
Monthly CAT Implementation Update

October 21, 2021

Agenda

- State of the CAT
- CAT NMS Plan, Exemptive Relief and Interpretive Updates
- Technical Specifications Updates
- CAIS/LTID Reporting
- Compliance
- Upcoming Industry Webinars and Other Updates
- Q&A

State of the CAT

Upcoming Key Date

Topic	Event	Date
Compliance Go-Live	Production Go-Live for 2d reporting requirements	December 13, 2021

Compliance dates are listed in the [Timeline](#)

Equities – Rolling Five Day Period

Initial T+1 vs. T+5 8 am Data Ready for Regulators

September 23, 2021 – October 6, 2021

Trade Date	Late%	Rejection Initial	Rejection Adjusted	Intrafirm Initial	Intrafirm Adjusted	Interfirm Sent Initial	Interfirm Sent Adjusted	Interfirm Received Initial	Interfirm Received Adjusted	Exchange Initial	Exchange Adjusted	TRF Initial	TRF Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
9/23/2021	.0398%	.0025%	.0002%	.0048%	.0035%	.0168%	.0006%	.0999%	.0060%	.0016%	.0016%	1.7672%	1.7327%	.0621%	.0450%
9/24/2021	.0752%	.0019%	.0001%	.0078%	.0049%	.0220%	.0006%	.2843%	.0659%	.0008%	.0007%	1.8023%	1.7597%	.1237%	.0889%
9/27/2021	.4608%	.0016%	.0001%	.0048%	.0033%	.0232%	.0005%	1.3986%	.0079%	.0021%	.0007%	2.2982%	2.2302%	.6504%	.4664%
9/28/2021	.0002%	.0011%	.0001%	.0023%	.0016%	.0125%	.0014%	.0277%	.0153%	.0026%	.0014%	1.5778%	1.5531%	.0095%	.0049%
9/29/2021	.0002%	.0013%	.0001%	.0027%	.0022%	.0133%	.0013%	.0172%	.0039%	.0015%	.0014%	1.5420%	1.5130%	.0086%	.0038%
9/30/2021	1.4248%	.0013%	.0002%	1.0184%	.0020%	1.0163%	.0020%	2.4296%	.0050%	.0019%	.0017%	1.5709%	1.5383%	2.4846%	1.4284%
10/1/2021	.0206%	.0054%	.0048%	.0696%	.0671%	.0468%	.0458%	.0380%	.0273%	.0640%	.0640%	1.6073%	1.5868%	.0943%	.0905%
10/4/2021	.0006%	.0030%	.0000%	.0350%	.0006%	.0290%	.0032%	.0174%	.0061%	.0018%	.0018%	2.1819%	2.1581%	.0341%	.0042%
10/5/2021	.0036%	.0043%	.0002%	.0505%	.0008%	.0371%	.0014%	.0182%	.0037%	.0012%	.0012%	1.7729%	1.7082%	.0492%	.0067%
10/6/2021	.1695%	.0034%	.0002%	.0426%	.0007%	.3560%	.0362%	.0157%	.0045%	.0011%	.0011%	1.6488%	1.6227%	.2477%	.1765%

Options – Rolling Five Day Period

Initial T+1 vs. T+5 8 am Data Ready for Regulators

September 23, 2021 – October 6, 2021

Trade Date	Late%	Rejection Initial	Rejection Adjusted	Intrafirm Initial	Intrafirm Adjusted	Interfirm Sent Initial	Interfirm Sent Adjusted	Interfirm Received Initial	Interfirm Received Adjusted	Exchange Initial	Exchange Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
9/23/2021	10.6408%	.0045%	.0026%	.0661%	.0072%	.0486%	.0398%	.0698%	.0076%	.0134%	.0126%	10.6955%	10.6527%
9/24/2021	.0089%	.0036%	.0028%	.0066%	.0059%	.0512%	.0422%	.0790%	.0114%	.0117%	.0116%	.0226%	.0202%
9/27/2021	.0001%	.0021%	.0013%	.0063%	.0035%	.0497%	.0411%	.0758%	.0177%	.0100%	.0098%	.0114%	.0078%
9/28/2021	.0011%	.0508%	.0499%	.0085%	.0053%	.0493%	.0408%	.2398%	.1168%	.0126%	.0123%	.0644%	.0600%
9/29/2021	.0477%	.0493%	.0478%	.0118%	.0051%	.0510%	.0437%	.3117%	.1886%	.0153%	.0150%	.1138%	.1063%
9/30/2021	.0058%	.0646%	.0635%	.0092%	.0057%	.0506%	.0424%	.0671%	.0111%	.0143%	.0140%	.0825%	.0782%
10/1/2021	.0001%	.0489%	.0484%	.0079%	.0069%	.0580%	.0557%	.0618%	.0495%	.0149%	.0146%	.0603%	.0588%
10/4/2021	.0032%	.0488%	.0478%	.0065%	.0042%	.0533%	.0413%	.0814%	.0127%	.0307%	.0302%	.0677%	.0642%
10/5/2021	.0025%	.0318%	.0308%	.0055%	.0055%	.0549%	.0455%	.0850%	.0240%	.0143%	.0138%	.0444%	.0423%
10/6/2021	.0001%	.0777%	.0762%	.0073%	.0072%	.0533%	.0459%	.0853%	.0303%	.0300%	.0176%	.0937%	.0874%

CAT NMS Plan, Exemptive Relief and Interpretive Updates

Exemptive Request Letters

- ▶ On September 13, 2021, the Plan Participants submitted to the SEC a [request for temporary exemptive relief](#) from the requirement set forth in Sections 9.1 and 9.3 of the CAT NMS Plan to create a unique CAT Customer-ID (“CCID”) for Customers who do not have a social security number (“SSN”), individual taxpayer identification number (“ITIN”) or employer identification number (“EIN”) (collectively, “Foreign Customers”) until July 31, 2023 in order to conduct a study and implement any related technical changes to the CAT System.
- ▶ On September 13, 2021, the Plan Participants submitted to the SEC a [request for exemptive relief](#) from the requirement in Section 6.4(d)(ii)(C) of the Plan and the Phased Reporting Exemption for Industry Members to report Customer addresses at the Customer level to the CAT beginning in Phase 2e. As a condition to this relief, the Participants would require Industry Members to report account mailing address to the CAT and to optionally report Customer address, if it is available and different than the account mailing address.

New FAQs

- ▶ Three Transaction [FAQs](#) published since the last Monthly CAT Implementation Update (September 9, 2021).
 - B75 clarifies the Phase 2d requirement to capture and report the date and time an Industry Member received a request from a customer or another Industry Member to modify or cancel an order.
 - K19 clarifies that starting in Phase 2d, Industry Members must use the 'PBG' *handlingInstructions* value on options orders events when the limit price is based on option Greeks or another formula based on market conditions.
 - K20 clarifies the reporting requirements for the *pairedOrderID* field.
- ▶ Four CAIS [FAQs](#) published since the last Monthly CAT Implementation Update (September 9, 2021).
 - Q51 clarifies how Industry Members should populate the *roleStartDate* field if it did not record the date on which the Customer entered the specified role.
 - Q52 addresses how Industry Members should populate the “end date” fields when an event triggers the closure of an account.
 - Q53 was added to clarify how account transfers between broker-dealers should be reflected in CAIS.
 - Q54 clarifies how to populate the 'ADDRESS1' value if the FDID is based on a relationship that represents multiple customers with different addresses and the addresses are maintained at the customer level.

Updated FAQs

- ▶ Twenty-one Updated Transaction [FAQs](#) published since the last Monthly CAT Implementation Update (September 9, 2021).
 - FAQ B53 was updated to include examples of account transfers that are not reportable to CAT.
 - FAQ D23 was updated to clarify the *accountHolderType* requirements when the FDID represents a Relationship ID.
 - FAQs K5 and K14 were updated to clarify that Buy/Writes must be reported as multi-leg orders starting in Phase 2d.
 - FAQ K2 was updated to clarify the definition of “Paired Option Order”.
 - FAQ U22 was updated to state that certain allocations to average price accounts of an Introducing Broker required in Phase 2c will become optional starting in Phase 2d.

Updated FAQs

- The follow FAQs were updated to conform with the retirement of OATS:
 - A19, B3, B5, E1, F2, I1 and I9
- The following FAQs in Section M were updated to clarify guidance on masking requirements for FDIDs:
 - M1, M2, M3, M6, M10, M12, M14 and M16

Technical Specification Updates

Technical Specification & Reporting Scenarios Updates

▶ Transaction Technical Specifications:

- Updated versions (clean and redline) of the Phase 2d [Technical Specifications](#) were published on October 8, 2021
- Corresponding [Schema](#) for v4.0.0 r11 was published on October 8, 2021
- Updates were highlighted during the October 12, 2021 [CAT Technical Specification Working Group Q&A](#)

▶ Transaction Reporting Scenarios:

- Updated versions (clean and redlined) of the Phase 2d [Reporting Scenarios](#) were published on September 21, 2021

CAIS/LTID Reporting

CAT Customer and Account Information



The LTID reporting requirement for Small Industry Members starts on December 13, 2021

CAIS Updates

- ▶ Updated versions (clean and redlined) of the [Customer and Account Technical Specifications for Industry Members v2.0 r5 – CCID Phase](#) were published on October 8, 2021
 - Updates were highlighted during the October 19, 2021 [CAT CAIS Technical Specification Working Group Q&A](#)
- ▶ Updated versions (clean and redlined) of the [CAT CAIS Industry Member Reporting Scenarios v2.1 - CCID Phase \(“Full CAIS”\)](#) were published on September 21, 2021
- ▶ An updated version of the [Industry Member CAIS Onboarding Guide](#) was published on October 5, 2021
- ▶ Upcoming CAIS Webinars:
 - The next [Monthly CAIS/LTID Industry Testing Checkpoint Call](#) is November 3, 2021
- ▶ Recently Posted CAIS Webinar Recordings and Presentations:
 - [CAT CAIS Technical Specification Working Group Q&A](#) (September 21, 2021)
 - [CAT CAIS Technical Specification Working Group Q&A](#) (October 5, 2021)
 - [Monthly CAIS/LTID Industry Testing Checkpoint Call and Full CAIS Certification Webinar](#) (October 6, 2021)

Transition from LTID to Full CAIS

- ▶ On October 19, 2021, the SROs published [CAT Alert 2021-04-Transitioning from LTID Account Phase to Full CAIS Phase](#)
 - This CAT Alert describes how Industry Members must transition from the LTID Account Phase of CAIS reporting to Full CAIS (Phase 2e) of CAIS reporting for data and Transformed Identifier (TID) submissions
- ▶ For more details, please see the [October 13, 2021 LTID to Full CAIS Cutover](#) webinar

Compliance

Industry Member Report Card Updates

- ▶ The September 2021 Industry Member Transaction and CAIS Report Cards were published on October 15, 2021

- ▶ Other Resources:
 - [Industry Member Report Card- Known Issues List](#)
 - [CAIS Compliance Glossary](#)
 - CAIS Monthly Report Card Glossary
 - CAIS Daily Stats Glossary
 - [Transaction Compliance Glossary](#)
 - Industry Member Compliance Report Card Glossary
 - Daily Compliance Error Rate
 - August 20, 2020 [Industry Member Compliance Report Card Webinar](#)
 - December 16, 2020 [Industry Member Report Card Webinar](#)
 - February 24, 2021 [Industry Member Report Card 101 Webinar](#)
 - March 23, 2021 [Industry Member Report Card – Reporting Scenario Examples](#)
 - June 9, 2021 [Industry Member CAIS Report Card Webinar](#)

Upcoming Industry Webinars and Other Updates

Industry Webinars

- ▶ Upcoming:
 - The next [Industry Testing Checkpoint Call](#) will be held on October 26, 2021 at 4:15 pm ET
- ▶ Recently posted Webinar Recordings and Presentations:
 - [Phase 2d Cutover](#) (September 14, 2021)
 - CAT Costs and Funding:
 - [CAT Costs](#) (September 21, 2021)
 - [CAT Funding](#) (September 22, 2021)
 - Transaction Checkpoint Calls:
 - [Industry Testing Checkpoint Call](#) (September 14, 2021)
 - [Industry Testing Checkpoint Call](#) (September 28, 2021)
 - [Industry Testing Checkpoint Call](#) (October 12, 2021)

Phase 2d Coordinated Industry Tests

- The lists of participating IMIDs from the three previous tests are posted to the CAT website
- The next Phase 2d coordinated industry test is on CAT Trading Day Friday, October 29, 2021
 - Participation in the industry tests is optional, but all Industry Members are encouraged to participate
 - Please refer to [CAT Alert 2021-03](#) for additional information

<u>Test Number</u>	CAT Trading Day of the Coordinated Industry Test	Data Due to Industry Test	List of Participating IMIDs Posted as Reference Data on the CAT Website
4	10/29/21	By 8 am on 11/1/21	By 9 am on 11/3/21
5	11/12/21	By 8 am on 11/15/21	By 9 am on 11/17/21
6	11/26/21	By 8 am on 11/29/21	By 9 am on 12/1/21

Other General Updates

- ▶ Updated versions of the following documents have been published:
 - [Order Routing Field Mapping between CAT and Exchanges](#) to update the ARCAOP Pillar Migration date
 - [Option Exchanges Trade Field Mapping](#) to include mapping tables for existing UTP platform prior to the ARCAOP Pillar Migration
 - Updated [CAT Alert 2021-03-Phase 2d: Transitioning from Phase 2c and Coordinated Industry Tests](#) to address linkage issues due to fields retired in Phase 2d
 - Updated [Transition Support: Schema Changes to Existing Phase 2c Events](#) to include the 'MAX' *handlingInstruction* value

FINRA CAT Helpdesk

Questions may be directed to the FINRA CAT Helpdesk at 888-696-3348 or help@finracat.com

Q&A

How to Ask a Question during Today's Call

- **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.