
Monthly CAT Update

March 16, 2022

Agenda

- Transaction Production Statistics
- Transaction Interpretive Updates
- Transaction Technical Specifications Updates
- CAIS Reporting Updates
- Compliance Updates
- Upcoming Industry Webinars and Other Updates
- Q&A

Transaction Production Statistics

Overall error rates remain generally under 5%. The detailed daily statistics will be provided as an appendix when this presentation is published on the CAT website.

Transaction Interpretive Updates

New FAQs

- ▶ New Transaction [FAQ](#):
 - [FAQ K25](#) regarding use of the 'OPT' *handlingInstructions* value in Phase 2d
- ▶ There are no updated Transaction FAQs.

Transaction Technical Specifications Updates

2022 IM Releases – Scope and Schedule

Release 1

Spec Publication – 12/20/2021
Industry Test Release – 2/7/2022
Production Release – 3/21/2022

Phase 2d cleanup - Schema changes and related validations

- Add *multiLegInd* to route modify/cancel events to eliminate unlinked errors
- Change data type for *handlingInstructions* value DLVT from Text to an array to support storage of multiple values
- Enforce requirements to populate *deptType* on MLOA event
- Enforce requirements to populate *clearingFirm* on MOOT event

Change Requested by IMs

- Add *firmDesignatedID* and *accountHolderType* to MEOTS event

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

- Validate FDID against CAIS data

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 3 - Final Scope - TBD

Spec Publication – 7/15/2022
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 Text to Price to capture actual monetary value instruction
- Enforce correct values on the *side* field in Leg Details.

IM Release 1 Reminder

- The Production Environment for both the Transaction and CAIS LTID systems will be unavailable from approximately 8-10 am ET on March 21, 2022, during which time Industry Members will not be able to submit data to CAT.
 - FINRA CAT will send a communication when the systems become unavailable and will send another communication when the systems are back up.

'DLVT' *handlingInstructions* Value

- DLVT – OTC Link ATS Message deliver to Instruction
- Current Data Type is Text and supports reporting of multiple IMIDs, but it does not support storage of multiple IMIDs
- Effective **2/7/22 in Industry Test** and **3/21/22 in Production**, Industry Members must report this *handlingInstructions* value as an array to ensure CAT stores all IMIDs. Submissions in text format will be rejected at Ingestion. Example of expected submissions:

	<u>handlingInstruction</u>	Result	Value stored
csv	DLVT=MM1@MM2@MM3 MAX	Accept	DLVT=MM1@MM2@MM3 MAX
json	{"DLVT":["MM1","MM2","MM3"],"MAX":true}	Accept	DLVT=MM1@MM2@MM3 MAX

Reporting Scenarios

- ▶ V4.9 of the [Industry Member Reporting Scenarios \(2d\)](#) (Clean and Redlined) was published on March 9, 2022.

CAIS Reporting Updates

Industry Member Release Rollout – Pre-Production

Full CAIS Release 1

Industry Test – 1/31/2022

Production – 4/25/2022

Ingestion

- 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

- Manual File Upload
- Manual Submission
- Submission Feedback
- Inconsistencies Feedback
- Nightly Inconsistencies Report

Full CAIS Certification
opened on 2/1/2022

Full CAIS Release 2a

Industry Test – 3/28/2022

Production – 4/25/2022

Ingestion

- New DRIVERLICENSE Foreign TID Type
- EIN Validation changed to format validation
- Full Data Replacement
- Feedback file enhanced to include all Rejections feedback

CAIS Reporter Portal

- FDID Reconciliation Report updated with Full CAIS information (count of CAT Customers and Version information)

Full CAIS Release 2b

Industry Test – 4/11/2022

Production – 4/25/2022

Ingestion

- 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

Industry Member Release Rollout – Production

Full CAIS Release 3

Industry Test – 5/25/2022

Production – 6/13/2022

Reports

- FDID Version Report posted to SFTP weekly, containing active LTID Phase FDIDs not updated to Full CAIS Phase

CAIS Reporter Portal

- FDID Version Report available on-demand, containing active LTID Phase FDIDs not updated to Full CAIS Phase

Full CAIS Release 4

Industry Test – 8/29/2022

Production – 9/12/2022

Ingestion

- New INACTIVE FDID End Reason
- Automated Transfer Procedure

Full CAIS Production Certification

- ▶ Production Certification for Full CAIS is open.
- ▶ The deadline for Production Certification is June 20, 2022.
- ▶ Certification after June 20, 2022 may delay access to the Full CAIS Production Environment.

CAIS Upcoming Key Dates

Topic	Event	Date
Industry Webinar	Bi-weekly CAIS Industry Testing Checkpoint Calls	Bi-weekly starting February 23, 2022
Production Release	Production Environment Opens for Full CAIS	April 25, 2022
Production Certification	Full CAIS Certification Deadline	June 20, 2022
Compliance Go-Live	Production Go-Live for Full CAIS Reporting Requirements	July 11, 2022

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

New and Updated CAIS FAQs

- ▶ There are no new CAIS FAQs.
- ▶ Two updated CAIS [FAQs](#):
 - [FAQ M16](#) to update a reference to a scenario in the LTID Scenarios document.
 - [FAQ Q39](#) was retired with a reference to a scenario in the Full CAIS Scenarios document.

CAIS Updates

- ▶ V2.0 r7 of the [CAT Reporting Customer and Account Technical Specifications for Industry Members](#) (Clean and Redline) was published on March 9, 2022.
- ▶ Updated [CAT Alert 2021-04-Phase 2e: Transitioning from LTID Account Phase to Full CAIS Phase](#) was published on February 22, 2022.

CAIS Webinars

- ▶ The presentation and recording for the [03/01/2022 Full CAIS 101 webinar](#) is available on the CAT website.
- ▶ The presentation and recording for the [03/15/2022 CAIS Tech Spec Working Group](#) is available on the CAT website.
- ▶ CAIS Industry Testing Checkpoint Calls:
 - The next [CAIS Industry Testing Checkpoint Call](#) will be on March 23, 2022 at 4:15 pm ET.
 - The presentations and recordings are available for:
 - [03/09/2022 CAIS Industry Testing Checkpoint Call](#)
 - [02/23/2022 CAIS Industry Testing Checkpoint Call](#)

Compliance Updates

Industry Member Report Card Updates

- ▶ The February 2022 CAT Industry Member Compliance Report Cards were published on March 15, 2022.
- ▶ Other 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

Industry Webinars

- ▶ Upcoming:

- The next [Monthly CAT Update](#) will be held on April 20, 2022 at 4:15 pm ET

Other Updates

- ▶ The recording and presentation from the [2/16/2022 Monthly CAT Update](#) is available on the CAT website.
- ▶ V1.21 of the [Industry Member Onboarding Guide](#) was published on March 14, 2022.
- ▶ V1.14 of the [IM CAT Connectivity Supplement](#) was published on March 14, 2022.

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

February 10, 2022 – March 09, 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
2/10/2022	.0194%	.0005%	.0002%	.0218%	.0063%	.0088%	.0055%	.0544%	.0104%	.0006%	.0006%	1.4432%	1.3901%	.0431%	.0268%
2/11/2022	.0676%	.0036%	.0034%	.0051%	.0050%	.0860%	.0075%	.1755%	.0940%	.0007%	.0006%	1.3868%	1.3430%	.1007%	.0846%
2/14/2022	1.2197%	.0011%	.0003%	.0058%	.0055%	.1348%	.0043%	1.8642%	.0141%	.0006%	.0006%	.8892%	.1529%	1.4242%	1.2259%
2/15/2022	2.5306%	.0011%	.0006%	.0964%	.0062%	3.0705%	.0049%	1.7728%	.0138%	.0006%	.0006%	.1482%	.0992%	3.0724%	2.5369%
2/16/2022	.1140%	.0009%	.0007%	.0069%	.0062%	.0138%	.0108%	.1725%	.0170%	.0005%	.0005%	.1422%	.0979%	.1382%	.1220%
2/17/2022	.1078%	.0006%	.0004%	.0734%	.0732%	.0078%	.0048%	.1494%	.0077%	.0006%	.0006%	.1796%	.1384%	.1769%	.1624%
2/18/2022	.0001%	.0361%	.0359%	.0059%	.0058%	.0047%	.0044%	.0067%	.0066%	.0006%	.0005%	.4528%	.4218%	.0419%	.0416%
2/22/2022	1.1225%	.0012%	.0010%	.0067%	.0054%	.1090%	.0055%	1.9764%	.0294%	.0005%	.0005%	.2116%	.1822%	1.3337%	1.1308%
2/23/2022	.0564%	.0007%	.0005%	.0111%	.0071%	.0054%	.0036%	.1430%	.0961%	.0006%	.0006%	.1599%	.1211%	.0799%	.0720%
2/24/2022	3.6815%	.0449%	.0126%	.0090%	.0086%	2.1945%	.0151%	5.8562%	.0063%	.0007%	.0007%	.7471%	.7189%	4.4968%	3.6969%

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2/25/2022	.0430%	.0037%	.0032%	.0077%	.0075%	.0558%	.0049%	.1547%	.0980%	.0007%	.0007%	.1545%	.1386%	.0725%	.0613%
2/28/2022	2.3613%	.0706%	.0696%	.0020%	.0018%	2.6404%	.0013%	2.1454%	.6616%	.0008%	.0008%	.1798%	.1545%	2.8853%	2.4829%
3/1/2022	.0294%	.3010%	.0072%	.0015%	.0015%	.0170%	.0015%	1.5297%	.1018%	.0007%	.0006%	.1290%	.1054%	.4829%	.0476%
3/2/2022	.4811%	.0131%	.0003%	.0022%	.0021%	.3160%	.0025%	1.1221%	.0807%	.0007%	.0007%	.1226%	.1096%	.6076%	.4911%
3/3/2022	.0005%	.7461%	.0015%	.0017%	.0016%	.0135%	.0117%	.0182%	.0129%	.0006%	.0006%	.1270%	.1139%	.7510%	.0056%
3/4/2022	.0151%	.0007%	.0003%	.0017%	.0016%	.0498%	.0014%	.0536%	.0031%	.0758%	.0758%	.1377%	.1187%	.0377%	.0275%
3/7/2022	2.5171%	.0022%	.0018%	.0023%	.0021%	2.9773%	.0140%	1.5873%	.0030%	.0841%	.0819%	.1358%	.1214%	2.9833%	2.5329%
3/8/2022	.0225%	.0006%	.0004%	.0093%	.0014%	.0444%	.0018%	.0129%	.0025%	.0872%	.0872%	.1168%	.1009%	.0478%	.0365%
3/9/2022	.0098%	.0461%	.0456%	.0023%	.0020%	.0022%	.0017%	.0075%	.0023%	.0899%	.0899%	.1310%	.0937%	.0711%	.0698%

Options – Rolling Five Day Period

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

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2/10/2022	.0005%	.0042%	.0027%	.0788%	.0764%	.3859%	.3545%	.1645%	.1636%	.0374%	.0300%	1.1668%	1.1668%	.0820%	.0762%
2/11/2022	.1152%	1.3979%	1.3973%	.0764%	.0756%	2.2196%	1.8281%	.8287%	.8257%	.0613%	.0517%	.7269%	.7269%	1.6190%	1.6092%
2/14/2022	.0725%	.0006%	.0005%	.0756%	.0755%	.4413%	.2910%	.1406%	.1391%	.0150%	.0009%	1.0543%	1.0543%	.1431%	.1368%
2/15/2022	1.7969%	.0004%	.0003%	.3561%	.3560%	11.9289%	3.1525%	.1813%	.1535%	.0109%	.0009%	1.1274%	.9299%	2.1071%	1.9511%
2/16/2022	.0176%	.0002%	.0001%	.0430%	.0424%	.3364%	.3024%	.1458%	.1453%	.0730%	.0009%	1.0235%	.9795%	.0760%	.0567%
2/17/2022	.0001%	.0003%	.0002%	.0361%	.0360%	.3386%	.3348%	.1661%	.1654%	.0136%	.0007%	.7149%	.7149%	.0384%	.0349%
2/18/2022	.0021%	.0005%	.0004%	.0486%	.0484%	.3698%	.3649%	.1783%	.1776%	.0085%	.0007%	1.3609%	1.3497%	.0497%	.0474%
2/22/2022	.1371%	.0001%	.0001%	.0672%	.0667%	.7213%	.2858%	.1410%	.1391%	.0135%	.0017%	.5654%	.5654%	.2042%	.1939%
2/23/2022	.0001%	.0002%	.0001%	.0556%	.0553%	.2867%	.2822%	.1446%	.1422%	.0117%	.0007%	.7592%	.7592%	.0514%	.0483%
2/24/2022	.6559%	.0003%	.0002%	.0541%	.0540%	2.7662%	.2878%	.1538%	.1422%	.0073%	.0072%	.8027%	.8027%	.7411%	.7042%

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2/25/2022	.1850%	.0150%	.0150%	.0341%	.0339%	.9466%	.7747%	.5556%	.3838%	.0675%	.0595%	.5232%	.5232%	.2507%	.2429%
2/28/2022	2.3084%	.0001%	.0001%	.0321%	.0320%	3.3651%	.2749%	.1936%	.1522%	.0211%	.0109%	.8352%	.8231%	2.3920%	2.3409%
3/1/2022	.0029%	.0001%	.0001%	.0438%	.0436%	.2872%	.2617%	.1432%	.1424%	.0117%	.0061%	1.0578%	1.0515%	.0454%	.0434%
3/2/2022	.0034%	.0001%	.0001%	.0357%	.0356%	.2620%	.2564%	.1248%	.1219%	.0166%	.0026%	.8618%	.8555%	.0405%	.0366%
3/3/2022	.0017%	.0003%	.0002%	.0549%	.0548%	.2694%	.2648%	.1405%	.1395%	.0150%	.0149%	.6851%	.6851%	.0530%	.0528%
3/4/2022	.0001%	.0003%	.0003%	.0753%	.0752%	.3260%	.3226%	.1733%	.1698%	.0097%	.0069%	.6956%	.6956%	.0670%	.0660%
3/7/2022	2.4157%	.0005%	.0004%	.0583%	.0582%	3.6319%	.3165%	.3476%	.1541%	.0130%	.0090%	.7834%	.7834%	2.5269%	2.4683%
3/8/2022	.0150%	.0437%	.0435%	.0932%	.0930%	.2532%	.2498%	.2591%	.1205%	.0075%	.0057%	.7444%	.7444%	.1396%	.1361%
3/9/2022	11.1201%	.0153%	.0153%	.0620%	.0619%	.3126%	.3094%	.3352%	.2612%	.0059%	.0032%	.7708%	.7708%	11.1923%	11.1902%