

## **CBOE Regulatory Circular RG14-027**

### **C2 Regulatory Circular RG14-007**

**Date:** February 28, 2014

**To:** CBOE and C2 Trading Permit Holders

**From:** Regulatory Services Division

**RE:** Annual Reporting Pursuant to CBOE/C2 Rule 9.8 - Supervision of Accounts

Trading Permit Holder (“TPH”) organizations that conduct a non-Trading Permit Holder customer business are reminded that CBOE/C2 Rule 9.8(g),<sup>1</sup> requires that each TPH organization submit to the Exchange a written report by April 1 of each year detailing the TPH organization’s supervision and compliance effort during the preceding year as well as reporting on the adequacy of the TPH organization’s ongoing compliance processes and procedures. Each TPH organization that conducts a public customer options business shall also specifically include its options compliance program in the report.

In addition, CBOE/C2 Rule 9.8(h) requires that each TPH organization submit, by April 1 of each year, a copy of the CBOE/C2 Rule 9.8(g) annual report to its one or more control persons or, if the TPH organization has no control person, to the audit committee of its board of directors or its equivalent committee or group.

CBOE/C2 Rule 9.8(g) provides that a TPH organization that specifically includes its options compliance program in a report that complies with substantially similar requirements of FINRA will be deemed to have satisfied the requirements of Rules 9.8(g) and 9.8(h), however, TPH organizations are still required to file the report with CBOE.

TPH organizations may submit the required report to the Department of Member Firm Regulation, Chicago Board Options Exchange, 400 South LaSalle Street, Chicago, IL 60605.

#### **Additional Information:**

For additional details on the report requirements, please refer to CBOE/C2 Rule 9.8. Questions concerning this Regulatory Circular can be directed to the Regulatory Interpretations and Guidance line at (312) 786-8141 or [RegInterps@cboe.com](mailto:RegInterps@cboe.com).

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<sup>1</sup> CBOE Rule 9.8 is incorporated into Chapter 9 of the C2 Rules.