

Public Comment on CAT NMS Plan

1. Primary Market Transactions

- How do broker-dealers generally maintain this information? Do they maintain it in a reportable, electronic format or other format that is easily or readily convertible into a reportable format? What specific type of information is collected? If not maintained in electronic format, what would the potential costs and burdens be of implementing such a requirement? Please provide comments on any potential method, format, or approach for submitting such information electronically.
 - **Comments:** Clients use our Service Bureau platform singularly and/or along with third party syndicate order systems. Information entered directly onto our system and information passed to us by other vendors is stored in an electronic platform. That information is passed to our clients via access files and is maintained by them. The information that is captured includes account type, name, investment objective, number of shares, electronic prospectus delivery, etc.
- Do broker-dealers use systems and methods to handle information regarding allocations that differ from those used to handle information regarding secondary market transactions in such securities?
 - **Comments:** Yes, systems and applications used for primary market order allocations do differ from secondary market transactions. Although, once executed the reportable electronic information is captured on the same service bureau platform that is referenced in the previous response.
- What are the general timeframes for when determinations are made regarding primary market allocations? What are the different “stages” of these allocations? Is there a tentative allocation that is subject to change? What would prompt changes? When is the allocation final and not subject to change? What format are allocation determinations in at the various stages? When would allocation (preliminary or final) information be available for submission? Please comment on what a reasonable expected timeframe is to report allocations.
 - **Comments:** As a Service Bureau provider, we do not manage the actual allocation process; this is handled by the client.

2. Advisory Committee

- Do the nine proposed representative categories adequately capture the needed breadth of the Advisory Committee? Should additional categories, such as issuers, academics, or securities information processors, be added? Is there a category that should not be included?
 - **Comments:** We believe nine members on the Advisory committee may limit the committee’s ability to adequately represent approximately 5,000 broker-dealers and one representative from each category is not inclusive enough to benefit from a wide range of experiences. Also, the breadth of categories should be expanded to include service bureau providers and representation from industry groups such as FIF and

SIFMA. The idea of possibly modeling the composition after something similar to DAG with additional representation from broker-dealers should be considered.

- Does a two-year term strike the proper balance between ensuring new members can participate on the Advisory Committee while maintaining some degree of continuity?
 - **Comments:** A three year term would be more appropriate and would provide more continuity. We believe a longer term would afford the advisory team opportunities to be more productive based upon the level of experience maintained within the group. Additionally, we recommend the terms be staggered over time such that only a quarter of the committee is turning over at any given point. We also support that the selection of the Advisory Committee should be made by a third party, not the SRO's.

3. Time Stamp Requirement

- What level of granularity do firms currently capture on order information? Does the level of granularity differ depending on the particular order event (e.g., order entry, route, and execution)?
 - **Comments:** Our time stamp process is in milliseconds for orders and trades events that we record the actual time. If our system processes the order, the transaction is time stamped at order entry, route and at receipt of execution. We also record the time of the actual execution if received from the Exchanges, Market Centers or other venue utilized to execute the order. We also process orders processed away from our Order Management Systems (called "done trades"), we have fields available for firms to capture the correct time at these various stages. We do not validate the time or require that the time be in milliseconds for done trades.
- Do firms typically have a means by which to sequence events occurring during the same time increment?
 - **Comments:** All timestamps are assigned at the point the event hits our system, with no duplication. In the event orders occur during the same time increment, BETA sequences such events based upon the order in which the activity reaches our system. We do not have a method for done trades, except to use the time stamps, if received.

4. Clock Synchronization

- How frequently should broker-dealers be required to synchronize their clocks and how much drift should be allowed between broker-dealers' clocks?
 - **Comments:** Our firm automatically accesses the National Institutes of Standards and Technology (NIST) atomic clock at regularly scheduled intervals for time synchronization for the mainframe operations and certain open systems operations. This is based upon the OATS time synchronization requirement. Currently there is an allowable drift of one (1) second or less.