
Monthly CAT Update

August 23, 2022

Agenda

- CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates
- Transaction Technical Specifications Updates
- CAIS Reporting Updates
- Compliance Updates
- Upcoming Industry Webinars and Other Updates
- Q&A
- Appendix- Transaction Production Statistics

CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates

Transaction Interpretive Updates

New FAQs

- ▶ There are no new Transaction [FAQs](#).
- ▶ 5 Transaction [FAQs](#) were updated:
 - FAQ [U16](#) was updated to note that the *accountHolderType* field is required on allocation events effective July 11, 2022, and addresses how to populate that field on optionally reported allocation events.
 - FAQ [C5](#) provides further clarification regarding when to use the 'O' value (market making) for *accountHolderType*.
 - FAQs [F5](#), [F6](#), and [F7](#) were updated to reflect the temporary conditional exemptive relief granted by the SEC on July 8, 2022.

Transaction Technical Specifications Updates

2022–23 IM Releases – Scope and Schedule

Release 2

Spec Publication – 3/25/2022

Industry Test Release – 5/16/2022

Production Release – 7/11/2022

Schema changes and related validations

- Add *accountHolderType* to allocation events
- Remove *TIDType* from allocation events

CAIS related validations & Statistics (Only in Test Environment)

- Validate FDID against CAIS data
- Daily statistics reflecting FDID errors
- Provide a new linkage summary feedback file containing missing or invalid FDIDs. **(Available 6/20/2022)**

Validations to address IM reporting errors

- Reject negative values in *price* fields for applicable events
- Enforce correct values on the *side* field for all events, including Trade Side Details, Firm Details, and Client Details.
- Provide updated guidance for populating the *underlying* field for Multi-Leg events.

Release 2.1

Production Release – 11/7/2022

CAIS related validations & Statistics

- Validate FDID against CAIS data
- Daily statistics reflecting FDID errors
- Provide a new linkage summary feedback file containing missing or invalid FDIDs.

** FDID Errors on Report Cards (See 2023 Release 1)*

Release 3

Spec Publication – 7/29/2022

Industry Test Release – 10/3/2022

Production Release – 12/5/2022

Schema changes and related validations

- Add new event - MLOE
- Enforce requirements to populate *cancelQty*, *multiLegInd* on applicable events
- Change data type for *handlingInstructions* value CASH from Boolean to Price to capture actual monetary value instruction
- Enforce correct values on the *side* field in Leg Details
- Reject invalid values in the *underlying* field on Multi-Leg events
- Add *deskOrderID* field to Order Internal Route events to uniquely identify related events
- Add *priorDeskOrderID* field to Order Internal Route Modified events to uniquely identify related events
- Remove metadata file submission requirement and related file integrity errors.

2023 Release 1 – Scope TBD

Spec Publication – TBD

Industry Test Release – TBD

Production Release – TBD

Transaction Report Card

- FDID Errors in Transaction Report Cards will be included in January Report Card published on February 15th, 2023
- Report Cards by Process Date

Technical Specification Updates

- ▶ V4.0.0 r16 of the Industry Member CAT Reporting Technical Specifications were published on July 29, 2022
 - Updated schema was published on July 29, 2022
 - Updates were reviewed and discussed during the [August 9, 2022 Technical Specifications Working Group](#).
- ▶ V4.0.0 r17 of the Industry Member CAT Reporting Technical Specifications are scheduled to be published on Wednesday, August 24, 2022
 - ADF changes published in version 4.0.0 r16 will be updated or grayed out to clarify that they will not be effective until 1Q 2023.

CAIS Reporting Updates

CAT NMS Plan Update

- ▶ On August 10, 2022, the Participants submitted to the SEC a [request](#) for temporary exemptive relief from certain reporting and processing requirements in the CAT NMS Plan related to large trader identifiers (LTIDs).

Industry Member Release Rollout

Full CAIS Release 1 Industry Test – 1/31/2022 Production – 4/25/2022	Full CAIS Release 2a Industry Test – 3/28/2022 Production – 4/25/2022	Full CAIS Release 2b Industry Test – 4/11/2022 Production – 4/25/2022	Full CAIS Release 3a Industry Test – 5/25/2022 Production – 6/13/2022	Full CAIS Release 4 Industry Test – 6/26/2022 Production – 7/1/2022
Ingestion <ul style="list-style-type: none"> • Industry Test Open for Machine-to-Machine File & Data Integrity Validations, Material Inconsistencies, and Feedback • Feedback file contains up to 1,000 Rejections CAIS Reporter Portal <ul style="list-style-type: none"> • Manual File Upload • Manual Submission • Submission Feedback • Inconsistencies Feedback • Nightly Inconsistencies Report Full CAIS Certification opened on 2/1/2022	Ingestion <ul style="list-style-type: none"> • New DRIVERLICENSE Foreign TID Type • EIN Validation changed to format validation • Feedback file enhanced to include all Rejections feedback CAIS Reporter Portal <ul style="list-style-type: none"> • FDID Reconciliation Report updated with Full CAIS information (count of CAT Customers and Version information) 	Ingestion <ul style="list-style-type: none"> • Remove OTHBKR and CP customerType values for Legal Entity Customer Records • Remove BROKERAGE and ADVISED values for accountType • Remove primeBrokerID and bankDepositoryID fields and add a new DVPCustodianID field 	Ingestion <ul style="list-style-type: none"> • New Authorized Trader Names List on FDID record • Increase <i>lastName</i> field length to 200 characters Reports <ul style="list-style-type: none"> • FDID Version Report posted to SFTP weekly, containing active LTID Phase FDIDs not updated to Full CAIS Phase CAIS Reporter Portal <ul style="list-style-type: none"> • FDID Version Report available on-demand, containing active LTID Phase FDIDs not updated to Full CAIS Phase 	Ingestion <ul style="list-style-type: none"> • New OTHGOVT Foreign TID Type Performance Enhancements <ul style="list-style-type: none"> • CAIS file processing improvements Minor Enhancements and Bug Fixes

Industry Member Release Rollout

Full CAIS Release 5
Industry Test – 9/12/2022
Production – 9/26/2022

Performance Enhancements

- CAIS file processing improvements

CAIS Report Card Release

Report Card

- Full CAIS Compliance begins with the January Report Card published on February 15th, 2023
- Compliance Rates distinguished for Correspondent data

Industry Member Release Rollout – Planned Future Enhancements

Industry Test – TBD
Production – TBD

- INACTIVE End Reason
- Automated Transfer Procedure
- Optimization of error feedback

New and Updated CAIS FAQs

- ▶ One new CAIS [FAQ](#):
 - FAQ [Q64](#) addresses how clearing firms must populate the *accountType* field in CAIS when optionally reporting allocations to an account that is owned or controlled by an introducing broker/correspondent.
- ▶ 19 CAIS [FAQs](#) were updated:
 - FAQ [Q50](#) was updated to conform with v2.0 r9.1 of the Full CAIS Technical Specifications for Industry Members (inclusion of the 'OTHGOVT' value as a *foreignTIDType* option).
 - FAQs [M7](#), [M16](#), [Q3](#), [Q8](#), [Q15](#), [Q18](#), [Q19](#), [Q21](#), [Q27](#), [Q28](#), [Q40](#), [Q41](#), [Q42](#), [Q44](#), [Q45](#), [Q51](#), [Q54](#) and [Q59](#) were updated to conform with the CAIS reporting obligations as outlined in CAT Alert 2022-01.

Industry Member Timeline Design

Requirement	Date
Production Certification Deadline	July 25, 2022
Interim reporting obligation 1: CAT Submitters Partial Submissions. <ul style="list-style-type: none"> For a single date within the range specified, complete a scheduled partial submission to the Prod Environment in Full CAIS Format. FINRA CAT will begin contacting CAT Submitters on August 1 to schedule their partial submission dates. 	August 15 – September 15, 2022
Interim reporting obligation 2: All Industry Members – Submission of all FDIDs and Customers <ul style="list-style-type: none"> For a single date within the range specified, complete a scheduled submission of the FDID Population with CAT-Reportable activity between June 12, 2022 and September 30, 2022 to the Prod Environment in Full CAIS format. FINRA CAT will begin contacting all Industry Members on October 3 to schedule their specific reporting date. 	October 10 – October 31, 2022
Interim reporting obligation 3: Daily reporting of FDID and Customer Data <ul style="list-style-type: none"> All Industry members must begin daily reporting of FDID records and changes/additions for all CAT-Reportable Activity beginning June 12, 2022 through at least September 30, 2022. Corrections to reported data are not required until Interim Reporting Obligation 4. 	November 7, 2022
Interim reporting obligation 4: All outstanding Rejections and Material Inconsistencies addressed <ul style="list-style-type: none"> All outstanding rejections and Material Inconsistencies for all CAT-reportable activity beginning June 12, 2022 are resolved. 	December 5, 2022
Full CAIS Compliance date (Error correction timeline fully enforced) <ul style="list-style-type: none"> All error repair and material inconsistency resolution deadlines are enforced. 	December 12, 2022

- ▶ An [Announcement](#) was published and the [Timeline](#) was updated. Please see [CAT Alert 2022-01](#) for more information.

CAIS Checkpoint Calls

- ▶ The next [CAIS Industry Testing Checkpoint Call](#) will be on August 24, 2022 at 4:15 pm ET.
- ▶ The presentations and recordings are available for:
 - [08/17/2022 CAIS Industry Testing Checkpoint Call](#)
 - [08/10/2022 CAIS Industry Testing Checkpoint Call](#)
 - [08/03/2022 CAIS Industry Testing Checkpoint Call](#)
 - [07/27/2022 CAIS Industry Testing Checkpoint Call](#)

Other CAIS Industry Webinar Updates

- ▶ The recording and presentation from the [8/16/2022 CAT CAIS Technical Specifications Working Group](#) is available on the CAT website.
- ▶ The recordings and presentations from [Part 1](#) and [Part 2](#) of the Full CAIS Error Repairs, Corrections and Material Inconsistencies industry webinars are available on the CAT website.

Compliance Updates

Industry Member Report Card Updates

- ▶ The July 2022 CAT Industry Member Compliance Report Cards were published on August 15, 2022.
- ▶ Compliance Resources:
 - [Industry Member Report Card- Known Issues List](#)
 - [CAIS Compliance Glossary](#)
 - [Transaction Compliance Glossary](#)
 - Previously Recorded and Posted [Report Card Webinars](#)

Upcoming Industry Webinars and Other Updates

Other General Announcements and Reminders

- ▶ The 2022 Consolidated Audit Trail [Advisory Committee](#) List was published on August 19, 2022.
- ▶ The [2022 User Accounts Entitlement Certification Period for CAT Reporting Agents](#) is September 12, 2022 through November 14, 2022
 - Not Applicable to Industry Members
 - During this period, a Certification Representative for each organization must certify that accounts with access to CAT applications, data and tools are valid and users are entitled only to the entitlements (privileges) necessary to perform their current job responsibilities.

Monthly CAT Update Industry Webinars

- ▶ The next [Monthly CAT Update](#) will be held on September 27, 2022 at 9 am ET.
- ▶ The recording and presentation from the [July 28, 2022 Monthly CAT Update](#) is available.

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.

Appendix

Equities – Rolling Five Day Period

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

July 22, 2022 – August 3, 2022

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	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
7/22/2022	.0004%	.0034%	.0023%	.0057%	.0033%	.0358%	.0003%	.0489%	.0473%	.0004%	.0004%	.0295%	.0262%	.0164%	.0099%
7/25/2022	.0067%	.0037%	.0031%	.0032%	.0031%	.0363%	.0361%	.0841%	.0466%	.0004%	.0004%	.0439%	.0411%	.0250%	.0204%
7/26/2022	.0001%	.0036%	.0033%	.0034%	.0032%	.0442%	.0003%	.0430%	.0419%	.0006%	.0006%	.0435%	.0409%	.0151%	.0101%
7/27/2022	.0001%	.0025%	.0023%	.0028%	.0026%	.0397%	.0001%	.0465%	.0464%	.0004%	.0004%	.0334%	.0296%	.0132%	.0089%
7/28/2022	.0007%	.0026%	.0023%	.0031%	.0028%	.0461%	.0001%	.0542%	.0526%	.0005%	.0005%	.0296%	.0271%	.0156%	.0104%
7/29/2022	.0006%	.0037%	.0034%	.0037%	.0036%	.0459%	.0001%	.0038%	.0022%	.0007%	.0007%	.0388%	.0357%	.0122%	.0069%
8/1/2022	.0019%	.0037%	.0034%	.0431%	.0429%	.0373%	.0013%	.0055%	.0030%	.0004%	.0004%	.0448%	.0371%	.0410%	.0367%
8/2/2022	.0060%	.0028%	.0025%	.0374%	.0372%	.0559%	.0001%	.0097%	.0022%	.0004%	.0004%	.0457%	.0407%	.0423%	.0355%
8/3/2022	.0004%	.0029%	.0026%	.0573%	.0411%	.0475%	.0002%	.0033%	.0027%	.0006%	.0005%	.0243%	.0214%	.0494%	.0328%

Equities – Rolling Five Day Period

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

August 4, 2022 – August 16, 2022

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	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
8/4/2022	.0083%	.0029%	.0024%	.0538%	.0030%	.0423%	.0001%	.0436%	.0021%	.0004%	.0004%	.0354%	.0325%	.0583%	.0132%
8/5/2022	.0010%	.0086%	.0027%	.0450%	.0026%	.0447%	.0001%	.0573%	.0017%	.0004%	.0004%	.0474%	.0273%	.0520%	.0058%
8/8/2022	.0017%	.0041%	.0035%	.0466%	.0029%	.0449%	.0002%	.0048%	.0031%	.0005%	.0005%	.0417%	.0376%	.0441%	.0077%
8/9/2022	.1000%	.0027%	.0024%	.0014%	.0012%	.0437%	.0001%	.0744%	.0022%	.0005%	.0005%	.0220%	.0186%	.1155%	.1035%
8/10/2022	.0000%	.0032%	.0028%	.0018%	.0015%	1.2515%	.0010%	1.2248%	.0030%	.0005%	.0004%	.0254%	.0227%	.2499%	.0043%
8/11/2022	.0001%	.0030%	.0026%	.0094%	.0033%	.0424%	.0013%	.0032%	.0024%	.0005%	.0005%	.0278%	.0275%	.0144%	.0056%
8/12/2022	.0002%	.0035%	.0031%	.0092%	.0089%	.0513%	.0015%	.0030%	.0021%	.0007%	.0006%	.0336%	.0334%	.0159%	.0102%
8/15/2022	.0019%	.0156%	.0150%	.0400%	.0397%	.0510%	.0016%	.0205%	.0034%	.1506%	.1506%	.0421%	.0417%	.0634%	.0559%
8/16/2022	.0002%	.0132%	.0129%	.0402%	.0382%	.0490%	.0016%	.0027%	.0018%	.1411%	.1410%	.0328%	.0317%	.0569%	.0502%

Options – Rolling Five Day Period

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

July 22, 2022 – August 3, 2022

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	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
7/22/2022	3.1409%	.0046%	.0036%	.0045%	.0021%	.2247%	.2113%	.0601%	.0570%	.0641%	.0224%	.2458%	.2290%	3.1684%	3.1540%
7/25/2022	3.2047%	.0038%	.0029%	.0031%	.0022%	.1174%	.1075%	.5852%	.5702%	.8602%	.0287%	1.0007%	.9681%	3.2570%	3.2218%
7/26/2022	.0066%	.0032%	.0032%	.0025%	.0024%	.1673%	.1416%	.5829%	.5653%	.0319%	.0146%	.3000%	.2923%	.0257%	.0205%
7/27/2022	.0004%	.0035%	.0035%	.0067%	.0067%	.2503%	.2329%	.7055%	.6865%	.1714%	.0692%	.1978%	.1882%	.0622%	.0340%
7/28/2022	.0001%	.0046%	.0040%	.0014%	.0013%	.4811%	.4364%	1.0939%	1.0504%	.1279%	.1145%	.2935%	.2828%	.0486%	.0438%
7/29/2022	.0008%	.0050%	.0047%	.0015%	.0015%	.4269%	.3774%	1.2773%	1.2014%	5.3403%	.0458%	.2254%	.2084%	1.4773%	.0272%
8/1/2022	1.7472%	.0047%	.0043%	.0014%	.0014%	.3989%	.3588%	1.1353%	1.0652%	.0412%	.0124%	.4031%	.3907%	1.7715%	1.7623%
8/2/2022	.0161%	.0055%	.0048%	.0009%	.0009%	.4712%	.4272%	1.3073%	.9884%	.0253%	.0173%	.2532%	.2216%	.0369%	.0324%
8/3/2022	.0146%	.0069%	.0055%	.0016%	.0015%	.5266%	.4645%	.8504%	.8010%	.0454%	.0111%	.1718%	.1718%	.0440%	.0319%

Options – Rolling Five Day Period

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

August 4, 2022 – August 16, 2022

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	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
8/4/2022	9.7871%	.0051%	.0046%	.0010%	.0009%	.4740%	.4167%	.8415%	.7981%	.0197%	.0164%	.2950%	.2475%	9.8050%	9.8030%
8/5/2022	.0000%	.0050%	.0047%	.0009%	.0009%	.5459%	.5085%	.9373%	.9344%	.0543%	.0462%	.1870%	.1870%	.0277%	.0249%
8/8/2022	.0003%	.0043%	.0043%	.0009%	.0008%	.7460%	.6887%	.9932%	.9451%	.0228%	.0166%	.6759%	.6589%	.0197%	.0174%
8/9/2022	.0000%	.0035%	.0035%	.0007%	.0007%	.4946%	.4463%	1.0351%	.9640%	.0827%	.0656%	.2988%	.2930%	.0341%	.0288%
8/10/2022	.0001%	.0041%	.0041%	.0009%	.0008%	.3878%	.3283%	.8852%	.8363%	.0885%	.0687%	.1556%	.1386%	.0350%	.0291%
8/11/2022	.0000%	.0045%	.0044%	.0010%	.0010%	.4951%	.3986%	.9327%	.8404%	.0440%	.0127%	.1749%	.1695%	.0245%	.0150%
8/12/2022	.0000%	.0049%	.0048%	.0010%	.0009%	.3689%	.3011%	.8500%	.7942%	.0635%	.0488%	.2622%	.2575%	.0294%	.0248%
8/15/2022	.0129%	.2687%	.2672%	.0014%	.0009%	.8461%	.7934%	.8599%	.8061%	.0548%	.0414%	.2077%	.1757%	.3061%	.3002%
8/16/2022	1.4850%	.0049%	.0047%	.0009%	.0008%	.7062%	.6567%	.8909%	.8526%	.0462%	.0324%	.1630%	.1590%	1.5113%	1.5068%

Equities – Industry Aggregate Trade Date Statistics

July 22, 2022 – August 3, 2022

Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-07-22	37,515,867,907	37,514,562,388	289,008	3,660,343
2022-07-25	33,776,069,505	33,767,269,158	2,270,895	5,538,518
2022-07-26	30,638,617,317	30,637,375,401	51,233	2,966,375
2022-07-27	35,925,285,523	35,924,264,077	44,315	3,152,196
2022-07-28	34,571,211,063	34,570,283,128	288,060	3,538,761
2022-07-29	31,752,728,548	31,751,480,170	200,766	2,035,406
2022-08-01	36,807,886,494	36,806,497,334	903,446	2,995,654
2022-08-02	40,226,775,967	40,225,625,052	2,617,236	4,473,539
2022-08-03	33,426,733,518	33,425,710,590	338,792	2,072,575

Equities – Industry Aggregate Trade Date Statistics

August 4, 2022 – August 16, 2022

Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-08-04	34,743,617,069	34,742,582,002	2,889,014	4,560,206
2022-08-05	35,339,591,426	35,336,217,418	523,806	2,212,291
2022-08-08	34,608,688,639	34,607,238,154	598,381	2,676,031
2022-08-09	32,512,934,214	32,512,029,789	32,514,339	33,650,333
2022-08-10	31,465,948,321	31,464,912,337	187,270	1,542,065
2022-08-11	32,952,208,116	32,951,212,538	99,604	1,870,625
2022-08-12	27,708,818,257	27,707,827,222	178,793	2,947,051
2022-08-15	24,555,857,356	24,552,006,313	465,563	13,726,410
2022-08-16	28,251,722,607	28,247,967,365	64,152	14,176,494

Options – Industry Aggregate Trade Date Statistics

July 22, 2022 – August 3, 2022

Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-07-22	6,642,647,111	6,642,325,278	208,948,951	209,503,042
2022-07-25	6,629,768,644	6,629,505,284	212,643,474	213,581,641
2022-07-26	6,437,803,802	6,437,587,525	605,559	1,319,298
2022-07-27	6,722,649,518	6,722,197,461	30,695	2,282,954
2022-07-28	6,425,264,353	6,424,956,161	1,919,104	2,833,816
2022-07-29	6,540,543,860	6,540,211,685	154,683,948	155,679,118
2022-08-01	5,855,218,501	5,854,928,982	102,369,989	103,256,233
2022-08-02	6,844,431,989	6,844,046,637	1,284,733	2,179,077
2022-08-03	5,192,775,791	5,192,402,170	772,555	1,657,356

Options – Industry Aggregate Trade Date Statistics

August 4, 2022 – August 16, 2022

Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-08-04	5,559,841,652	5,559,542,587	544,130,898	545,028,791
2022-08-05	6,529,382,836	6,529,038,427	30,313	1,611,639
2022-08-08	6,561,042,914	6,560,747,978	22,233	1,144,318
2022-08-09	6,421,169,957	6,420,934,194	2,067	1,849,945
2022-08-10	6,411,670,663	6,411,393,847	6,994	1,864,237
2022-08-11	6,370,938,288	6,370,637,729	1,779	953,828
2022-08-12	6,096,215,794	6,095,904,571	158,802	1,666,196
2022-08-15	5,874,121,324	5,857,508,618	754,172	17,631,463
2022-08-16	6,335,828,252	6,335,504,210	94,079,814	95,468,611