accordance with CBOE Rule 17.50(g)(2), any member who fails to file Form X-17A-5 and Schedule I for calendar year 2009 by **MARCH 1, 2010** will be subject to the following fines:

<u>DAYS LATE</u>	<u>AMOUNT</u>
1-30	\$200
31-60	\$400
61-90	\$800

A failure to file by June 1, 2010 will be referred to the Exchange's Business Conduct Committee. The Business Conduct Committee may take whatever action it deems appropriate under the circumstances in addition to the fines noted above.

If you are unsure as to whether you are required to file or have any questions, please contact Mike LaGioia at (312) 786-7728 or lagioia@cboe.com, Donald Sitarz at (312) 786-7414 or sitarz@cboe.com, or Leo Rutkowski at (312) 786-7749 in the Department of Member Firm Regulation.