

Consolidated Audit Trail

IM Tech Spec Updates

Phase 2d - v4.0.0 r20

8/15/2023

IM Tech Spec Updates

- ▶ Phase 2d v4.0.0 r20 (clean and redline) IM Tech Specs were published on 7/31/2023.
- ▶ 4.0.0 r20 Items associated with two releases: 2023 MEMX Options Exchange Release and 2023 Year-End Release:
 - MEMX Options Exchange Release-related Items:
 - Industry Test Release: 7/3/23
 - Production/Prod-Mirror Release: 9/11/23
 - Year-End Release-related Items:
 - Industry Test Release on 9/25/23.
 - Production/Prod-Mirror on 12/11/23.
- ▶ 4.0.0 r20 Items associated with the Electronic RFQ Responses Release:
 - Industry Test Release – 2Q2024.
 - Production/Prod-Mirror Release – 3Q2024.

2023 Industry Member Releases (Transaction) – Scope and Schedule

2023 – ADF Release

Spec Publication – 12/16/2022

Industry Test Release – 3/6/2023

Production/Production Mirror
Release – 3/27/2023

Onboarding FINRA ADF

- Add new event - MENQS - New Quote Supplement event
- Add new event - MERQS - Quote Route Supplement event
- Add *representativeQuoteInd*, *askAggregatedOrders*, and *bidAggregatedOrders* fields to MENQ event
- Add *destinationType* and *session* to MERQ event
- Change *firmDesignatedID* and *accountHolderType* fields on MENQ event from Required to Conditional
- Requirement update to optionally populate *quantity=0* for CASH orders

2023 – Mid-Year Release

Spec Publication – 4/11/2023

Industry Test Release – 6/5/2023

Production/Production Mirror
Release – 7/24/2023

New *handlingInstructions* Validations

- Add a validation to restrict allowed paired Values for CASH, SWQ and SW *handlingInstructions* to be greater than 0
- Add a validation to restrict allowed paired Value for DISP *handlingInstructions* to be greater than or equal to 0

Metadata File Removal Phase 2

- Reject Metadata File submission at File Acknowledgement stage of processing

2023 – MEMX Options Exchange Release

Spec Publication – 7/31/2023

Industry Test Release – 7/3/2023

Production/Production Mirror
Release – 9/11/2023

New values for existing fields

- Add new 'MEMXOP' value for the following fields: *destination*, *marketCenterID* and *senderIMID* to support MEMX Options exchange.

2023 Industry Member Releases (Transaction) – Scope and Schedule

2023 – Report Card by Processing Date Release

Production Release – 11/15/2023

Transaction Report Cards

- Generate Report Cards by Processing Date starting with the Report Cards covering October 2023

2023 – Year-End Release

Spec Publication – 7/31/2023

Industry Test Release – 9/25/2023

Production/Production Mirror Release – 12/11/2023

New *quantity* Field Validations

- Add a validation requiring *quantity* field value to be 0 for CASH orders

Electronic RFQ Responses (*Included in July 2023 Spec Publication, but not deployed into Test or Production until 2024*)

- Add new quote events to support reporting of RFQ responses for Options (MONQ, MORQ, MOQR, MOQM, and MOQC) and Multi-Leg (MLNQ, MLRQ, MLQS, MLQR, MLQC, and MLQM)
- Add new fields to equity quote events
 - *RFQID* to MENQ, MERQ, MEQR, MEQM, and MEQC
 - *RFQFlag* to MENQ and MEQR
 - *relativePrice* to MENQ, MERQ, MEQR, and MEQM
- Add new *destinationType* value of 'S'
- New Error Codes and Validations

2023 Industry Member Releases (Transaction) – Scope and Schedule

2023 – FDID Validation Report Card Release

Production Release – TBD – Not before the fourth quarter of 2023

Transaction Report Cards

- FDID Errors in Transaction Report Cards are not anticipated to be before the fourth quarter of 2023

2023 – FDID Validation to Production Release

Production/Production Mirror Release – TBD – Not before the fourth quarter of 2023

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

MEMX Options and Year-End Releases

- ▶ Two 2023 releases:
 - MEMX Options Exchange Release:
 - Industry Test Release: 7/3/23
 - Production/Production Mirror Release: 9/11/23
 - Year-End Release:
 - Industry Test Release on 9/25/23.
 - Production/Production Mirror on 12/11/23.

New *MEMEXOP* Exchange

- ▶ Updated the Data Dictionary to add new ‘MEMXOP’ value for the *destination*, *marketCenterID*, and *senderIMID* fields to support onboarding MEMX Options Exchange.
 - Industry Test Release – 7/3/2023
 - Production/Production Mirror Release – 9/11/2023
- ▶ The Order and Quote Routing Field Mapping Between CAT and Exchanges/Display-Only Facility document was [updated](#) to include MEMX Options.

New *quantity* Field Validation

- ▶ Added Error Code 2247 for Invalid combination of quantity and *CASH handlingInstructions*.
 - A quantity value of '0' must be reported for notional orders reported with the '*CASH*' *handlingInstructions* value.
 - See [CAT FAQ D10](#)

ADF-Related Updates

- ▶ The *routedQuoteID* field on the Routed Quote Supplement event (MERQS) was changed from conditional to required.
 - This event is applicable/required **only** when an Industry Member is generating quotes and displaying them on a Display-only Facility.

Manual Child Orders and Timestamps

- ▶ Addition of *manualFlag* and *electronicTimestamp* to all Child Order events (MECO, MECOM, MECOC, MOCO, MOCOM, MOCOC, MLCO, MLCOM, MLCOC).
 - The *manualFlag* is optional.
 - *Requirements for populating this field may be expanded in future phases of CAT.*
 - The *electronicTimestamp* is conditional, to be provided when the optional *manualFlag* is populated with value of 'true'.

Other Updates

- ▶ Updated *cancelQty* definition to be consistent on all applicable events
- ▶ Updated Section 2.4.4.1 FLEX Percent Options Symbols clarifying the FLEXPCT options

Electronic RFQ Release

▶ Electronic RFQ Responses

- Included in July 2023 Spec Publication, **but not deployed** into Test or Production until 2024
- This was included in 4.0.0 r20 and is grayed out to denote future-availability.
- Specific dates for deployments to be Announced in 4Q2023
 - Industry Test Release – 2Q2024.
 - Production/Prod-Mirror Release – 3Q2024.

Electronic RFQ Updates

- ▶ Beginning August 1, 2024, all RFQ responses that are communicated in standard electronic format directly to an Industry Member's OMS/EMS or to an RFQ platform and that are "not immediately actionable" (i.e., further action is required before a trade can be executed/routed), to the extent such responses are considered "orders" reportable pursuant to Rule 613(j)(8), will be required to be reported to CAT.
- ▶ On July 28, 2023, the SEC issued an order granting temporary exemptive relief from certain requirements in Section 6.4(d) of the CAT NMS Plan relating to the reporting of certain verbal floor activity and unstructured verbal and electronic upstairs activity. The relief expires on July 31, 2026.

Electronic RFQ Updates

- ▶ To the extent a response to an RFQ is considered an order, reportable pursuant to Rule 613(j)(8) of Regulation NMS under the Exchange Act, the CAT NMS Plan and the Compliance Rules, Industry Members are required to report responses to RFQs as such:
 - New CAT quote events for options and multi-leg quotes are introduced to facilitate the reporting of electronic RFQ responses.
 - For equities, electronic RFQ responses will be reported via existing equity quote events with enhanced new fields and values.

New Transaction Quote Events

- ▶ Consistent with existing Equity Quote events, eleven new Quote events have been added:

Option Quotes Events	Multi-Leg Quotes Events
New Option Quote (MONQ)	New Multi-Leg Quote (MLNQ)
Option Routed Quote (MORQ)	Multi-Leg Routed Quote (MLRQ)
Option Quote Received (MOQR)	Multi-Leg Quote Supplement (MLQS)
Option Quote Cancelled (MOQC)	Multi-Leg Quote Received (MLQR)
Option Quote Modified (MOQM)	Multi-Leg Quote Cancelled (MLQC)
	Multi-Leg Quote Modified (MLQM)

New Fields to Existing Quote Events

- ▶ Added *RFQID* to MENQ, MERQ, MEQR, MEQM, and MEQC events for RFQ related quote events
- ▶ Added *RFQFlag* to MENQ and MEQR events to indicate the quote was originated in response to an electronic RFQ
- ▶ Added *relativePrice* to MENQ, MERQ, MEQR, and MEQM to indicate if the quote's pricing is expressed in benchmark or relative term (e.g., Peg, Offset)

New Value to Existing Fields

- ▶ Added a value of 'S' for Quotes being routed to a U.S non-CAT reporting entity in the *destinationType* field
- ▶ Bifurcated the *destinationType* field into two sections:
 - Allowed Values for Quote Events
 - Allowed Values for Order Events

Quote Linkage Keys

- ▶ Updated the Quote Key to include optionID and RFQID
- ▶ Updated the Quote Route Key to include optionID

Linkage Key	Description	Fields	
Quote Key	<p>Links new quote events reported by the Industry Member to other related quote events.</p> <p>For example, links a New Quote event to a related Routed Quote event.</p>	<ul style="list-style-type: none"> • <i>quoteKeyDate</i> • <i>CATReporterIMID</i> • <i>symbol/optionID</i> • <i>quoteID</i> • <i>RFQID</i> 	
Quote Route Key	Links quote events reported by an Industry Member routing a quote and the Industry Member receiving the quote.	<u>Responder</u> <ul style="list-style-type: none"> • <i>Event Date</i> • <i>senderIMID</i> • <i>destination</i> • <i>symbol/optionID</i> • <i>routedQuoteID</i> 	<u>Solicitor</u> <ul style="list-style-type: none"> • <i>Event Date</i> • <i>senderIMID</i> • <i>receiverIMID</i> • <i>symbol/optionID</i> • <i>receivedQuoteID</i>

New Error Codes

- ▶ Introduced new error codes to support the new RFQ related fields
 - 2248: Missing or Invalid *RFQFlag*
 - 2249: Missing or Invalid *quotePriceType*
 - 2250: Invalid *relativePrice*
 - 2251: Missing or Invalid *RFQID*
 - 2252: Invalid Combination of *destinationType* and *RFQFlag*

Other Updates Related to RFQ

▶ Added New Sections

- Section 5.1.10 Option Quotes
 - Section 5.1.10.1: New Option Quote Event
 - Section 5.1.10.2: Option Routed Quote Event
 - Section 5.1.10.3: Option Quote Received/Replaced Event
 - Section 5.1.10.4: Option Quote Cancelled Event
 - Section 5.1.10.5: Option Quote Modified Event
- Section 5.2.8 Multi-Leg Quotes
 - Section 5.2.8.1: New Multi-Leg Quote Event
 - Section 5.2.8.2: Multi-Leg Routed Quote Event
 - Section 5.2.8.3: Multi-Leg Quote Supplement Event
 - Section 5.2.8.4: Multi-Leg Quote Received/Replace Event
 - Section 5.2.8.5: Multi-Leg Quote Cancelled Event
 - Section 5.2.8.6: Multi-Leg Quote Modified Event

Other Updates Related to RFQ

▶ Updated Sections:

- Section 3.4.1: RFQ Scope to include RFQ Reporting requirements and Muti-Leg activities beginning August 1, 2024
- Section 4.10: Quotes and Section 4.10.1 through 4.10.7: Equity quote events to clarify that Quotes are also used to report quotes originated in NMS Securities for electronic RFQ responses.
- Section 4.10.1 through 4.10.7 of the Equity quote to indicate which fields are only applicable to IDQS and ADF flow.
- Added guidance in Sections 4.10.1 through 4.10.7 on populating the *bidPrice/askPrice* field is not required on events when *relativePrice* field is populated.
- Section 4.10.5 update to Quote Received/Replace Event.
- Section 7.5.1.4 Linkage Error Feedback to include reference to RFQ Platform

Other Updates Related to RFQ

▶ Updated Tables:

- Renamed and/or renumbered some Sections and Tables due to the addition of the new quote events
- Updated Table 5: Linkage Keys to include *optionID* and *RFQID* in the Quote Key
- Updated Table 7: Summary of Route and TRF Linkage to include RFQ route linkage keys
- Updated Table 60: Summary of Simple Option Events to include new MONQ, MORQ, MOQR, MOQM, MOQC quote events
- Updated Table 61: Summary of Multi-Leg Option Events to include new MLNQ, MLRQ, MLQR, MLQS, MLQC, and MLQM Multi-Leg quote events
- Renumbered Table 145 to Table 159: Linkage Errors – Named on Unlinked IM Quote Event and added *optionID* to Sequence 6 (*symbol*)
- Renumbered Table 161 to Table 175: CAT Event Ingestion Error to add new RFQ field related error codes

Other Updates Related to RFQ

- ▶ Updates to Appendix G: Data Dictionary:
 - Added new fields *RFQID*, *RFQFlag*, *relativePrice*, *quotePriceType*
 - Bifurcated *destinationType* into new sections covering Allowed Values for Quote Events and Allowed Values for Order Events
 - Updated *type* field to include:
 - MONQ New Option Quote
 - MORQ Option Routed Quote
 - MOQR Option Received Quote
 - MOQC Option Quote Cancelled
 - MOQM Option Quote Modified
 - MLNQ New Multi-Leg Quote
 - MLRQ Multi-Leg Routed Quote
 - MLQM Multi-Leg Quote Supplement
 - MLQR Multi-Leg Quote Received
 - MLQC Multi-Leg Quote Cancelled
 - MLQM Multi-Leg Quote Modified

Other Updates Related to RFQ

- ▶ Update to Appendix F: Glossary
 - Added MONQ, MOQR, MLNQ, MLQR to the Primary Events
 - Added MORQ, MOQC, MLRQ, MLQC to the Secondary Events

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.