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# Weekly Industry Checkpoint Call

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November 10, 2020

# Agenda

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- Production Statistics
- Options Exchange Linkage Updates
- General Announcements and Reminders
- Upcoming Key Dates
- Q&A

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# Production Statistics

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# Equities Compliance Statistics

## November 2 – November 6, 2020

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Product Type	Firm Count	Total Weekly Aggregate Accepted Count	Late %	Initial Rejection %	Initial Intrafirm Unlinked %	Initial Interfirm Sent Unlink %	Initial Interfirm Received Unlink%	Initial Exchange Unlink %	Initial TRF Unlink %	Initial Error %	Adjusted Error %
Equities	1,161	84,427,605,253	.5418%	.0049%	.0055%	.6824%	1.4459%	.5770%	1.1625%	.9296%	.7845%

# Equities – Rolling Five Day Period Intervenue T+3 Error Corrections Rate October 29 – November 4, 2020

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Trade Date	UNLINKED %							
	Interfirm Sent Initial	Interfirm Sent Adjusted (T+3)	Interfirm Received Initial	Interfirm Received Adjusted (T+3)	Exchange Initial	Exchange Adjusted (T+3)	TRF Initial	TRF Adjusted (T+3)
10/29/2020	3.2683%	.7327%	1.4728%	.0920%	.7066%	.6782%	1.6923%	1.4831%
10/30/2020	.2473%	.2275%	.1436%	.0832%	2.4975%	.5925%	1.2948%	1.1086%
11/2/2020	.4745%	.2506%	.4315%	.1019%	.7037%	.6913%	1.0860%	1.0161%
11/3/2020	.2793%	.2773%	.1134%	.1056%	.5063%	.4908%	1.1064%	1.0548%
11/4/2020	.7656%	.7645%	.6335%	.6248%	.5532%	.5491%	1.2394%	1.2115%

# Options – Production Statistics

## November 2 – November 6, 2020

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Product Type	Firm Count	Total Weekly Aggregate Accepted Count	Late %	Initial Rejection %	Initial Intrafirm Unlinked %	Initial Error %	Adjusted Error %	Initial Interfirm Sent Unlink %	Initial Interfirm Received Unlink%	Initial Exchange Unlink %
Options	679	6,693,852,486	1.9533%	.0028%	.3365%	2.1592%	2.1570%	.2551%	2.8765%	33.9558%

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# Options Exchange Linkage Updates

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# Observations on Options Exchange Route Matching

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- Sender IMID is now the largest source of forward errors. It is necessary for Industry Members to work directly with each exchange to ensure both the IM and the exchange are reporting the same IMID to CAT.
  - Note the IMID is any SRO-assigned identifier and is not necessarily the MPID.
- Sender IMID mismatches are occurring on routes to the Miami Option exchanges, since many IMID values include a trailing space. FINRA CAT strips the trailing spaces on the IM data but not on the participant side resulting in the unlinked errors. MIAX is working on a change to remove the trailing spaces from sender IMID codes on the CAT submissions. This change is tentatively scheduled for November 13, 2020.
- Firms are getting named errors from NASDAQ option exchanges due to an internal system route happening at the exchange. The original routing party is being sent on the internal route event, so FINRA CAT is attempting linkage. **Update: This issue is scheduled to be resolved on November 30, 2020 in the Test Environment and December 7, 2020 in the Production Environment.**
- Option floor trades effected on the CBOE floor are resulting in named errors. CBOE and FINRA CAT are aware of the issue and are working toward a resolution.
- Option floor trades effected on the ARCAOP and AMEROP floors are resulting in named errors. NYSE Options and FINRA CAT are aware of the issue and are working toward a resolution.



# FINRA CAT File Submission and Data Integrity

## Open Issues List – As of 11/10/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Open	N/A	FINRA CAT is incorrectly marking New Order Supplements as late that were submitted on a subsequent date to update an FDID of 'PENDING'. DeMinimis impact to Daily Compliance Rate and Report Cards.	Code Release	Medium	Update: 12/1/2020	Update: 12/14/2020	Statistics
2	Open	N/A	Successful file delete submissions are incorrectly getting counted in the rejected files count in the statistics. Does not impact Compliance Error Rate.	Code Release	Low	To be scheduled	To be scheduled	Statistics
3	Open	N/A	FINRA CAT is incorrectly accepting timeInForce of GTD without a valid date.	Code Release	Medium	Update: 1Q 2021	Update: 1Q 2021	Ingestion Feedback & Statistics

# FINRA CAT Linkage

## Open Issues List – As of 11/10/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Open	N/A	Parent not found and Named errors that are reconciled continue to be displayed as 'U' (Unrepaired) in Error Summary & Error Search screens. Feedback & Reporting Summary statistics are not impacted by this issue.	Code Release	High	Update: Currently evaluating alternative approach	Update: Currently evaluating alternative approach	Error Summary & Error Search Reporter Portal
2	Open	3601	Out of Sequence Errors that are caused by an incorrect Time Stamp on the parent event are not being properly reconciled when the parent Time Stamp is corrected. Repaired counts and Adjusted Unlinked Rate are impacted by this issue.	Code Release	High	4Q 2020	4Q 2020	Intrafirm Statistics
3	Open	Multiple	Parent not found errors are being generated for open option orders when the option symbol changes due to corporate action.	Code Release	Medium	4Q 2020	4Q 2020	Intrafirm Linker Feedback & Statistics
4	Open	N/A	FINRA CAT is incorrectly providing Route/Accept unlinked feedback to small firms not required to report until 2d.	Code Release	Medium	Update: Interfirm & Exchange – 11/10/2020 Trade – 11/30/2020	Update: Interfirm & Exchange – 11/10/2020 Trade – 12/7/2020	Interfirm Exchange Trade Linker Feedback
5	Open	8003 8004 6003 7004	FINRA CAT is generating Unlinked Error Codes for order events containing the handlingInstruction "SR". These will be excluded from linkage feedback when a matching routed order ID is not found.	Code Release	Medium	11/30/2020	12/7/2020	Interfirm Exchange Linker Feedback

# FINRA CAT Open Issues List – Planned Enhancements

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date	Production Environment Targeted Release Date	Area
1	Open	2133	For Name/Value Pair Data type fields, providing a value that is not in allowable values list returns error code 2133 (Additional Field) instead of error code 2101 (Missing or Invalid timeInForce).	Code Release	Low	To be scheduled	To be scheduled	Ingestion Validations
2	Open	2122	Incorrect error code is generated when an array field (e.g., clientDetails) is provided as a Name/Value pair.	Code Release	Low	To be scheduled	To be scheduled	Ingestion Validations
3	Open	2027	Incorrect error code is being generated when eventTimestamp is a future date (2027 – eventTimestamp must be in the correct format instead of 2139 – eventTimestamp is greater than the current date and time).	Code Release	Low	To be scheduled	To be scheduled	Ingestion Validations
4	NEW-Open	8003 8004 9003 9004	FINRA CAT will accept destinationType and senderType value of 'O' for route and accept events. Such events will be excluded from linkage feedback when routedOrderID is not found. Subsequent enhancement will enforce validation of allowable value 'O' only for events reported in OTC equity symbol of a foreign security.	Code Release	Medium	12/1/2020	12/14/2020	Interfirm Linkage Feedback

# FINRA CAT Recently Closed Issues List

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Closed	7004 5004	FINRA CAT is generating unlinked named errors for exchange and TRF linkages in cases when the IM event occurred between 4:15pm and midnight and is not reported to CAT by 8am on the following business day. Does not impact Compliance Error Rate.	Code Release	Medium	10/26/2020	10/26/2020	Exchange Trade Linker Feedback
2	Closed	6017 7018 6019 7020	FINRA CAT is adding additional error codes to support Exchange Linkage: <ul style="list-style-type: none"> <li>• 6017 destination did not match</li> <li>• 7018 Named - destination did not match</li> <li>• 6019 receiverIMID did not match</li> <li>• 7020 Named - receiverIMID did not match</li> </ul>	Code Release	Medium	11/10/2020	11/10/2020	Exchange Linker Feedback
3	Closed	4013 5014	FINRA CAT is adding additional error codes to support TRF Linkage: <ul style="list-style-type: none"> <li>• 4013 CATReporterIMID did not match</li> <li>• 5014 Named - CATReporterIMID did not match</li> </ul>	Code Release	Medium	11/10/2020	11/10/2020	Trade Linker Feedback
4	Closed	7004	FINRA CAT is generating unlinked named errors for GTC order restatements on NASDAQ (Exchange linkages only). Does not impact Compliance Error Rate.	Code Release	High	11/10/2020	11/10/2020	Exchange Linker Feedback
5	Closed	5004	FINRA CAT is generating unlinked named errors on the 4 <sup>th</sup> processing day for late submitted or corrected TRF trade reports (TRF linkages only). Does not impact Compliance Error Rate.	Code Release	High	11/10/2020	11/10/2020	Trade Linker Feedback

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# General Announcements and Reminders

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# Announcements

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- The Weekly Industry Testing Checkpoint Call scheduled for November 24, 2020 is cancelled.
- The October 2020 Industry Member Compliance Report Cards will be published on November 16, 2020. Linkage statistics under compliance on October 26, 2020 will be added to the November Report Card as it will be the first full month of compliance.
- On Thursday, December 16, 2020 FINRA CAT will host an industry webinar to provide an overview of the November 2020 Industry Member Compliance Report Card with addition of Interfirm, Exchange and TRF reporting statistics.

# Latest Updates

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- The updated Phase 2a/2b, Phase 2c and Phase 2d Industry Member Technical Specifications were published on November 6, 2020.
- The Phase 2a/2b and Phase 2c Reporting Scenarios documents were published on November 6, 2020.

# Reminders

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- On June 29, 2020, new versions of the Options Start of Day and End of Day symbol files were introduced to include the Test Option Series flag identifying options test symbols.
- Existing versions of the files without the test flag will continue to be available until December 14, 2020, when they will be retired. Firms that use these files should plan to transition to the new versions prior to that time.
- Workstations running end-of-life operating systems will be blocked from accessing CAT applications effective Monday, December 7, 2020. After that date, users will not be able to access CAT applications with the affected system until it is upgraded to a supported version of the operating system. All impacted users have been sent notification emails.
- On Tuesday, November 17, 2020 at 9:30 am ET, Consolidated Audit Trail, LLC and FINRA CAT, LLC will host an industry webinar focused on two topics. One part of the webinar will focus on the transition from Phase 2a/2b to Phase 2c CAT reporting as it relates to schema changes, timing and other related issues. The second part of the webinar will focus on the November 2020 updates to the Phase 2a/2b, Phase 2c and Phase 2d Industry Member Technical Specifications.



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# Upcoming Key Dates

# Upcoming Key Dates for Release 2a/2b

Topic	Event	Date
Industry Call: Industry Testing Checkpoint	Weekly Industry Testing Checkpoint Calls on Tuesdays at 4:15 pm ET	Tuesdays, until further notice
Compliance Go-Live	Compliance Go-Live for Options Phase 2b Interfirm and Exchange Compliance Date	January 4, 2021

# How to Ask a Question during Today's Call

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- **For participants using computer audio:**
  - Click the “Raise Hand” button at the bottom of the participants window.
  - A visual prompt will indicate that your line has been unmuted.
- **For participants using phone audio:**
  - Enter \*9 on your phone keypad.
  - An audio prompt will indicate that your line has been unmuted.

# FINRA CAT Helpdesk

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Questions may be directed to the FINRA CAT Helpdesk at 888-696-3348 or [help@finracat.com](mailto:help@finracat.com)