
Monthly CAT Implementation Update

April 15, 2021

Agenda

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

State of the CAT

Upcoming Key Dates

Topic	Event	Date
Compliance Go-Live	Production Go-Live for Equities 2c reporting requirements	April 26, 2021
Release Availability	Test Environment Opens for Phase 2d reporting requirements	June 28, 2021
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

March 25, 2021 – April 7, 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
3/25/2021	.0261%	.0020%	.0004%	.0027%	.0027%	.1639%	.1218%	.1451%	.1060%	.2626%	.0839%	.1766%	.1463%	.1161%	.0729%
3/26/2021	.0911%	.0040%	.0035%	.0027%	.0026%	.1317%	.1306%	.2004%	.1254%	.2697%	.0971%	.1593%	.1201%	.1723%	.1316%
3/29/2021	.0418%	.0044%	.0039%	.0026%	.0025%	.1372%	.1354%	.2014%	.1338%	.2592%	.0128%	.2258%	.1358%	.1365%	.0838%
3/30/2021	.0014%	.0006%	.0001%	.0032%	.0031%	.1628%	.1484%	.1608%	.1459%	.3663%	.1065%	.1991%	.1535%	.1108%	.0604%
3/31/2021	.0066%	.0007%	.0002%	.0035%	.0033%	.2375%	.2371%	.1244%	.1210%	.4396%	.1540%	.2335%	.1461%	.1355%	.0828%
4/1/2021	.0012%	.0007%	.0001%	.0032%	.0025%	.1720%	.1715%	.1705%	.1646%	.2973%	.0122%	.1997%	.1407%	.1021%	.0487%
4/5/2021	.0762%	.0035%	.0001%	.0029%	.0027%	.1705%	.1507%	.1739%	.1463%	.3235%	.0128%	.2124%	.1838%	.1676%	.1022%
4/6/2021	2.4130%	.0017%	.0002%	.0025%	.0023%	3.8207%	.1854%	1.6644%	.1777%	.2252%	.0148%	.1858%	.1498%	3.1599%	2.4604%
4/7/2021	2.7873%	.0007%	.0002%	.0017%	.0016%	3.5983%	.0939%	2.1059%	.0916%	.5275%	.5194%	3.7395%	.2714%	3.6222%	2.9050%

Options – Rolling Five Day Period

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

March 25, 2021 – April 7, 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
3/25/2021	.0600%	.0236%	.0223%	.0299%	.0277%	.3774%	.0186%	1.2384%	.0598%	.0859%	.0793%	.1414%	.1171%
3/26/2021	.1860%	.0671%	.0624%	.0344%	.0300%	.0166%	.0160%	2.3580%	.0547%	.0899%	.0819%	.3197%	.2796%
3/29/2021	.0920%	.0079%	.0026%	.0240%	.0169%	.0235%	.0163%	.5385%	.0619%	.1091%	.1074%	.1450%	.1282%
3/30/2021	.0001%	.0150%	.0130%	.0313%	.0167%	.0227%	.0222%	.0746%	.0702%	.0712%	.0699%	.0510%	.0395%
3/31/2021	.0006%	.0534%	.0508%	.0334%	.0299%	.0191%	.0180%	.0885%	.0772%	.0996%	.0977%	.0948%	.0893%
4/1/2021	.0241%	.0070%	.0067%	.0161%	.0074%	.0120%	.0087%	.7370%	.4146%	.0467%	.0464%	.0675%	.0568%
4/5/2021	.0019%	.0037%	.0028%	.0179%	.0088%	.0309%	.0300%	5.8605%	5.8520%	.0756%	.0741%	.1180%	.1107%
4/6/2021	.5292%	.0442%	.0442%	.0416%	.0381%	13.2391%	.0218%	.3903%	.1134%	.0945%	.0902%	.7834%	.6113%
4/7/2021	.5058%	.0365%	.0356%	.0471%	.0400%	12.4178%	.0176%	.2501%	.1175%	.1068%	.1048%	.7503%	.5845%

2c Statistics & Observations

March 29, 2021 – April 9, 2021

Item	Statistic
Total Unique Firms in Industry Test	734
Representative Order Linkage Rate	93.35%
Fulfillment Order Linkage Rate	90.33%
Allocation Events Rejection Rate	10.85%
Top Allocation Events Rejection Errors	Missing or Invalid <i>cancelTimestamp</i> Missing or Invalid <i>firmDesignatedID</i> Missing or Invalid <i>allocationType</i> Missing or Invalid <i>DVPCustodianID</i> Invalid <i>correspondentCRD</i>

Phase 2c Cutover Update

- ▶ FINRA CAT will support the Phase 2c cutover by providing certain 2a/2b linkage error feedback staged for 2c schema format submission.
 - This was announced during the [March 16, 2021 Industry Testing Checkpoint Call](#)
 - [CAT Alert 2021-01](#) was published on March 23, 2021 and updated on April 6, 2021 to include that for errors returned in JSON format, the TIF code on MEOJ event will be populated with a “dummy” value of ‘AAA’.
- ▶ More detailed information about the Phase 2c Cutover can be found in the following Industry Webinars:
 - [Phase 2c Cutover- Part 2 and Weekly Industry Testing Checkpoint Call](#) (1/19/2021)
 - [Phase 2c Cutover and November 2020 Technical Specifications Overview](#) (11/17/2020)

CAT NMS Plan, Exemptive Relief and Interpretive Updates

New FAQ

- ▶ 1 New [FAQ](#) published since the last Monthly CAT Implementation Update (March 18, 2021).
 - Q42 regarding how to report the account opened date when actual account opened date is different from the date that the account was systematized.

Updated FAQs

- ▶ 9 Updated [FAQs](#) published since the last Monthly CAT Implementation Update (March 18, 2021).
 - A26 was updated to include the reportability of order events for orders received prior to the Phase 2c and Phase 2d go-live dates.
 - A33 was updated to note that orders occurring prior to an IPO are not required to be reported to CAT in Phases 2a, 2b or 2c but Phase 2d reporting requirements are under consideration.
 - The table in K15 was updated so that the OSI codes match the example.
 - Q10 was updated to clarify that the *ltidEffectiveDate* may be the date that the LTID was associated at the top-level, entity or relationship level.
 - Q15 was updated to note that in the Limited LTID Account Information Reporting phase, Industry Members must also populate the *ltidEndreasonNull* and *ltidEndDateNull* fields when reestablishing an LTID to FDID association.

Updated FAQs– continued

- U14 was updated to conform with changes to the Technical Specification to support reporting updates to an allocation.
- U19 and U24 were updated to clarify the difference between the two scenarios presented (when there is no DTC number and when the DTC number is not available at the time of booking).
- U26 was updated to state that if it is not known whether the transaction was CAT reportable, Industry Members must report the allocation event.

Technical Specification Updates

Technical Specification & Reporting Scenarios Updates

- ▶ Updated versions of the Phase 2c and Phase 2d [Technical Specifications](#) and [Reporting Scenarios](#) were published on April 5, 2021.
 - The Phase 2d Industry Member Schema, version 4.0.0 r8 was published on April 8, 2021
- ▶ An overview of the Technical Specifications updates was presented at the [April 6, 2021 CAT Technical Specification Working Group](#).
- ▶ Between publications, the Planned Technical Specifications Updates list will be maintained on the [Technical Specifications](#) page of www.catnmsplan.com.

Future Technical Specification Time Frames

- ▶ The April 5, 2021 version of the Phase 2d Technical Specification is the last version before the Test Environment opens for Phase 2d reporting requirements
 - The Phase 2c Spec will continue to be supported as needed for any urgent fixes or clarifications
 - Focus will be on supporting the Scenarios document/CAIS implementation
- ▶ FINRA CAT will continue to evaluate edge cases and any issues that arise prior to or during Phase 2d testing
- ▶ Version 4.0.1 of the Phase 2d Spec will be published on August 2, 2021
 - Urgent updates needed to intake data to test will be considered on an as-needed basis
- ▶ Two months will be given for both FINRA CAT and IMs to code to version 4.0.1 before release in the Test Environment on October 1, 2021
 - Versioning to 4.0.1 rather than 4.1.0 will not require change to metadata files
 - Version 4.0.1 will be implemented in production in December 2021
- ▶ Spec needs can be re-evaluated in the October/November time frame after 4.0.1 is available in the Test Environment

CAIS/LTID Reporting

CAT Customer and Account Information



CAIS registrations remains open

The deadline to request Production Readiness Certification CAIS LTID was April 9, 2021

CAIS Updates

- ▶ The [CAT Reporting Customer and Account Technical Specifications for Industry Members-LTID v1.2.1](#) was published on March 23, 2021
- ▶ Updated [CAT CAIS Onboarding Guide](#) was published on March 24, 2021
- ▶ Updated [Industry Member CAT CAIS Reporter Portal User Guide](#) was also published on March 24, 2021
- ▶ The [CAT CAIS LTID Industry Member Reporting Scenarios v1.2](#) was published on April 5, 2021
- ▶ The [Customer and Account Industry Member Submission Schema v1.2](#) was published on April 13, 2021

CAIS Events

- ▶ On Wednesday, May 5, 2021 at 4:15 pm ET, Consolidated Audit Trail, LLC and FINRA CAT, LLC will host an [industry webinar](#) to review the requirements for the July 2022 requirement to translate Input Identifiers of CAT Customers to Transformed Identifier Values. This webinar will also provide an overview of the paired files submission process for the CAIS Data file and Transformed Identifiers file.
- ▶ The next Monthly CAIS/LTID Industry Testing Checkpoint Call is May 5, 2021

Compliance

Report Card Updates

- ▶ On April 15, 2021, the March 2021 Industry Member Report Cards were published.
- ▶ The Report Card Export function button is available as of March 28, 2021.
- ▶ Other Resources:
 - [Industry Member Report Card- Known Issues List](#)
 - [Daily Compliance Error Rate Glossary](#)
 - [Industry Member Compliance Glossary](#)
 - 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](#)

Upcoming Industry Webinars and Other Updates

Industry Webinars

▶ Upcoming:

- The next bi-weekly [Industry Testing Checkpoint Call](#) will be held on April 27, 2021 at 4:15 pm ET.

▶ Recently posted:

- The presentation and recording from [Phase 2d OTC Link ATS Scenarios Deep Dive](#) (March 24, 2021)

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.

FINRA CAT Helpdesk

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