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# Monthly CAT Update

May 17, 2022

# Agenda

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- Transaction Production Statistics
- CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates
- Transaction Technical Specifications Updates
- CAIS Reporting Updates
- Compliance Updates
- Upcoming Industry Webinars and Other Updates
- Q&A

# Transaction Production Statistics

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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.

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# CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates

# CAT NMS Plan Update

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- ▶ On May 13, 2022, the Operating Committee of CAT NMS, LLC filed with the SEC a proposed [amendment](#) to the CAT NMS Plan to implement a revised funding model (the "Executed Share Model") for the CAT and to establish a fee schedule for Participant CAT fees in accordance with the Executed Share Model.

# New FAQs

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- ▶ There are no new Transaction [FAQs](#).
- ▶ No Transaction [FAQs](#) were updated.

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# Transaction Technical Specifications Updates

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# 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.
- Provide a new linkage summary feedback file containing missing or invalid FDIDs (Test – 6/20/2022).

## 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 Boolean to Price to capture actual monetary value instruction
- Enforce correct values on the *side* field in Leg Details.
- Reject invalid values in the *underlying* field on Multi-Leg events.
- Add *deskOrderID* field to Order Internal Route events to uniquely identify MEIR, MOIR, and MLIR events.
- Remove metadata file submission requirement and related file integrity errors.



# Technical Specification Updates

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- ▶ V4.0.0 r15 of the [Industry Member Technical Specifications \(2d\)](#) (Clean and Redlined) was published on May 16, 2022.
  - The updates will be reviewed and discussed during the May 24, 2022 Technical Specifications Working Group.
    - The presentation and recording will be posted to the CAT website by close of business on May 25, 2022.
  - Spec-only updates; no [schema](#) updates.

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# CAIS Reporting Updates

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# Industry Member Release Rollout – Pre-Production

<b>Full CAIS Release 1</b> Industry Test – 1/31/2022 Production – 4/25/2022	<b>Full CAIS Release 2a</b> Industry Test – 3/28/2022 Production – 4/25/2022	<b>Full CAIS Release 2b</b> Industry Test – 4/11/2022 Production – 4/25/2022
<p><b>Ingestion</b></p> <ul style="list-style-type: none"><li>• Industry Test Open for Machine-to-Machine File &amp; Data Integrity Validations, Material Inconsistencies, and Feedback</li><li>• Feedback file contains up to 1,000 Rejections</li></ul> <p><b>CAIS Reporter Portal</b></p> <ul style="list-style-type: none"><li>• Manual File Upload</li><li>• Manual Submission</li><li>• Submission Feedback</li><li>• Inconsistencies Feedback</li><li>• Nightly Inconsistencies Report</li></ul> <p><b>Full CAIS Certification</b> opened on 2/1/2022</p>	<p><b>Ingestion</b></p> <ul style="list-style-type: none"><li>• New DRIVERLICENSE Foreign TID Type</li><li>• EIN Validation changed to format validation</li><li>• Feedback file enhanced to include all Rejections feedback</li></ul> <p><b>CAIS Reporter Portal</b></p> <ul style="list-style-type: none"><li>• FDID Reconciliation Report updated with Full CAIS information (count of CAT Customers and Version information)</li></ul>	<p><b>Ingestion</b></p> <ul style="list-style-type: none"><li>• Remove OTHBKR and CP customerType values for Legal Entity Customer Records</li><li>• Remove BROKERAGE and ADVISED values for accountType</li><li>• Remove primeBrokerID and bankDepositoryID fields and add a new DVPCustodianID field</li></ul>

# Industry Member Release Rollout – Production

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Full CAIS Release 3a  
Industry Test – 5/25/2022  
Production – 6/13/2022

## Ingestion

- New Authorized Trader Names List on FDID record
- Increase *lastName* field length to 200 characters

## 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 3b  
Industry Test – 6/13/2022  
Production – 6/27/2022

## Ingestion

- New OTHGOVT Foreign TID Type

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

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- ▶ Production Certification for Full CAIS is open.
- ▶ The deadline for Production Certification is June 21, 2022.
- ▶ Certification after June 21, 2022, may delay access to the Full CAIS Production Environment.

# CAIS Upcoming Key Dates

Topic	Event	Date
Industry Webinar	CAIS Industry Testing Checkpoint Calls	Next: May 18, 2022 Effective June 1, 2022: Weekly on Wednesdays
Production Certification	Full CAIS Certification Deadline	June 21, 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

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- ▶ Two new CAIS [FAQs](#):
  - FAQ [Q60](#) states that if an Industry Member is not an account holder or does not have authority to place orders for the account without prior approval of the account holder(s), receipt of a “Not Held” order does not require that the Industry Member be identified as a CAT Customer on the related FDID Record.
  - FAQ [T7](#) states that in the scenario where the reporting Industry Member itself has authority to place orders for the Account without prior approval of the account holder(s) and is not the holder of the account, the Industry Member can certify for Full CAIS production with the previous description of the ‘AUTH3RD’ value, assuming the Industry Member and/or its CAT Reporting Agent meet the production readiness requirements as set forth in the Industry Member CAIS Onboarding Guide.
- ▶ No CAIS [FAQs](#) were updated.

# CAIS Updates

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- ▶ V2.0 r9 of the [CAT Reporting Customer and Account Technical Specifications for Industry Members](#) (Clean and Redline) was published on May 4, 2022.
  - V2.0 r9.1 of the [CAT Reporting Customer and Account Technical Specifications for Industry Members](#) (Clean and Redline) was published on May 5, 2022 with a clarification in Section 2.2.5:
    - The Foreign Identifier type is only permissible to use for foreign Natural Person or **foreign** Legal Entity Customers **that do not have a US Tax Identifier**.
- ▶ The updates will be reviewed and discussed during the May 24, 2022 CAIS Technical Specifications Working Group.
  - The recording and presentation will be posted to the CAT website by close of business on May 25, 2022.
- ▶ V2.3 of the [CAT CAIS Industry Member Reporting Scenarios](#) (Clean and Redline) was published on April 22, 2022.
- ▶ V2.2.0 of the [Industry Member CAT CAIS Reporter Portal User Guide](#) was published on April 22, 2022.



# CAIS Checkpoint Calls

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- ▶ The next [CAIS Industry Testing Checkpoint Call](#) will be on May 18, 2022 at 4:15 pm ET.
- ▶ The presentations and recordings are available for:
  - [05/04/2022 CAIS Industry Testing Checkpoint Call](#)
  - [04/21/2022 CAIS Industry Testing Checkpoint Call](#)

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# Compliance Updates

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# Industry Member Report Card Updates

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- ▶ The April 2022 CAT Industry Member Compliance Report Cards were published on May 15, 2022.
- ▶ Other Resources:
  - [Industry Member Report Card- Known Issues List](#)
  - [CAIS Compliance Glossary](#)
  - [Transaction Compliance Glossary](#)
  - Previously Recorded and Posted [Report Card Webinars](#)

# FDID Submissions in Full CAIS Phase – Error Rate Impact

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## ▶ CAIS Report Cards

- Beginning April 25, 2022, Full CAIS submissions may be reported to the Full CAIS Production Environment.
- While there is no compliance obligation for the reporting of non-LTID FDIDs until July 11, 2022, all Full CAIS FDID reporting errors are included in the FDID and Overall Error Rate beginning April 25, 2022 in the CAIS Reporter Daily Statistics and in the April 2022 CAIS Report Cards.
- All Customer Records that are repaired late or are outstanding will be included in the Customer and Overall Submission Error Rate beginning on July 11, 2022 and will be included in the August 2022 CAIS Report Cards.

## ▶ Transaction Report Cards

- FDID errors will be included in the Compliance Error Rates beginning with the July 11, 2022 Compliance date and will be included in the CAT Transaction Report Cards beginning with the August 2022 Report Cards, published in September 2022.

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# Upcoming Industry Webinars and Other Updates

# Upcoming Industry Webinars

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- ▶ The next [Monthly CAT Update](#) will be held on June 28, 2022 at 9 am ET.

# Other Updates

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- ▶ The recording and presentation from the following webinars are available on the CAT website:
  - [4/20/2022 Monthly CAT Update](#)
  - [4/26/2022 CAT Technical Specification Working Group](#)

# FINRA CAT Helpdesk

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Questions may be directed to the FINRA CAT Helpdesk at 888-696-3348 or [help@finracat.com](mailto:help@finracat.com)



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**Q&A**

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# How to Ask a Question during Today's Call

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- **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.

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# Appendix

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# Equities – Rolling Five Day Period

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

### April 14, 2022 – May 10, 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
4/14/2022	.0009%	.0005%	.0001%	.0030%	.0028%	.0004%	.0003%	.0025%	.0019%	.0006%	.0006%	.0456%	.0221%	.0039%	.0033%
4/18/2022	.2314%	.0005%	.0001%	.0049%	.0018%	.0942%	.0002%	.0059%	.0021%	.0007%	.0006%	.0587%	.0537%	.2454%	.2332%
4/19/2022	.0003%	.0005%	.0001%	.0032%	.0031%	.0005%	.0004%	.0028%	.0026%	.0005%	.0005%	.0346%	.0277%	.0035%	.0030%
4/20/2022	.0048%	.0024%	.0002%	.0030%	.0029%	.0003%	.0003%	.0107%	.0022%	.0057%	.0057%	.0316%	.0213%	.0109%	.0078%
4/21/2022	.0001%	.0004%	.0001%	.0028%	.0027%	.1047%	.0524%	.0535%	.0535%	.0005%	.0005%	.0344%	.0297%	.0182%	.0127%
4/22/2022	.0007%	.0004%	.0001%	.0029%	.0028%	.0004%	.0003%	.0046%	.0014%	.0005%	.0005%	.0324%	.0300%	.0038%	.0030%
4/25/2022	.0401%	.0499%	.0252%	.0180%	.0170%	.0431%	.0016%	.0450%	.0430%	.0006%	.0005%	.0573%	.0522%	.0972%	.0676%
4/26/2022	.0382%	.0004%	.0001%	.0033%	.0030%	.3478%	.0007%	.4886%	.0018%	.0005%	.0005%	.0291%	.0262%	.1233%	.0408%
4/27/2022	.3670%	.0006%	.0004%	.0031%	.0029%	.7672%	.4514%	2.3626%	.2279%	.0005%	.0005%	.0985%	.0231%	.6472%	.4129%
4/28/2022	.0918%	.0005%	.0002%	.0063%	.0061%	.0038%	.0001%	.2087%	.0015%	.0247%	.0002%	81.7975%	.0283%	.1590%	.0966%

# Equities – Rolling Five Day Period

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

### April 14, 2022 – May 10, 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
4/29/2022	.0001%	.0005%	.0001%	.0032%	.0031%	.0002%	.0001%	.0011%	.0010%	.0113%	.0003%	.0299%	.0260%	.0046%	.0026%
5/2/2022	.9232%	.0003%	.0001%	.0023%	.0022%	.0158%	.0001%	3.4395%	.0013%	.0002%	.0002%	.0428%	.0392%	1.2524%	.9249%
5/3/2022	2.7570%	.0114%	.0097%	.0177%	.0175%	2.8629%	.0002%	1.7973%	.0015%	.0002%	.0002%	.0294%	.0251%	3.2411%	2.7783%
5/4/2022	2.5237%	.0006%	.0003%	.0030%	.0029%	3.0453%	.0002%	1.4938%	.0024%	.0002%	.0002%	.0247%	.0217%	2.9709%	2.5254%
5/5/2022	.9354%	.0583%	.0308%	.0598%	.0409%	.4811%	.3285%	.6676%	.0017%	.0081%	.0081%	.0308%	.0291%	1.1465%	1.0269%
5/6/2022	.0845%	.0004%	.0001%	.0037%	.0036%	.1182%	.1182%	.1602%	.0453%	.0002%	.0002%	.0383%	.0369%	.1142%	.1029%
5/9/2022	5.7549%	.0008%	.0001%	.0036%	.0033%	.0006%	.0006%	3.9263%	.0022%	.0002%	.0002%	.0522%	.0493%	6.1346%	5.7578%
5/10/2022	.0026%	.0003%	.0001%	.0030%	.0030%	.0060%	.0060%	.0137%	.0057%	.0002%	.0002%	.1766%	.0492%	.0070%	.0060%

# Options – Rolling Five Day Period

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

### April 14, 2022 – May 10, 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
4/14/2022	.0003%	.3360%	.3359%	.0031%	.0030%	.1720%	.1680%	.0612%	.0609%	.0124%	.0006%	.2901%	.2828%	.3461%	.3430%
4/18/2022	.0003%	.0002%	.0000%	.0033%	.0030%	.1276%	.1237%	.0463%	.0435%	1.4322%	1.3021%	.0780%	.0520%	.3627%	.3299%
4/19/2022	.0001%	.0001%	.0001%	.0034%	.0033%	.1271%	.1238%	.0447%	.0445%	1.2541%	1.2324%	.0684%	.0513%	.3170%	.3114%
4/20/2022	.0239%	.0001%	.0001%	.0034%	.0031%	.1351%	.1308%	.0482%	.0477%	.0091%	.0005%	.1309%	.0655%	.0325%	.0300%
4/21/2022	.0418%	.0001%	.0001%	.0029%	.0028%	.1468%	.1419%	.0565%	.0557%	.0099%	.0007%	.0695%	.0695%	.0505%	.0480%
4/22/2022	.0055%	.0002%	.0001%	.0032%	.0031%	.1548%	.1491%	.1611%	.0638%	.0090%	.0011%	.0478%	.0159%	.0163%	.0121%
4/25/2022	.0781%	.0002%	.0001%	.0399%	.0044%	.4272%	.1481%	.3060%	.0518%	.0114%	.0012%	.2735%	.1954%	.1253%	.0854%
4/26/2022	.0001%	.0001%	.0001%	.0033%	.0033%	.1443%	.1386%	.0467%	.0464%	.0064%	.0007%	.1383%	.0566%	.0080%	.0063%
4/27/2022	.0932%	.0019%	.0017%	.0032%	.0027%	.1295%	.1251%	.2519%	.0894%	.0109%	.0036%	.1329%	.1329%	.1074%	.1016%
4/28/2022	.0002%	.0003%	.0003%	.0035%	.0034%	.1402%	.1364%	.0482%	.0478%	.0217%	.0141%	.0888%	.0829%	.0125%	.0105%

# Options – Rolling Five Day Period

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

### April 14, 2022 – May 10, 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
4/29/2022	.0000%	.0010%	.0006%	.0043%	.0042%	.1708%	.1664%	.0578%	.0577%	.0284%	.0165%	.2519%	.1523%	.0160%	.0126%
5/2/2022	1.6231%	.0003%	.0001%	.0037%	.0036%	.1557%	.1493%	4.3845%	.0512%	.0165%	.0017%	.0654%	.0436%	1.7142%	1.6297%
5/3/2022	1.7440%	.0002%	.0001%	.0029%	.0028%	1.9440%	.1352%	.0862%	.0460%	.0125%	.0055%	.0854%	.0788%	1.7922%	1.7511%
5/4/2022	1.6204%	.0003%	.0001%	.0040%	.0039%	2.3917%	.1624%	.1494%	.1246%	.0160%	.0065%	.0000%	.0000%	1.6773%	1.6304%
5/5/2022	.0121%	.0006%	.0005%	.0082%	.0081%	.1605%	.1548%	.1342%	.1332%	.0117%	.0024%	.1241%	.1241%	.0274%	.0249%
5/6/2022	.0837%	.0010%	.0002%	.0045%	.0037%	.1754%	.1682%	.6697%	.1369%	.0096%	.0013%	.1054%	.0937%	.1061%	.0924%
5/9/2022	.0074%	.0002%	.0001%	.0044%	.0044%	.1428%	.1369%	.0539%	.0518%	.0128%	.0011%	.2923%	.2427%	.0178%	.0144%
5/10/2022	8.5261%	.0002%	.0001%	.0039%	.0038%	.1365%	.1300%	.0477%	.0471%	.0108%	.0004%	.0513%	.0154%	8.5353%	8.5323%

# Equities – Industry Aggregate Trade Date Statistics

## April 14, 2022 – May 10, 2022

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-04-14	32,650,642,554	32,650,411,548	457,105	1,226,364
2022-04-18	32,653,309,153	32,653,096,508	75,689,877	76,242,377
2022-04-19	30,768,848,716	30,768,610,253	215,380	1,028,661
2022-04-20	35,176,688,201	35,175,678,268	1,969,837	2,867,600
2022-04-21	42,291,534,099	42,291,279,357	211,456	5,510,706
2022-04-22	43,032,358,379	43,031,454,990	473,346	1,495,158
2022-04-25	53,142,066,404	53,103,363,325	21,453,758	36,115,054
2022-04-26	46,287,216,855	46,275,355,804	17,816,011	18,988,602
2022-04-27	53,506,810,828	53,493,538,143	196,428,272	221,080,666



# Equities – Industry Aggregate Trade Date Statistics

## April 14, 2022 – May 10, 2022

Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-04-28	43,738,433,638	43,726,954,772	40,316,252	42,367,277
2022-04-29	44,328,232,399	44,317,260,788	2,082,911	3,192,347
2022-05-02	55,724,486,921	55,714,538,646	514,412,335	515,423,262
2022-05-03	43,985,697,294	43,970,036,555	1,232,875,854	1,238,762,815
2022-05-04	47,741,932,526	47,730,145,930	1,204,327,042	1,205,708,650
2022-05-05	56,534,243,029	56,484,827,277	1,252,889,953	1,256,490,543
2022-05-06	57,566,928,146	57,369,315,576	48,477,071	59,238,700
2022-05-09	52,310,429,344	52,296,395,984	3,009,605,292	3,011,934,791
2022-05-10	61,593,355,056	61,566,488,349	1,600,728	3,817,179

# Options – Industry Aggregate Trade Date Statistics

## April 14, 2022 – May 10, 2022

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-04-14	5,560,314,818	5,541,600,669	190,566	1,662,480
2022-04-18	5,772,822,769	5,772,778,629	190,116	1,731,834
2022-04-19	5,665,413,118	5,665,378,716	175,988	2,266,151
2022-04-20	5,933,094,368	5,933,047,412	17,591	142,393,138
2022-04-21	6,412,326,944	6,412,288,396	30,577	268,674,884
2022-04-22	6,638,048,227	6,637,892,105	7,907	37,172,196
2022-04-25	6,561,676,833	6,561,626,759	55,874	512,463,050
2022-04-26	6,112,628,571	6,112,593,042	3,719	611,259
2022-04-27	6,485,447,061	6,485,154,222	65,392	618,035,197

# Options – Industry Aggregate Trade Date Statistics

## April 14, 2022 – May 10, 2022

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2022-04-28	6,239,324,523	6,235,041,006	6,400	1,247,008
2022-04-29	6,043,364,493	6,034,758,546	7,239	603,476
2022-05-02	6,748,567,682	6,748,487,066	1,099,883	10,953,469,357
2022-05-03	6,132,743,380	6,132,645,529	1,073,924	10,695,947,067
2022-05-04	6,776,776,678	6,776,716,945	1,104,873	10,983,702,824
2022-05-05	6,833,513,222	6,827,931,583	16,979	85,349,145
2022-05-06	7,310,134,101	7,306,755,441	67,523	611,575,430
2022-05-09	6,817,428,790	6,817,373,446	9,823	49,766,826
2022-05-10	6,476,423,701	6,476,351,649	69,431	631,444,286