

October 30, 2020

VIA EMAIL AND HAND DELIVERY

Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: CAT NMS Plan Section 6.6(c)(ii) Quarterly Progress Report

Dear Ms. Countryman:

The Participants¹ in the National Market System Plan Governing the Consolidated Audit Trail (“CAT NMS Plan” or “Plan”)² respectfully submit the enclosed Quarterly Progress Report (“QPR”) for the calendar quarter ending on September 30, 2020 (“Q3 2020”), pursuant to Section 6.6(c)(ii) of the CAT NMS Plan.³ In accordance with Section 6.6(c)(ii), the Q3 2020 QPR includes a detailed description of the progress made by the Participants during Q3 2020 toward achieving each of the milestones set forth in the Implementation Plan.⁴ Please feel free to contact any of the Participants if you have any questions.

Respectfully submitted,

Participants of the CAT NMS Plan

Enclosure

cc: The Hon. Jay Clayton, Chairman
The Hon. Allison Herren Lee, Commissioner
The Hon. Hester M. Peirce, Commissioner
The Hon. Elad L. Roisman, Commissioner
The Hon. Caroline A. Crenshaw, Commissioner
Mr. Brett Redfearn, Director, Division of Trading and Markets
Mr. David S. Shillman, Associate Director, Division of Trading and Markets
Mr. David Hsu, Assistant Director, Division of Trading and Markets
Mr. Mark Donohue, Senior Policy Advisor, Division of Trading and Markets
Ms. Manisha Kimmel, Senior Policy Advisor, Regulatory Reporting to Chairman Clayton

¹ The twenty-five Participants of the CAT NMS Plan are: BOX Exchange LLC; Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe C2 Exchange, Inc. and Cboe Exchange, Inc.; Financial Industry Regulatory Authority, Inc. (“FINRA”); Investors Exchange LLC; Long-Term Stock Exchange, Inc., MEMX LLC, Miami International Securities Exchange LLC, MIAX Emerald, LLC, MIAX PEARL, LLC; NASDAQ BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, NASDAQ PHLX LLC, The NASDAQ Stock Market LLC; and New York Stock Exchange LLC, NYSE American LLC, NYSE Arca, Inc., NYSE Chicago, Inc. and NYSE National, Inc.

² The Limited Liability Company Agreement of Consolidated Audit Trail, LLC is the CAT NMS Plan. Unless otherwise noted, capitalized terms are used as defined in Rule 613, in the CAT NMS Plan or in this letter.

³ A copy of the Q3 2020 QPR is available on the CAT NMS Plan public website at www.catnmsplan.com.

⁴ The Implementation Plan was filed with the Commission on July 22, 2020 and is available on the CAT NMS Plan public website at www.catnmsplan.com.

CAT Q3 2020 Quarterly Progress Report

FILED OCTOBER 30, 2020

APPENDIX C MILESTONES

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date ¹	Milestone/Interim Step ²	Description of Any Variance From the IP ³	Other Factual Indicators	Description of Status
1	6/22/2020	6/22/2020	Interim Step: Production Go-Live for Equities 2a file submission and data integrity validation (Large Industry Members and Small OATS Reporters)	N/A	N/A	Completed
2	7/20/2020	7/20/2020	Interim Step: Production Go-Live for Options 2b file submission and data integrity validations	N/A	N/A	Completed
3	7/27/2020	7/27/2020	Interim Step: Production Go-Live for Equities 2a Intrafirm Linkage validations	N/A	N/A	Completed
4	8/24/2020	8/24/2020	Interim Step: Production Go-Live for Options 2b Intrafirm Linkage validations (Large Industry Members)	N/A	N/A	Completed
5	10/26/2020	10/26/2020	Interim Step: Production Go-Live for Firm to Firm Linkage validations for Equities 2a (Large Industry Members and Small OATS Reporters)	N/A	N/A	Completed
6	10/26/2020	10/26/2020	Interim Step: Production Go-Live for Equities 2a Exchange and TRF Linkage validations (Large Industry Members and Small OATS Reporters)	N/A	N/A	Completed
7	11/30/2020	11/30/2020	Row 8 of App. C-10(a): Technical Specifications Published for Phase 2d	N/A	On track for completion	In progress
8	1/4/2021	1/4/2021	Row 3 of App. C-10(c): FCAT Plan Processor creates linkages of the lifecycle of order events based on the received data through Phase 2b	N/A	On track for completion	In progress
9	1/4/2021	1/4/2021	Interim Step: Production Environment Go-Live for Firm to Firm Linkage Validations for Options 2b (Large Industry Members)	N/A	On track for completion	In progress

¹ The "Completion Date" indicates the targeted completion date for the milestone, unless the status for the milestone has been designated as "Completed." In that case, the "Completion Date" indicates the date by which the milestone was completed.

² To further enhance the publicly available information, the Participants have included additional details in this document to reflect certain interim steps not included in the Implementation Plan to complete implementation of the CAT. These interim steps are provided for informational purposes only and are not relevant for purposes of assessing the Participants' timely satisfaction of the Financial Accountability Milestones.

³ For milestones that are in progress or have not been initiated, this will include the basis for making the adjustment and the impact of this adjustment on any other Implementation Milestone, and, if applicable, any other factual indicators that demonstrate the current level of completion with respect to the Implementation Milestone.

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date¹	Milestone/Interim Step²	Description of Any Variance From the IP³	Other Factual Indicators	Description of Status
10	1/4/2021	1/4/2021	Interim Step: Production Environment Go-Live for Options 2b Exchange Linkage validation (Large Industry Members)	N/A	On track for completion	In progress
11	1/29/2021	1/29/2021	Row 4 of App. C-10(a): Full CAIS Final Technical Specification Published	N/A	On track for completion	In progress
12	1/31/2021	1/31/2021	Row 10 of App. C-10(b) & Row 13 of App. C-10(b): FCAT Plan Processor makes Phase 2c testing environment available	N/A	On track for completion	In progress
13	1/31/2021	1/31/2021	Row 11 of App. C-10(b) & Row 14 of App. C-10(b): FCAT Plan Processor and Industry Members begin testing for 2c reporting	N/A	On track for completion	In progress
14	4/26/2021	4/26/2021	Interim Step: Production Go-Live for Equities 2c reporting requirements (Large Industry Members)	N/A	On track for completion	In progress
15	4/26/2021	4/26/2021	Interim Step: LTID Account Information Reporting Go-Live for Phases 2a, 2b and 2c (Large Industry Members)	N/A	On track for completion	In progress
16	6/30/2021	6/30/2021	Row 10 of App. C-10(b) & Row 13 of App. C-10(b): FCAT Plan Processor makes Phase 2d testing environment available	N/A	N/A	On track to commence
17	6/30/2021	6/30/2021	Row 11 of App. C-10(b) & Row 14 of App. C-10(b): FCAT Plan Processor and Industry Members begin testing for 2d reporting	N/A	N/A	On track to commence
18	12/13/2021	12/13/2021	Row 3 of App. C-10(c) & Row 5 of App. C-10(c): FCAT Plan Processor creates linkages of the lifecycle of order events based on the received data through Phase 2d	N/A	N/A	On track to commence
19	12/13/2021	12/13/2021	Interim Step: Production Go-Live for Options 2d reporting requirements (Large Industry Members)	N/A	N/A	On track to commence
20	12/13/2021	12/13/2021	Interim Step: Production Go-Live for Equities 2a reporting requirements (Small Non-OATS Reporters)	N/A	N/A	On track to commence
21	12/13/2021	12/13/2021	Interim Step: Production Go-Live for Options 2b reporting requirements (Small OATS Reporters and Small Non-OATS Reporters)	N/A	N/A	On track to commence
22	12/13/2021	12/13/2021	Interim Step: Production Go-Live for Equities 2c reporting requirements (Small OATS Reporters and Small Non-OATS Reporters)	N/A	N/A	On track to commence
23	12/13/2021	12/13/2021	Interim Step: Production Go-Live for Options 2d reporting requirements	N/A	N/A	On track to

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date¹	Milestone/Interim Step²	Description of Any Variance From the IP³	Other Factual Indicators	Description of Status
			(Small OATS Reporters and Small Non-OATS Reporters)			commence
24	12/13/2021	12/13/2021	Interim Step: LTID Account Information Reporting Go-Live for Phases 2d (Large Industry Members)	N/A	N/A	On track to commence
25	12/13/2021	12/13/2021	Interim Step: LTID Account Information Reporting Go-Live for Phases 2a, 2b, 2c and 2d (Small Industry Members)	N/A	N/A	On track to commence
26	1/31/2022	1/31/2022	Row 5 of App. C-10(a) & Row 7 of App. C-10(a): Customer Account Information – Test Environment Opens (All Industry Members)	N/A	N/A	On track to commence
27	7/11/2022	7/11/2022	Row 6 of App. C-10(a) & Row 8 of App. C-10(a): Customer and Account Information – Production Environment Go-Live (All Industry Members)	N/A	N/A	On track to commence

FINANCIAL ACCOUNTABILITY MILESTONES

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date	Milestones	Description of Any Variance From the IP	Other Factual Indicators	Description of Status
1	7/31/2020	7/20/2020	<p>FAM Period 1</p> <p>Completion of Initial Industry Member Core Equity and Option Reporting, defined under CAT NMS Plan Section 1.1 as the reporting by Industry Members (excluding Small Industry Members that are not OATS reporters) of both:</p> <p style="padding-left: 40px;">(a) equities transaction data, excluding Customer Account Information, Customer-ID, and Customer Identifying Information; and</p> <p style="padding-left: 40px;">(b) options transaction data, excluding Customer Account Information, Customer-ID, and Customer Identifying Information.</p>	N/A	N/A	Completed
2	12/31/2020	12/31/2020	<p>FAM Period 2</p> <p>Completion of Full Implementation of Core Equity Reporting, defined under CAT NMS Plan Section 1.1 as the point at which:</p> <p style="padding-left: 40px;">(a) Industry Member reporting (excluding reporting by Small Industry Members that are not OATS reporters) for equities transactions, excluding Customer Account Information, Customer-ID, and Customer Identifying Information, is developed, tested, and implemented at a 5% Error Rate or less and</p>	N/A	On track to be met ⁴	In Progress

⁴ The Participants are considering submitting to the Commission a request for temporary exemptive relief to extend the implementation time for certain aspects of this Financial Accountability Milestone.

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date	Milestones	Description of Any Variance From the IP	Other Factual Indicators	Description of Status
			<p>with sufficient intra-firm linkage, inter-firm linkage, national securities exchange linkage, and trade reporting facilities linkage to permit the Participants and the Commission to analyze the full lifecycle of an order across the national market system, excluding linkage of representative orders, from order origination through order execution or order cancellation; and</p> <p>(b) the query tool functionality required by Section 6.10(c)(i)(A) and Appendix D, Sections 8.1.1-8.1.3 and Section 8.2.1 incorporates the Industry Member equities transaction data described in condition (a) and is available to the Participants and to the Commission</p>			
3	12/31/2021	12/31/2021	<p>FAM Period 3 Completion of Full Availability and Regulatory Utilization of Transactional Database Functionality, defined under CAT NMS Plan Section 1.1 as the point at which:</p> <p>(a) reporting to the Order Audit Trail System (“OATS”) is no longer required for new orders; (b) Industry Member reporting for equities transactions and simple electronic options transactions, excluding Customer Account Information, Customer-ID, and Customer Identifying Information, with sufficient intra-firm linkage, inter-firm linkage, national</p>	N/A	On track to be met	In Progress

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date	Milestones	Description of Any Variance From the IP	Other Factual Indicators	Description of Status
			<p>securities exchange linkage, trade reporting facilities linkage, and representative order linkages (including any equities allocation information provided in an Allocation Report) to permit the Participants and the Commission to analyze the full lifecycle of an order across the national market system, from order origination through order execution or order cancellation, is developed, tested, and implemented at a 5% Error Rate or less;</p> <p>(c) Industry Member reporting for manual options transactions and complex options transactions, excluding Customer Account Information, Customer-ID, and Customer Identifying Information, with all required linkages to permit the Participants and the Commission to analyze the full lifecycle of an order across the national market system, from order origination through order execution or order cancellation, including any options allocation information provided in an Allocation Report, is developed, tested, and fully implemented;</p> <p>(d) the query tool functionality required by Section 6.10(c)(i)(A) and Appendix D, Sections 8.1.1-8.1.3, Section 8.2.1, and Section 8.5 incorporates the data described in conditions (b)-(c) and is available to the Participants and</p>			

	Implementation Plan Completion Date	Targeted Completion Date or Actual Completion Date	Milestones	Description of Any Variance From the IP	Other Factual Indicators	Description of Status
			to the Commission; and (e) the requirements of Section 6.10(a) are met.			
4	12/30/2022	12/30/2022	FAM Period 4 Completion of Full Implementation of CAT NMS Plan Requirements, defined under CAT NMS Plan Section 1.1 as the point at which the Participants have satisfied all of their obligations to build and implement the CAT, such that all CAT system functionality required by Rule 613 and the CAT NMS Plan has been developed, successfully tested, and fully implemented at the initial Error Rates specified by Section 6.5(d)(i) or less, including functionality that efficiently permits the Participants and the Commission to access all CAT Data required to be stored in the Central Repository pursuant to Section 6.5(a), including Customer Account Information, Customer-ID, Customer Identifying Information, and Allocation Reports, and to analyze the full lifecycle of an order across the national market system, from order origination through order execution or order cancellation, including any related allocation information provided in an Allocation Report.	N/A	On track to be met	In Progress