Monthly CAT Update

September 19, 2024

Agenda

- Transaction System
- CAIS
- CAT Billing
- Compliance
- 2024 SIFMA DR Test
- Upcoming Industry Webinars and Other Updates
- Q&A
- Appendix- Transaction Production Statistics

Transaction System Updates

Transaction Guidance Updates

- No new or updated Transaction <u>FAQ</u>s were published.
- There were no updates to the Transaction Technical Specifications or Reporting Scenarios document.

2025 Industry Member Releases (Transaction) Scope and Schedule

2025 – Second Quarter Release Spec Publication – 10/18/2024 Industry Test Release – 1/27/2025 Production/Production Mirror Release – 4/14/2025

Add New Boolean Flag

 Add BFMMFlag as a conditional Boolean field (true/false) on MENO, MEOM, MEOT and MEOTS events to identify Short Sale orders originated or modified when relying on the bona fide Market Making exception under Rule 203(b)(2)(iii) of Regulation SHO.

The compliance date for BFMMFlag reporting is July 1, 2025.

Removal of handlingInstructions Values

• Remove 'MAO', 'MAC', 'AOB' and 'MOB' handlingInstructions values.

Other Updates and Reminders

- ▶ The Order and Quote Routing Field Mapping between CAT and Exchanges document was updated on August 22, 2024 to reflect updates for MIAX Sapphire.
- CAT Alert 2020-03: Options Market Quote Sent Time was updated on August 28, 2024 to update hyperlinks to regulatory circulars for MIAX Emerald, MIAX Options Exchange, MIAX Pearl and MIAX Sapphire.

Transaction Industry Test Environment Availability

- As there are no planned CAT Transaction releases until the <u>2Q25 IM Release</u>, CAT Transaction SFTP submission and linkage feedback will be unavailable in the CAT Industry Test Environment from September 23, 2024 to January 27, 2025.
- Industry Members may continue to test the current CAT Transaction schema format in the CAT Production Mirror Environment.
- The CAT CAIS Industry Test Environment is not impacted and the CAT Transaction Reporter Portal will continue to be available in the Industry Test Environment.

CAIS Updates

CAIS Guidance Updates

- ▶ No new or updated CAIS <u>FAQ</u>s were published.
- There have been no updates to the Full CAIS Technical Specifications or Reporting Scenarios document.
- ▶ The <u>August 27, 2024 CAIS Technical Specifications Working Group</u> included a review of the updates to v2.2 of the Customer & Account Technical Specifications that were published on July 18, 2024.

CAIS Industry Member Release Rollout

Unique Rejections Report Industry Test: 8/12/2024 Production: 8/19/2024

- Statistics by unique FDID and Customer
 - New screen on the Portal

Year End Release

Industry Test: 9/16/2024

Production: 12/9/2024

- New validations:
 - Error Code 22543: Invalid combination of *ein* and *tidType*
 - Error Code 22544: Conflicting ein and tidValue
 - Error Code 22546: Unknown attribute on Customer Record
- Disable Inconsistency Codes 30003 and 40003. No new 30003 and 40003 Inconsistency Codes (any previously generated 30003 and 40003 Inconsistency Codes that remain outstanding must be resolved)
- Extend maximum length of firstName and middleName to 200 characters
- Include up to 10 firmDesignatedID associations in the Outstanding Material Inconsistencies Data Feedback File.
- Bug Fixes

FDID Refresh Report Release

Industry Test: No later than 11/30/2024

Production: 12/9/2024

 The first FDID Refresh report will be delivered for compliance with the Periodic Customer & Account Information Refresh requirement no later than 5:00 p.m. Eastern Time on April 3, 2025.

CAT Billing Updates

New and Updated CAT Billing FAQs

- ▶ No new CAT Billing FAQs.
- ▶ No CAT Billing <u>FAQ</u>s were updated.

Billing Trade Details Technical Specifications and CAT Billing Scenarios

- Version 1.1 of the CAT Technical Specifications for Billing Trade Details (clean and redlined) is scheduled to published on September 24, 2024.
 - Will include the netExecutedEquivalentShares field.
 - This field will first appear in the CAT Billing Trade Details for the September 2024
 Invoice, issued on October 25, 2024.
- An updated CAT Billing Trade Details Schema will also be published on September 24, 2024.
- ▶ There have been no updates to the CAT Billing Scenarios document.

CAT Billing: Sample CAT Invoices

- A sample CAT invoice and billing trade details representing CAT billable trading activity for August 2024 is scheduled to be published to CAT Executing Brokers on September 25, 2024.
 - The August 2024 sample invoices will be marked as non-payable and will be provided for informational purposes only.

CAT Billing: Reminder of CAT Fee Alerts

- ▶ <u>CAT Fee Alert 2024-1</u> provides notice to Industry Members of the proposed implementation of CAT Fee 2024-1, including the effective dates and the fee rate of \$0.000035.
- ► <u>CAT Fee Alert 2024-2</u> provides notice to Industry Members of the proposed implementation of Historical CAT Assessment 1, including the effective dates and the fee rate of \$0.000013.

Compliance Updates

Industry Member Report Card Updates

- The August 2024 CAT Industry Member Transaction and the Full CAIS Report Cards were published on September 15, 2024.
- Other Compliance Resources:
 - Industry Member Report Card- Known Issues List
 - Transaction Compliance Glossary
 - CAIS Compliance Glossary
 - Previously Recorded and Posted Report Card Webinars
 - August 15, 2024 CAIS Report Card Webinar

Business Clock Announcement

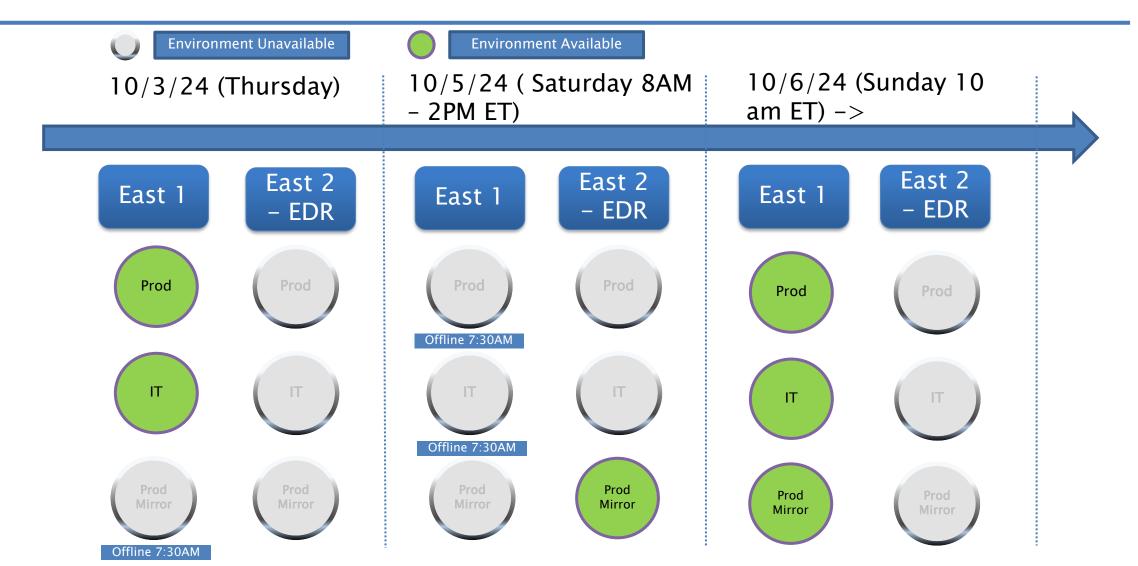
- Industry Members are invited to participate in the <u>2024 Business Clock</u> <u>Survey</u>.
 - The Survey closes on October 4, 2024

2024 SIFMA DR Test

2024 SIFMA DR Test

- FINRA CAT, along with selected CAT Reporters will participate in the 2024 SIFMA DR Test in similar fashion to the 2023 SIFMA DR Test.
- Selected CAT Reporters have been notified and have received test scripts.
- The 2024 SIFMA DR Test will:
 - Occur on Saturday, October 5, 2024 (8 am to 2 pm ET)
 - Require both Full CAIS and Transaction submissions
 - Only validate ingestion and will provide ingestion feedback (note: no linkage feedback process will be executed).
- ▶ FINRA CAT plans to use its Enhanced Disaster Recovery environment (EDR) in the AWS East-2 Region.
- FINRA CAT will utilize the Production Mirror Environment in that region. (Please utilize the <u>Connectivity Supplement for Industry Members</u> for additional network connectivity configurations.)
- Submitters should test their network connectivity to this new region between now and October 4, 2024 (prior to the October 5, 2024 test date).
- ▶ FINRA CAT will host a SIFMA DR Test meeting with selected Submitters on October 1, 2024.

SIFMA Test Roadmap



Upcoming Industry Webinars and Other Updates

Monthly CAT Update

- ▶ The next Monthly CAT Update will be held on October 17, 2024 at 4:15 pm ET.
- ▶ The recording and presentation from the August 15, 2024 Monthly CAT Update are available on the CAT website.

Other Announcements

- ▶ An updated <u>list</u> of Advisory Committee members was published on September 3, 2024.
- ▶ The <u>2024 User Accounts Entitlement Certification Period for CAT</u> <u>Reporting Agents</u> is September 9, 2024 through November 11, 2024.
 - 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.

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 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 or (888) 696-3348 to schedule a training session for your firm.

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.

Appendix

Equities - Rolling Five Day Period Initial T+1 vs. T+5 8 am Data Ready for Regulators August 9, 2024 - August 26, 2024

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
8/9/2024	.0003%	.0002%	.0000%	.0040%	.0037%	.0011%	.0002%	.0027%	.0007%	.0000%	.0000%	.0005%	.0005%	.0036%	.0030%
8/12/2024	.0193%	.0001%	.0000%	.0055%	.0048%	.0105%	.0002%	.0313%	.0009%	.0000%	.0000%	.0006%	.0002%	.0275%	.0229%
8/13/2024	.0048%	.0001%	.0001%	.0053%	.0048%	.0016%	.0011%	.0549%	.0361%	.0000%	.0000%	.0007%	.0003%	.0144%	.0120%
8/14/2024	.0039%	.0001%	.0000%	.0047%	.0042%	.0027%	.0003%	.0215%	.0011%	.0000%	.0000%	.0002%	.0002%	.0097%	.0070%
8/15/2024	.0005%	.0001%	.0000%	.0056%	.0050%	.0022%	.0002%	.0133%	.0104%	.0000%	.0000%	.0005%	.0005%	.0061%	.0051%
8/16/2024	.0294%	.0001%	.0000%	.0057%	.0050%	.0025%	.0006%	.0371%	.0007%	.0000%	.0000%	.0005%	.0004%	.0375%	.0331%
8/19/2024	.0007%	.0003%	.0002%	.0071%	.0067%	.0042%	.0009%	.0068%	.0019%	.0001%	.0000%	.0003%	.0003%	.0071%	.0059%
8/20/2024	.0002%	.0001%	.0000%	.0060%	.0057%	.0027%	.0001%	.0063%	.0010%	.0000%	.0000%	.0004%	.0004%	.0055%	.0044%
8/21/2024	.0035%	.0001%	.0000%	.0052%	.0049%	.0029%	.0001%	.0325%	.0102%	.0000%	.0000%	.0004%	.0003%	.0110%	.0081%
8/22/2024	.0027%	.0001%	.0001%	.0046%	.0042%	.0025%	.0001%	.0253%	.0071%	.0000%	.0000%	.0002%	.0002%	.0090%	.0065%
8/23/2024	.0021%	.0001%	.0000%	.0040%	.0038%	.0021%	.0001%	.0206%	.0055%	.0000%	.0000%	.0003%	.0003%	.0073%	.0054%
8/26/2024	.0016%	.0003%	.0001%	.0059%	.0048%	.0018%	.0001%	.0031%	.0004%	.0060%	.0000%	.0009%	.0003%	.0073%	.0052%

Equities - Rolling Five Day Period Initial T+1 vs. T+5 8 am Data Ready for Regulators August 27, 2024 - September 12, 2024

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
8/27/2024	.0006%	.0003%	.0001%	.0069%	.0065%	.0027%	.0002%	.0048%	.0003%	.0000%	.0000%	.0005%	.0004%	.0065%	.0054%
8/28/2024	.0038%	.2596%	.0000%	.0046%	.0040%	.0016%	.0002%	.0025%	.0003%	.0000%	.0000%	.0003%	.0003%	.2671%	.0067%
8/29/2024	.0628%	.0001%	.0000%	.0034%	.0033%	.0013%	.0007%	.0074%	.0006%	.0000%	.0000%	.0004%	.0004%	.0662%	.0653%
8/30/2024	.0005%	.0001%	.0000%	.0040%	.0037%	.0019%	.0003%	.0027%	.0004%	.0000%	.0000%	.0004%	.0002%	.0039%	.0032%
9/3/2024	.0004%	.0004%	.0002%	.0125%	.0116%	.0092%	.0006%	.0020%	.0005%	.0000%	.0000%	.0005%	.0005%	.0108%	.0090%
9/4/2024	.0010%	.0001%	.0000%	.0056%	.0054%	.0041%	.0030%	.0082%	.0032%	.0000%	.0000%	.0009%	.0007%	.0063%	.0054%
9/5/2024	.0030%	.0001%	.0000%	.0057%	.0056%	.0014%	.0006%	.0244%	.0004%	.0000%	.0000%	.0007%	.0006%	.0098%	.0071%
9/6/2024	.0122%	.0001%	.0000%	.0111%	.0110%	.0006%	.0005%	.0033%	.0004%	.0000%	.0000%	.0004%	.0004%	.0206%	.0201%
9/9/2024	.7857%	.0001%	.0000%	.0160%	.0155%	.3747%	.0007%	.2332%	.0006%	.0032%	.0000%	.2055%	.0004%	.8585%	.7954%
9/10/2024	.0481%	.0001%	.0000%	.0051%	.0048%	.1327%	.0008%	.0453%	.0006%	.0000%	.0000%	.0003%	.0003%	.0698%	.0516%
9/11/2024	.0538%	.0002%	.0000%	.0744%	.0040%	.0014%	.0005%	.1304%	.0005%	.0007%	.0000%	.0004%	.0004%	.1200%	.0568%
9/12/2024	.4458%	.0001%	.0000%	.0043%	.0041%	.0019%	.0006%	1.1021%	.0015%	.0000%	.0000%	.0003%	.0003%	.5592%	.4490%

Options - Rolling Five Day Period Initial T+1 vs. T+5 8 am Data Ready for Regulators August 9, 2024 - August 26, 2024

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
8/9/2024	.0003%	.0001%	.0000%	.0031%	.0029%	.0709%	.0022%	.0295%	.0264%	.0016%	.0016%	.0348%	.0261%	.0032%	.0029%
8/12/2024	.0002%	.0000%	.0000%	.0030%	.0027%	.0661%	.0008%	.0216%	.0055%	.0014%	.0014%	.0522%	.0348%	.0028%	.0026%
8/13/2024	.0047%	.0000%	.0000%	.0031%	.0028%	.1228%	.0010%	.0293%	.0226%	.0012%	.0012%	.0344%	.0306%	.0074%	.0071%
8/14/2024	.0074%	.0000%	.0000%	.0032%	.0030%	.1391%	.0020%	.8042%	.0111%	.0025%	.0022%	.0456%	.0331%	.0116%	.0102%
8/15/2024	.0031%	.0000%	.0000%	.0034%	.0033%	.0492%	.0011%	.0204%	.0187%	.0015%	.0015%	.0367%	.0169%	.0060%	.0059%
8/16/2024	.0002%	.0000%	.0000%	.0032%	.0028%	.0505%	.0016%	.0130%	.0076%	.0000%	.0000%	.0908%	.0378%	.0025%	.0022%
8/19/2024	.0063%	.0028%	.0022%	.0031%	.0028%	.0789%	.0158%	.0250%	.0236%	.0088%	.0004%	.0320%	.0183%	.0122%	.0106%
8/20/2024	.0005%	.0013%	.0000%	.0030%	.0028%	.0569%	.0019%	.0230%	.0207%	.0001%	.0001%	.0238%	.0238%	.0041%	.0026%
8/21/2024	.0002%	.0007%	.0000%	.0028%	.0027%	.0417%	.0015%	.0896%	.0085%	.0001%	.0001%	.0050%	.0050%	.0031%	.0022%
8/22/2024	.0019%	.0000%	.0000%	.0030%	.0029%	.0389%	.0017%	.5009%	.0136%	.0001%	.0001%	.0043%	.0043%	.0049%	.0041%
8/23/2024	.0001%	.0001%	.0000%	.0348%	.0031%	.0341%	.0018%	.0298%	.0079%	.0024%	.0000%	.0495%	.0396%	.0254%	.0024%
8/26/2024	.0000%	.0000%	.0000%	.0028%	.0027%	.0367%	.0364%	.0136%	.0087%	.0001%	.0000%	.0614%	.0246%	.0021%	.0020%

Options - Rolling Five Day Period Initial T+1 vs. T+5 8 am Data Ready for Regulators August 27, 2024 - September 12, 2024

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
8/27/2024	.0000%	.0018%	.0000%	.0031%	.0027%	.0399%	.0019%	.0098%	.0082%	.0000%	.0000%	.0776%	.0453%	.0041%	.0020%
8/28/2024	.0004%	.0023%	.0000%	.0027%	.0026%	.0346%	.0025%	.0188%	.0173%	.0001%	.0000%	.0107%	.0107%	.0043%	.0019%
8/29/2024	.0012%	.0017%	.0000%	.0024%	.0014%	.0314%	.0016%	.0165%	.0146%	.0000%	.0000%	.0457%	.0229%	.0043%	.0023%
8/30/2024	.0007%	.0002%	.0000%	.0025%	.0017%	.0371%	.0009%	.0149%	.0109%	.0000%	.0000%	.0230%	.0138%	.0026%	.0019%
9/3/2024	.0003%	.0000%	.0000%	.0018%	.0014%	.0352%	.0050%	.0344%	.0178%	.0001%	.0000%	.0179%	.0179%	.0017%	.0014%
9/4/2024	.0010%	.0000%	.0000%	.0011%	.0011%	.0353%	.0048%	.0235%	.0153%	.0035%	.0000%	.0471%	.0283%	.0028%	.0018%
9/5/2024	.0018%	.0000%	.0000%	.0018%	.0017%	.0431%	.0305%	.1039%	.0205%	.0001%	.0000%	.0269%	.0269%	.0033%	.0031%
9/6/2024	.0045%	.0003%	.0000%	.0014%	.0013%	.0378%	.0021%	.0216%	.0062%	.0001%	.0000%	.0385%	.0350%	.0058%	.0055%
9/9/2024	.0195%	.0000%	.0000%	.0012%	.0011%	.0417%	.0029%	.0287%	.0111%	.0092%	.0001%	.0132%	.0044%	.0230%	.0203%
9/10/2024	.0059%	.0000%	.0000%	.0011%	.0010%	.0348%	.0026%	.0130%	.0072%	.0009%	.0001%	.0048%	.0048%	.0069%	.0066%
9/11/2024	.9125%	.0000%	.0000%	.0044%	.0013%	.1445%	.0015%	2.0770%	.0911%	.0001%	.0001%	.0528%	.0366%	.9165%	.9112%
9/12/2024	.0000%	.0000%	.0000%	.0013%	.0013%	.0211%	.0009%	.1132%	.1120%	.0001%	.0001%	.0152%	.0152%	.0012%	.0011%

Equities – Industry Aggregate Trade Date Statistics August 9, 2024 – August 26, 2024

Trade Date	Processed	Accepted	Late	Overall Errors Count
2024-08-09	41,475,985,210	41,474,875,310	143,978	1,151,028
2024-08-12	38,923,944,877	38,923,859,366	7,711,429	8,811,554
2024-08-13	32,439,307,479	32,439,210,762	5,222,693	6,297,503
2024-08-14	35,349,900,316	35,349,850,113	1,547,615	2,429,432
2024-08-15	32,416,428,908	32,416,333,111	313,563	1,633,214
2024-08-16	31,024,335,284	31,023,393,912	9,266,797	10,208,550
2024-08-19	28,184,281,987	28,184,158,101	410,301	1,616,293
2024-08-20	30,727,515,100	30,727,456,940	228,686	1,304,684
2024-08-21	33,824,553,716	33,812,556,792	1,346,541	2,696,597
2024-08-22	37,997,343,145	37,982,647,321	3,315,689	4,295,264
2024-08-23	42,723,657,132	42,703,341,270	2,859,729	3,933,301
2024-08-26	33,565,061,436	33,564,942,246	637,633	1,709,384

Equities – Industry Aggregate Trade Date Statistics August 27, 2024 – September 12, 2024

Trade Date	Processed	Accepted	Late	Overall Errors Count
2024-08-27	29,411,929,473	29,411,815,934	281,426	1,590,650
2024-08-28	35,934,867,141	35,841,521,588	1,409,082	2,410,550
2024-08-29	41,677,375,399	41,677,263,641	26,269,166	27,257,209
2024-08-30	36,287,994,833	36,287,936,948	224,342	1,166,219
2024-09-03	41,471,457,214	41,471,170,781	217,710	3,679,306
2024-09-04	41,497,847,611	41,497,640,181	666,725	2,256,312
2024-09-05	41,278,568,005	41,278,498,565	1,258,147	2,920,025
2024-09-06	50,981,537,658	50,981,464,053	6,241,337	10,258,236
2024-09-09	37,538,023,625	37,537,924,850	294,935,021	298,591,151
2024-09-10	38,693,024,515	38,692,957,531	18,600,844	19,974,480
2024-09-11	46,678,109,751	46,677,986,337	25,126,469	26,505,405
2024-09-12	41,567,952,954	41,567,877,811	185,262,058	186,610,414

Options - Industry Aggregate Trade Date Statistics August 9, 2024 - August 26, 2024

Trade Date	Processed	Accepted	Late	Overall Errors Count
2024-08-09	22,223,182,114	22,222,954,137	379,829	810,890
2024-08-12	22,029,482,107	22,029,356,454	397,500	806,108
2024-08-13	22,213,129,200	22,212,950,517	1,407,962	1,843,505
2024-08-14	22,253,577,955	22,253,428,775	2,173,704	2,629,520
2024-08-15	22,270,897,895	22,270,659,447	1,338,075	1,842,423
2024-08-16	22,283,070,478	22,282,965,320	53,031	515,235
2024-08-19	22,045,955,558	22,045,143,760	1,641,686	2,445,201
2024-08-20	22,307,209,781	22,306,813,467	123,176	582,289
2024-08-21	22,449,711,429	22,449,485,447	57,820	495,981
2024-08-22	22,370,277,323	22,370,103,939	436,161	915,420
2024-08-23	22,680,996,306	22,680,886,935	20,885	539,464
2024-08-26	22,069,613,169	22,069,445,972	4,366	450,509

Options – Industry Aggregate Trade Date Statistics August 27, 2024 – September 12, 2024

Trade Date	Processed	Accepted	Late	Overall Errors Count
2024-08-27	22,854,382,272	22,853,779,242	11,750	452,552
2024-08-28	23,139,318,890	23,138,621,647	175,277	534,127
2024-08-29	23,521,110,697	23,520,483,182	290,438	540,253
2024-08-30	23,371,745,204	23,371,534,403	155,380	445,974
2024-09-03	23,438,820,415	23,438,572,510	66,874	320,749
2024-09-04	23,421,812,747	23,420,548,417	229,606	419,621
2024-09-05	19,905,105,194	19,904,844,089	357,953	615,845
2024-09-06	23,780,592,493	23,780,400,292	1,065,600	1,297,595
2024-09-09	22,372,755,879	22,372,441,309	4,363,967	4,548,643
2024-09-10	22,863,730,507	22,863,398,114	1,337,951	1,514,732
2024-09-11	23,182,170,268	23,121,328,924	210,989,839	211,239,885
2024-09-12	22,610,663,936	22,610,411,828	4,029	268,863