

CAT LLC Provides Key Operational Update

CAT Now Open for Reporting by Broker-Dealers

NEW YORK, NY, April 14, 2020 – Consolidated Audit Trail, LLC (CAT LLC) today announced that, as of Monday April 13th, the CAT is now live for broker-dealer reporting.

The CAT Operating Committee, composed of representatives of FINRA and exchanges (together, self-regulatory organizations or “SROs”) are cognizant that many broker-dealers represent that the COVID-19 pandemic has impeded their ability to report. In response, the Securities and Exchange Commission (SEC) staff granted “no action” relief, until May 20th, to the SROs from enforcing their CAT Compliance Rules with regard to the CAT implementation deadlines against broker-dealers. The SROs have requested an extension of this SEC no-action relief until June 22nd for the first phase of broker-dealer reporting (commonly referred to as “Phase 2a”) and until July 20th for the second phase of broker-dealer reporting (commonly referred to as “Phase 2b”).

“Today marks an important milestone as we have opened the system to receive data in the production system from broker-dealers that have been certified for reporting,” said the CAT LLC Operating Committee. “Although broker-dealers have additional time before they will need to comply with their reporting obligations, we continue to move full-speed ahead, and firms that are ready can begin live reporting.”

The CAT testing and production environments are now running in parallel. Firms that need to test can continue to do so while firms that FINRA CAT has certified as production-ready may begin reporting into the production environment.

The CAT will allow regulators to improve securities market surveillance by creating an extensive audit trail of customer and order event information for all orders in U.S. exchange-listed and over-the-counter equity securities, as well as in the listed options markets, across all U.S. markets and trading venues pursuant to SEC Regulation NMS Rule 613. When fully complete, the CAT will be the world's largest data repository of information on securities transactions, tracking all orders throughout their life cycle.

About Consolidated Audit Trail, LLC

Consolidated Audit Trail, LLC was formed by FINRA and the U.S. national securities exchanges (collectively, the SROs) to implement the requirements of SEC Rule 613 under the Securities Exchange Act of 1934. SEC Rule 613 required the SROs to jointly submit to the SEC the CAT NMS Plan to create, implement and maintain the CAT. The SEC approved the CAT NMS Plan on November 15, 2016. Once implemented, the CAT will facilitate regulatory surveillance by creating an extensive audit trail that will capture customer and order event information for orders in exchange-listed securities across all U.S. markets, from the time of order inception through routing, cancellation, modification or execution, in a single, consolidated source. More information can be found at www.catnmsplan.com.

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