

Update Regarding SEC’s CAIS Exemption Order

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1. Revisions Summary

Version	Publish Date	Description
1.0	02/24/2025	Initial publication.

2. Update Regarding SEC’s CAIS Exemption Order

This CAT Alert provides Industry Members additional CAIS reporting guidance in light of the SEC’s February 10, 2025 [order](#) granting exemptive relief related to the reporting of names, addresses, and years of birth for natural persons reported with transformed social security numbers/individual tax payer identification numbers (“Designated Natural Persons”) to CAIS (the “Exemption Order”).

CAT LLC is continuing to evaluate the Exemption Order and will be communicating future updates related to the effects of the Exemption Order on CAIS reporting as necessary. In the interim, this CAT Alert provides immediate guidance for how Industry Members may elect to discontinue reporting names, addresses, and years of birth for Designated Natural Persons, in accordance with the guidance in Section 5 below. Currently, Industry Members may not simply leave these items blank in their CAIS reporting without causing the entire CAIS record for a Designated Natural Person, including non-exempted information, to be rejected.

3. Application of SEC’s CAIS Exemption Order

The Exemption Order only applies to names, addresses, and years of birth for Designated Natural Persons. Accordingly, Industry Members must continue to report to CAIS non-exempted data attributes, including the following data attributes according to the [Customer & Account Technical Specifications for Industry Members](#):

- The names, addresses, and years of birth of natural persons reported to CAIS with an Input Identifier other than a social security number/individual tax payer identification number. For example, Industry Members must continue to report names, addresses, and years of birth for foreign natural persons that are not reported to CAIS with transformed social security numbers/individual tax payer identification numbers.
- The names and addresses of Legal Entities.
- Authorized Trader Names List, including the following fields: *authTraderNamesList*, *authTraderNameID*, and *authTraderName*. For more information, please see the section entitled “Special Rules Regarding Natural Person Authorized Traders” in the [Customer & Account Technical Specifications for Industry Members](#).

4. Reporting Alternatives in Response to SEC’s CAIS Exemption Order

CAT LLC understands that the Exemption Order is permissive in nature rather than mandatory for Industry Members. Accordingly, Industry Members have two options in responding to the Exemption Order:

- Industry Members may choose to continue reporting names, addresses, and years of birth for Designated Natural Persons in accordance with the current [Customer & Account Technical Specifications for Industry Members](#). Industry Members that elect to continue reporting in this manner are not required to make any changes to such reporting in response to the Exemption Order; or
- Industry Members may choose to discontinue reporting names, addresses, and years of birth for Designated Natural Persons, but may only do so in accordance with the guidance in Section 5 below. Industry Members may not simply leave these items blank in their CAIS reporting.

With either option, failure to report non-exempted information to CAIS would be out of compliance with the CAT NMS Plan and the CAT Compliance Rules of the Participants.

5. Guidance for Discontinuing CAIS Reporting of Names, Addresses and Years of Birth for Designated Natural Persons

Under the current [Customer & Account Technical Specifications for Industry Members](#), name, address, and year of birth for Designated Natural Persons are required data attributes on a larger record that includes other non-exempted information. Accordingly, a failure to report the exempted information would cause the entire CAIS record for a Designated Natural Person, including non-exempted information, to be rejected.

Therefore, Industry Members that elect to stop reporting the exempted data attributes to CAIS may do so by reporting the following “Replacement Field Values” as placeholders in lieu of names, addresses, and years of birth for Designated Natural Persons:

JSON Object Level	Field Name	Replacement Field Value
FDID Record	<i>accountName</i>	“AccountName”
FDID Address Record	<i>addrLine1</i>	“AddrLine1”
	<i>city</i>	“City”
	<i>countryCode</i>	“ZW”*
Natural Person Customer Record	<i>firstName</i>	“FirstName”
	<i>lastName</i>	“LastName”
	<i>yearOfBirth</i>	9999
Natural Person Address Record	<i>addrLine1</i>	“AddrLine1”
	<i>city</i>	“City”
	<i>countryCode</i>	“ZW”*

**postalCode* is not required if *countryCode* is "ZW" or a valid value other than "US" or "CA". However, *postalCode* must be present and populated in the valid format for each Address Record within the file if the *countryCode* is "US" or "CA".

Please note the following with respect to the table above:

- Only the Field Names identified above may use the Replacement Field Values. All other Field Names detailed in Table 8 and Table 9 in the current [Customer & Account Technical Specifications for Industry Members](#) must continue to be populated according to the specifications.
- Within the *addressList* for both the FDID Address Record and the Natural Person Address Record, at a minimum, an *addrType* of ‘ADDRESS1’ is required. Industry Members have the option to report only one address at both the FDID and Customer level for Designated Natural Persons or report multiple addresses. Industry Members that elect to report multiple addresses may use the Replacement Field Values for the address lines within *addrType* ‘ADDRESS2’, ‘ADDRESS3’ and ‘ADDRESS4’.
- All current validation checks will remain in place until CAT LLC and the Plan Processor have determined to make further technical changes, including validation checks on addresses. Thus, while the Exemption Order covers zip code and region code, for example, failure to populate *postalCode* and *regionCode* when required by the technical specifications will result in rejection of the record.
- Material Inconsistencies for *yearOfBirth* (Inconsistency Codes 30002 and 40002) generated on or after February 10, 2025 are not required to be resolved. These Material Inconsistencies will be disabled.
- The Replacement Field Values meet the Data Types described in the current technical specifications and will pass data validation checks. Therefore, Industry Members that elect to stop reporting the exempted data attributes to CAIS may do so by reporting the Replacement Field Values effective immediately.

6. Resources

- [Exemption Order](#)
- [CAT Alert 2025-01](#)
- [Customer & Account Technical Specifications for Industry Members](#)