

CAT Alert 2018-001

SUBJECT: Industry Feedback Requested - Draft Industry Member Technical Specification V 0.6

On September 5, 2018, the Participants in the CAT NMS LLC Plan (“Participants”) published a new version of the CAT Reporting Technical Specifications for Industry Members (“Technical Specifications”) <https://www.catnmsplan.com/wp-content/uploads/2018/09/Industry-Member-Tech-Specs-Order-Events-v0.6.pdf>. This new version incorporates industry feedback the Participants have received over the last year in reaction to v0.1 that was published in September 2017 and Excerpt v0.2 published in February 2018. This version represents the last draft version that will be published for industry comment before the release of the final Technical Specifications on October 30, 2018. Updates to the Error Correction and Submission process are planned prior to publication of the final version, as described in the table below.

This version covers both Phase 2A and Phase 2B of Industry Member reporting as part of a phased approach to the implementation of Industry Member Reporting to the CAT. The key dates for the implementation of Phase 2A and Phase 2B are described in the Technical Specifications and in the August 9, 2018 Industry Outreach Webinar at https://www.catnmsplan.com/wp-content/uploads/2018/08/CAT-Industry-Webcast-8.9.18_vF.pdf. Please note that a proposed modification to the CAT NMS Plan will be filed with the Securities and Exchange Commission to reflect the phased approach for Industry Member reporting described in the newest version of the Technical Specifications. The proposal will be subject to the Commission’s approval.

This version of the Technical Specifications can be used for planning and design purposes for Phase 2A and Phase 2B but it is subject to change based on industry feedback.

The Participants seek input on any missing or unclear elements that will prevent Industry Members from implementing the Technical Specifications for Phase 2A and Phase 2B. Please note that the Participants have received and considered industry feedback on the issues contained in the table below. Resolution of these issues is provided below and incorporated in this version of the Technical Specifications. Further feedback on these items is not necessary. All feedback received by **October 1, 2018** will be considered by the SROs for inclusion in the October 30, 2018 final version.

Feedback and questions can be directed to the CAT Help Desk:

Email Address: helpdesk@thesyscat.com

Hours of Operation: 9AM-5PM Eastern Time (Weekdays only; except US Equity Market Observed Holidays)

Issue	Resolution
Alternate Versions of the Technical Specifications	There will only be one version of the Technical Specifications for submitting Industry Member Data to CAT. There will not be an OATS or FIX-based version. This version of the Technical Specifications is the last draft for public comment and will be followed by a final version on October 30, 2018.
Modified Route Event	Deferred – event not required for Phase 2A or Phase 2B. The Participants will evaluate the need for a modified route event after reviewing Phase 2A/2B data and include event in Phase 2C, if necessary.
Canceled Route Event	Deferred – event not required for Phase 2A or Phase 2B. The Participants will evaluate the need for a canceled route event after reviewing Phase 2A/2B data and include event in Phase 2C if necessary.
Order Restatement Event	Removed. Industry Members will not be required to restate GTC orders.
Trade Break Event	Removed in this version of the Technical Specifications. The Participants propose to modify the CAT NMS Plan to remove this event as the information will be included in TRF data reported to the CAT. The proposal will be subject to SEC approval.
Trade Correction Event	Removed in this version of the Technical Specifications. This information will be obtained from TRF data. Because trade corrections are not included in the data required to be reported pursuant to Section 6.4 of the CAT NMS Plan, no modification to the CAT NMS Plan is required.
TRF Control Number	Removed from the Trade Event.
Session ID	The Session ID remains mandatory. The Participants and Thesys CAT understand the challenges this presents for Industry Members but believe it is necessary to ensure accurate linkages are created within the required timelines. The Participants and Thesys CAT currently are analyzing solutions that may assist Industry Members in complying with this requirement, such as identifying existing FIX Tags that may create unique combinations when sending orders to the same receiving IM through multiple connections (e.g., FIX Tag 50, senderSubID). The Participants and Thesys CAT are seeking input on implementation approaches that would be least burdensome while ensuring unique linkage keys for orders routed between Industry Members. Please note that to avoid confusion with Trading Session identifiers, this field will be renamed to “uniqueOrderIDSupp” in the final October 30 specification.
Trader ID	Removed

Trade Event Side Details	No change. Trade Side Event Details remains a compound object that consists of a list of data elements that represents buy or sell side details of a Trade.
Clearing Number on Trade Event	Removed from the Trade Event in this version. The Participants propose to modify the CAT NMS Plan to remove this event as it will be included in TRF data reported to the CAT. The proposal will be subject to SEC approval.
Support for UTC or GMT Time	Both formats are supported
Definition of Industry Member IDs	The definition of Industry Member IDs will remain the same across all phases.
Reporter IMID should be included on all records.	No change. Reporter IMID will not be reported on each record.
Use of Firm Designated ID	Firm Designated ID will be optional with the start of Phase 2A Industry Member reporting and required by the end of the regulatory conformance period, scheduled for February 24, 2020. See Interpretive FAQs Q19-Q26 for further guidance on the reporting of Firm Designated ID.
CAT Eligible Security List	Thesys CAT will publish a daily CAT reportable security list beginning no later than March 30, 2019. This list will be similar to the OATS Reportable List and will include the symbology that Industry Members must use to submit data to CAT.
Corporate Actions	Order adjustments due to a corporate action are not required to be reported to CAT by Industry Members.
Sequence Numbers	Only required by ATSS. The Participants are proposing to modify the CAT NMS Plan to require this information from ATSS. The proposal will be subject to SEC approval.
NBBO Requirement for ATS	Only required by ATSS. The Participants are proposing to modify the CAT NMS Plan to require this information from ATSS. The proposal will be subject to SEC approval.
Foreign Entity Transactions - FDID	FDID has been removed from the Route Event
Manual/Electronic Capture Timestamps	See Interpretive FAQ C2
Order Accepted Event – Small Broker Dealer Flow	Order Accepted Event will be used in all cases where an Industry Member receives an order from another Industry Member. This is true even for orders received from non-reporting Small Industry Members in the first phases of CAT implementation. The CAT Plan Processor will not mark orders received from non-reporting Small Industry Members in the first phases of CAT implementation as unlinked.
Account Type Field (accountType)	This information is required in order to retire OATS and as such is included in this specification and required for Phase 2A. The Participants are proposing to modify the CAT

	NMS Plan to require this information. The proposal will be subject to SEC approval.
Full File Validation	The limit of 10% record rejection threshold to stop processing a file has been removed. All records in each file will be validated and feedback returned to the CAT Reporter.

Other Issues Under Consideration

Issue	Status
Validation of Industry Member Identifiers, File Submission, SFTP Upload Process, Error Correction, CAT Upload Process	Industry comments are being considered and a supplement to this specification will be published prior to publication of the final version of the Technical Specification on October 30, 2018 with sufficient time for industry comment.
Reporting the principal side of an internalized trade.	This version of the specification reflects reporting the origination of a principal order at the time a customer/client order is executed from a proprietary inventory account. The Plan is silent on the treatment of proprietary orders in this context. The SROs plan to propose a reporting approach that, instead of reporting a proprietary order at the time of execution, would add the FDID and account type of the account that the customer/client order was executed against to the Trade Event. This approach requires a modification to the CAT NMS Plan, which the SROs plan to propose to the SEC, and will be reflected in the October 30, 2018 specification subject to industry comment.