

---

# Monthly CAT Update

---

August 17, 2023

# Agenda

---

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

---

# CAIS Reporting Updates

---

# Update on CAIS Reporting Deadlines

---

- ▶ As [Announced](#) on August 2, 2023:
- ▶ New Interim Reporting Obligation 4 and Full CAIS Compliance Go-Live dates were established and published in new [CAT Alert 2023-01](#):
  - **Interim Reporting Obligation 4: May 24, 2024**
  - **Compliance Go-Live: May 31, 2024**
- ▶ More details were provided during the August 2, 2023 [CAIS Industry Testing Checkpoint Call](#).

# CAIS Reporting Deadlines– Conforming Changes

---

## ▶ Conforming changes:

- [Timeline](#) (August 2, 2023)
- FAQs [M16](#), [Q3](#), [Q8](#), [Q18](#), [Q21](#), [Q27](#), [Q28](#), [Q40](#), [Q42](#), [Q51](#), [Q58](#), [Q59](#) and [Q65](#) (August 2, 2023)
- [Small Firm Roadmap to May 31, 2024](#) (August 8, 2023)
- [CAT Alert 2021-02](#) (August 10, 2023)
- [CAT Alert 2021-04](#) (August 8, 2023)
- [CAT Alert 2022-01](#) (August 2, 2023)

# Full CAIS Technical Specification Updates

---

- ▶ v2.0 r10 of the [Full CAIS Technical Specifications for Industry Members](#) (clean and redlined) were published on August 2, 2023.
- ▶ There were no updates to the CAT CAIS Industry Member Reporting Scenarios.

# Industry Member Release Rollout

2023 Release 1- Customer  
Address Validation  
Industry Test – 7/10/2023  
Production – 8/7/2023

- Enhance the 22514 Error Code to require an address on every Customer Record
- Enhance Manual Submission screen to require an address on every Customer Record
- Enhance Manual Submission enabling users to copy addresses entered on the FDID Record to a Customer Record

\*Per FAQ Q67, effective July 12, 2023, each Customer must be reported to CAIS with at least one address.

2023 Release 2  
Industry Test – 9/25/2023  
Production – 10/23/2023

- New value of 'INACTIVE' for *fdidEndReason*, *roleEndReason* and *ltidEndReason*
- *customerRecordID* returned as a Data Type of Array in feedback files
- Address [Known Issues](#) impacting Reporter Portal and Data Validation

CAIS Report Card Release

## Report Card

- The first Full CAIS Report Card will be published for the first full month following the Full CAIS Compliance Go-Live date.
- Compliance Rates distinguished for Correspondent data

Planned Future  
Enhancements

- Optimization of error feedback
- Validate that *correspondentCRD* is a different identifier than the *catReporterCRD*

# Other CAIS Updates

---

- ▶ The next [Monthly CAIS Industry Testing Checkpoint Call](#) is scheduled for Wednesday, September 6, 2023 at 4:15 pm ET.
- ▶ v1.9 of the [Industry Member CAIS Onboarding Guide](#) was published on August 2, 2023.
  - Removed references to the LTID Phase.
  - Added clarifications regarding the Onboarding process.



---

# CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates

---

# Transaction Interpretive Updates

---

# Transaction Interpretive Updates

---

- ▶ [v4.0.0 r20](#) of the Phase 2d Industry Member CAT Reporting Technical Specifications (clean and redlined) was published on July 31, 2023.
  - Updates were highlighted in the August 15, 2023 [Technical Specifications Working Group](#)
- ▶ There were no updates to the Reporting Scenarios document.
- ▶ There were no new or updated Transaction FAQs.

# 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

---

# Compliance Updates

---

# Industry Member Report Card Updates

---

- ▶ The July 2023 CAT Industry Member Transaction Report Cards were published August 15, 2023
- ▶ Compliance 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

# Monthly CAT Update Industry Webinars

---

- ▶ The next [Monthly CAT Update](#) will be held on September 21, 2023 at 4:15 pm ET.
- ▶ The recording and presentation from the [July 27, 2023](#) Monthly CAT Update are available on the CAT website.

# Live CAT Overview Training Sessions

---

- ▶ FINRA CAT, LLC is offering live and interactive CAT Overview training sessions for Industry Members and CAT Reporting Agents.
- ▶ The CAT Overview focuses on the CAT NMS Plan, Transaction and CAIS Subsystems, and Report Cards, and includes a live demonstration of the CAT Reporter Portal.
- ▶ All training sessions are fully customizable to suit your firm's needs.
- ▶ Please contact the FINRA CAT Helpdesk at [help@finracat.com](mailto:help@finracat.com) or (888) 696-3348 to schedule a training session for your firm.

# Other Announcements

---

- ▶ The [2023 User Accounts Entitlement Certification Period for CAT Reporting Agents](#) is September 11, 2023 through November 13, 2023
  - Not applicable to Industry Members
  - During this period, a Certification Representative for each organization must certify that accounts with access to CAT applications, data and tools are valid and users are entitled only to the entitlements (privileges) necessary to perform their current job responsibilities.

# FINRA CAT Helpdesk

---

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

### July 21, 2023 – August 10, 2023

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
7/21/2023	1.5520%	.0003%	.0001%	.0006%	.0004%	.0005%	.0003%	1.6781%	.0011%	.0004%	.0000%	.0195%	.0194%	1.7210%	1.5524%
7/24/2023	.1484%	.0004%	.0001%	.0006%	.0004%	.0058%	.0004%	.1728%	.0017%	.0005%	.0000%	.0213%	.0208%	.1666%	.1490%
7/25/2023	.0351%	.0004%	.0001%	.0020%	.0009%	.0008%	.0005%	.0112%	.0016%	.0005%	.0000%	.0236%	.0224%	.0375%	.0358%
7/26/2023	.0420%	.0003%	.0001%	.0012%	.0004%	.0003%	.0001%	.0028%	.0010%	.0004%	.0000%	.0214%	.0201%	.0436%	.0425%
7/27/2023	.0754%	.0003%	.0001%	.0005%	.0004%	.0007%	.0005%	.0657%	.0017%	.0004%	.0000%	.0188%	.0187%	.0827%	.0759%
7/28/2023	.0216%	.0008%	.0005%	.0007%	.0005%	.1122%	.0019%	.0071%	.0032%	.0005%	.0001%	.0231%	.0229%	.0345%	.0230%
7/31/2023	.0434%	.0005%	.0001%	.0443%	.0008%	.0006%	.0005%	.0320%	.0011%	.0005%	.0000%	.0239%	.0235%	.0780%	.0440%
8/1/2023	.0394%	.0004%	.0001%	.0009%	.0007%	.0770%	.0002%	.0275%	.0010%	.0005%	.0000%	.3808%	.3803%	.0510%	.0404%
8/2/2023	.0008%	.0003%	.0001%	.0005%	.0004%	.0003%	.0002%	.0036%	.0007%	.0004%	.0000%	.4286%	.4281%	.0023%	.0016%
8/3/2023	.0741%	.0004%	.0001%	.0012%	.0010%	.0009%	.0007%	.0252%	.0007%	.0004%	.0000%	.0203%	.0196%	.0779%	.0750%
8/4/2023	.0058%	.0003%	.0001%	.0005%	.0003%	.0064%	.0039%	.0180%	.0044%	.0022%	.0017%	.0209%	.0207%	.0092%	.0072%
8/7/2023	.0251%	.0004%	.0002%	.0005%	.0004%	.0003%	.0001%	.0277%	.0013%	.0006%	.0000%	.0207%	.0203%	.0288%	.0257%
8/8/2023	.0001%	.0006%	.0002%	.0006%	.0005%	.0003%	.0001%	.0019%	.0009%	.0004%	.0000%	.0207%	.0205%	.0013%	.0008%
8/9/2023	.0475%	.0003%	.0001%	.0005%	.0004%	.0006%	.0004%	.0595%	.0010%	.0004%	.0000%	.0178%	.0176%	.0540%	.0479%
8/10/2023	.1097%	.0003%	.0001%	.0004%	.0003%	.0004%	.0002%	.1330%	.0009%	.0004%	.0001%	.0217%	.0214%	.1235%	.1101%

# Options – Rolling Five Day Period

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

### July 21, 2023 – August 10, 2023

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
7/21/2023	.0008%	.0001%	.0000%	.0005%	.0005%	.0013%	.0007%	.0404%	.0391%	.0000%	.0000%	.1141%	.0347%	.0014%	.0013%
7/24/2023	.0004%	.0000%	.0000%	.0006%	.0004%	.0015%	.0007%	.0813%	.0631%	.0028%	.0026%	.0538%	.0239%	.0020%	.0018%
7/25/2023	.0028%	.0001%	.0000%	.0024%	.0016%	.0016%	.0008%	.2365%	.0388%	.0000%	.0000%	.0925%	.0289%	.0045%	.0034%
7/26/2023	.1037%	.0000%	.0000%	.0005%	.0004%	.0015%	.0007%	.0296%	.0277%	.0000%	.0000%	.2051%	.1781%	.1042%	.1041%
7/27/2023	1.3273%	.0000%	.0000%	.0006%	.0006%	.0015%	.0008%	.0270%	.0261%	.0000%	.0000%	.0197%	.0079%	1.3279%	1.3278%
7/28/2023	.0004%	.0002%	.0002%	.0005%	.0005%	.0171%	.0166%	.0410%	.0404%	.0003%	.0003%	.0531%	.0531%	.0013%	.0013%
7/31/2023	.0001%	.0001%	.0000%	.0004%	.0003%	.0015%	.0008%	.0076%	.0070%	.0001%	.0000%	.1350%	.0587%	.0005%	.0004%
8/1/2023	.0000%	.0000%	.0000%	.0005%	.0005%	.0014%	.0008%	.0423%	.0420%	.0000%	.0000%	.1071%	.1071%	.0006%	.0006%
8/2/2023	.0515%	.0000%	.0000%	.0014%	.0014%	.0020%	.0009%	.0305%	.0259%	.0007%	.0007%	.0434%	.0197%	.0529%	.0528%
8/3/2023	.0168%	.0000%	.0000%	.0005%	.0005%	.0017%	.0010%	.0251%	.0247%	.0002%	.0001%	.1159%	.1063%	.0174%	.0173%
8/4/2023	.0685%	.0000%	.0000%	.0004%	.0004%	.0958%	.0008%	.0285%	.0271%	.0000%	.0000%	.0461%	.0138%	.0693%	.0689%
8/7/2023	.0000%	.0000%	.0000%	.0004%	.0003%	.0034%	.0008%	.0258%	.0238%	.0000%	.0000%	.0460%	.0358%	.0004%	.0004%
8/8/2023	.0000%	.0000%	.0000%	.0004%	.0004%	.0039%	.0009%	.0304%	.0272%	.0004%	.0001%	.2636%	.2090%	.0006%	.0004%
8/9/2023	.2368%	.0001%	.0000%	.0008%	.0002%	.0018%	.0006%	1.1840%	.0029%	.0054%	.0054%	.0719%	.0492%	.2442%	.2385%
8/10/2023	.4333%	.0003%	.0000%	.0011%	.0002%	.5402%	.0009%	2.1658%	.0038%	.0038%	.0038%	.0300%	.0300%	.4480%	.4346%

# Equities – Industry Aggregate Trade Date Statistics July 21, 2023 – August 10, 2023

Trade Date	Processed	Accepted	Late	Overall Errors Count
2023-07-21	30,111,764,122	30,108,968,667	467,600,178	467,742,058
2023-07-24	28,073,828,412	28,068,976,531	42,079,955	42,241,915
2023-07-25	25,930,592,533	25,930,370,019	9,640,713	9,830,556
2023-07-26	32,796,330,583	32,795,102,998	14,281,864	14,431,619
2023-07-27	35,977,146,890	35,977,014,255	27,713,740	27,911,207
2023-07-28	29,082,035,322	29,058,026,881	6,280,577	6,676,613
2023-07-31	27,084,341,473	27,084,118,324	11,777,032	11,929,493
2023-08-01	28,084,823,789	28,068,266,863	11,091,153	11,354,278
2023-08-02	33,062,459,241	33,062,330,504	451,685	708,204
2023-08-03	33,357,494,704	33,357,277,620	24,893,169	25,195,967
2023-08-04	34,799,645,133	34,799,503,916	2,033,736	2,515,328
2023-08-07	27,877,222,723	27,877,088,966	7,008,689	7,169,081
2023-08-08	31,054,466,466	31,054,273,028	24,904	236,664
2023-08-09	32,561,810,232	32,561,325,175	15,452,279	15,598,200
2023-08-10	39,323,930,431	39,322,678,081	43,122,407	43,360,147

# Options – Industry Aggregate Trade Date Statistics July 21, 2023 – August 10, 2023

---

Trade Date	Processed	Accepted	Late	Overall Errors Count
2023-07-21	6,487,182,088	6,487,177,119	53,508	89,447
2023-07-24	6,415,456,056	6,415,417,603	91,073	130,642
2023-07-25	5,681,541,181	5,681,526,880	161,018	191,132
2023-07-26	7,800,694,156	7,800,683,493	8,090,351	8,120,262
2023-07-27	6,982,539,016	6,982,533,974	92,677,773	92,716,085
2023-07-28	6,283,221,852	6,283,207,916	24,972	81,286
2023-07-31	6,117,167,354	6,117,162,691	4,331	23,181
2023-08-01	6,092,476,009	6,092,388,013	3,722	36,022
2023-08-02	6,393,498,701	6,393,496,318	3,294,525	3,377,641
2023-08-03	6,175,258,229	6,175,243,798	1,049,734	1,082,045
2023-08-04	6,454,815,605	6,454,811,786	4,418,585	4,445,119
2023-08-07	6,597,734,209	6,597,731,406	2,208	25,004
2023-08-08	5,971,861,175	5,971,858,793	1,795	26,836
2023-08-09	6,549,037,763	6,548,741,165	15,504,855	15,622,333
2023-08-10	6,778,808,839	6,778,157,061	29,204,508	29,480,820