Weekly Industry Checkpoint Call

November 3, 2020

Agenda

- Production Statistics
- Options Exchange Linkage Updates
- General Announcements and Reminders
- Upcoming Key Dates
- Q&A

Production Statistics

Equities Compliance Statistics
October 26 – October 30, 2020

Product Type	Firm Count	Total Weekly Aggregate Accepted Count	Late %	Initial Rejection %	Initial Intrafirm Unlinked %	Initial Interfirm Sent Unlink %	Initial Interfirm Received Unlink%	Initial Exchange Unlink %	Initial TRF Unlink %	Initial Error %	Adjusted Error %
Equities	1,172	86,926,827,999	1.1450%	.0018%	.0064%	1.5729%	.7145%	1.3248%	2.8854%	1.6792%	1.4408%

Equities – Intervenue T+3 Error Corrections Rate October 26 – October 28, 2020

Trade Date	UNLINKED %							
	Interfirm Sent Initial	Interfirm Sent Adjusted (T+3)	Interfirm Received Initial	Interfirm Received Adjusted (T+3)	Exchange Initial	Exchange Adjusted (T+3)	TRF Initial	TRF Adjusted (T+3)
10/26/2020	2.9193%	.7454%	1.1837%	.0948%	1.7261%	.7939%	1.4289%	1.4169%
10/27/2020	.9931%	.8165%	.5670%	.0847%	.7476%	.7224%	10.3018%	10.0462%
10/28/2020	.7540%	.7171%	.3731%	.0991%	.6839%	.6719%	1.2154%	1.1989%

Options – Production Statistics
October 26 – October 30, 2020

Product Type	Firm Count	Total Weekly Aggregate Accepted Count	Late %	Initial Rejection %	Initial Intrafirm Unlinked %	Initial Error %	Adjusted Error %	Initial Interfirm Sent Unlink %	Initial Interfirm Received Unlink%	Initial Exchange Unlink %
Options	668	7,175,313,685	.3923%	.0118%	.0179%	.4148%	.4050%	3.5733%	7.2603%	34.1230%

Options Exchange Linkage Updates

Observations on Options Exchange Route Matching

- Firms are getting named errors from NASDAQ option exchanges due to an internal system route happening at the exchange. The original routing party is being sent on the internal route event, so FINRA CAT is attempting linkage. NASDAQ and FINRA CAT are working to resolve this issue.

- Option floor trades effected on the CBOE floor are resulting in named errors. CBOE and FINRA CAT are aware of the issue and are working toward a resolution.

- Option floor trades effected on the ARCAOP and AMEROP floors are resulting in named errors. NYSE Options and FINRA CAT are aware of the issue and are working toward a resolution.

- Sender IMID mismatches are occurring on routes to the Miami Option exchanges, since many IMID values include a trailing space. FINRA CAT strips the trailing spaces on the IM data but not on the participant side resulting in the unlinked errors. MIAX is working on a change to remove the trailing spaces from sender IMID codes on the CAT submissions. This change is tentatively scheduled for November 13, 2020.

- There is still some confusion about how IMID is being assigned on option exchanges. It is necessary for industry members to work directly with the exchanges to resolve this.

FINRA CAT File Submission and Data Integrity Open Issues List – As of 11/03/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Open	N/A	FINRA CAT is incorrectly marking New Order Supplements as late that were submitted on a subsequent date to update an FDID of 'PENDING'. DeMinimis impact to Daily Compliance Rate and Report Cards.	Code Release	Medium	4Q 2020	4Q 2020	Statistics
2	Open	N/A	Successful file delete submissions are incorrectly getting counted in the rejected files count in the statistics. Does not impact Compliance Error Rate.	Code Release	Low	To be scheduled	To be scheduled	Statistics
3	Open	N/A	FINRA CAT is incorrectly accepting timeInForce of GTD without a valid date.	Code Release	Medium	4Q 2020	4Q 2020	Ingestion Feedback & Statistics

FINRA CAT Intrafirm
Open Issues List – As of 11/03/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Open	N/A	Parent not found errors that are reconciled continue to be displayed as 'U' (Unrepaired) in Error Summary & Error Search screens. Feedback & Reporting Summary statistics are not impacted by this issue.	Code Release	High	To be scheduled	To be scheduled	Reporter Portal
2	Open	3601	Out of Sequence Errors that are caused by an incorrect Time Stamp on the parent event are not being properly reconciled when the parent Time Stamp is corrected. Repaired counts and Adjusted Unlinked Rate are impacted by this issue.	Code Release	High	4Q 2020	4Q 2020	Statistics
3	Open	Multiple	Parent not found errors are being generated for open option orders when the option symbol changes due to corporate action.	Code Release	Medium	4Q 2020	4Q 2020	Linker Feedback & Statistics

*** The Known Issues List is published on www.catnmsplan.com under "Industry Member Specifications" ***

FINRA CAT Interfirm
Open Issues List – As of 11/03/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Open	N/A	FINRA CAT is incorrectly providing Route/Accept unlinked feedback to small firms not required to report until 2d.	Code Release	Medium	11/10/2020	11/10/2020	Linker Feedback
2	Open	8003 8004	FINRA CAT is generating Unlinked Error Codes for order events containing the handlingInstruction "SR". These will be excluded from linkage feedback when a matching routed order ID is not found.	Code Release	Medium	11/30/2020	12/7/2020	Linker Feedback

*** The Known Issues List is published on www.catnmsplan.com under "Industry Member Specifications" ***

FINRA CAT Exchange/TRF
Open Issues List – As of 11/03/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
1	Open	7004 5004	FINRA CAT is generating unlinked named errors for exchange and TRF linkages in cases when the IM event occurred between 4:15pm and midnight and is not reported to CAT by 8am on the following business day. Does not impact Compliance Error Rate.	Code Release	Medium	11/10/2020	11/10/2020	Linker Feedback
2	Open	6017 7018 6019 7020	FINRA CAT is adding additional error codes to support Exchange Linkage: • 6017 destination did not match • 7018 Named – destination did not match • 6019 receiverIMID did not match • 7020 Named – receiverIMID did not match	Code Release	Medium	11/10/2020	11/10/2020	Linker Feedback
3	Open	4013 5014	FINRA CAT is adding additional error codes to support TRF Linkage: • 4013 CATReporterIMID did not match • 5014 Named – CATReporterIMID did not match	Code Release	Medium	11/10/2020	11/10/2020	Linker Feedback
4	Open	7004	FINRA CAT is generating unlinked named errors for GTC order restatements on NASDAQ (Exchange linkages only). Does not impact Compliance Error Rate.	Code Release	High	11/10/2020	11/10/2020	Linker Feedback

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FINRA CAT Exchange/TRF
Open Issues List – As of 11/03/2020

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date/Workaround	Production Environment Targeted Release Date/Workaround	Area
5	Open	5004	FINRA CAT is generating unlinked named errors on the 4th processing day for late submitted or corrected TRF trade reports (TRF linkages only). Does not impact Compliance Error Rate.	Code Release	High	11/10/2020	11/10/2020	Linker Feedback
6	Open	N/A	Named errors that are reconciled continue to be displayed as 'U' (Unrepaired) in Error Summary & Error Search screens. Feedback & Reporting Summary statistics are not impacted by this issue.	Code Release	High	To be scheduled	To be scheduled	Reporter Portal

*** The Known Issues List is published on www.catnmsplan.com under "Industry Member Specifications" ***

FINRA CAT Open Issues List – Planned Enhancements

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date	Production Environment Targeted Release Date	Area
1	Open	2133	For Name/Value Pair Data type fields, providing a value that is not in allowable values list returns error code 2133 (Additional Field) instead of error code 2101 (Missing or Invalid timeInForce).	Code Release	Low	To be scheduled	To be scheduled	Ingestion Validations
2	Open	2122	Incorrect error code is generated when an array field (e.g., clientDetails) is provided as a Name/Value pair.	Code Release	Low	To be scheduled	To be scheduled	Ingestion Validations
3	Open	2027	Incorrect error code is being generated when eventTimestamp is a future date (2027– eventTimestamp must be in the correct format instead of 2139 – eventTimestamp is greater than the current date and time).	Code Release	Low	To be scheduled	To be scheduled	Ingestion Validations

FINRA CAT Recently Closed Issues List

#	Status	Error Code	Summary	Resolution	Priority	Test Environment Targeted Release Date	Production Environment Targeted Release Date	Area
1	Closed	2060	Intraday additions of FLEX options received by FINRA CAT after 6 pm are added to the FINRA CAT Options list effective the next day resulting in rejections for events reported for the prior day.	Code Release	Low	10/31/2020	10/31/2020	Reference Data Issue

Planned Industry Member Technical Specification Updates– Last Updated 11/03/2020 – 2a/2b

#	Status	Summary	Release Date	Spec Version
1	Open	New senderType value 'O': • OTC Equity symbol in a foreign security was received by another Industry Member with instructions to execute the order in a foreign market. The receiving Industry Member voluntarily reports the receipt and route to CAT while the sending Industry Member did not report to CAT. • Linkage will be attempted but no unlinks will be returned if a corresponding ROID is not found reported by the sender.	11/6/20	2.2.1 r8
2	Open	New destinationType 'O': • OTC Equity symbol in a foreign security was sent to another Industry Member, who may route the order to a foreign market for execution. • Linkage will be attempted but no unlinks will be returned if a corresponding ROID is not found reported by the receiver.	11/6/20	2.2.1 r8
3	Open	New *handlingInstructions* 'STOPF' and 'CSC'.	11/6/20	2.2.1 r8
4	Open	New sections for STOP and Conditional Orders.	11/6/20	2.2.1 r8
5	Open	Clarify that MEOJ must not be used in instances where a modification is received from another Industry Member and a *routedOrderID* is required.	11/6/20	2.2.1 r8
6	Open	Clarify guidance for correcting ingestion errors received on a submission intended to correct a linkage error.	11/6/20	2.2.1 r8

Planned Industry Member Technical Specification Updates– Last Updated 11/03/2020 – 2a/2b

#	Status	Summary	Release Date	Spec Version
7	Open	Correction to Table 72: Linkage Error – Named on Unlinked Trade Report – *rptngSideShortCode* is being returned as a Text (2) field.	11/6/20	2.2.1 r8
8	Open	Add Error Codes to support Exchange Linkage: • 6017 destination did not match: A matching routedOrderID was identified in an exchange order; however, the destination on the Order Route event did not match the exchange ID on the exchange order. • 7018 Named – destination did not match: Named on an exchange order, but the exchange ID on the exchange order does not match the destination reported on the corresponding Order Route event. • 6019 receiverIMID did not match: A matching routedOrderID was identified in an exchange order; however, the receiverIMID on the Order Accepted or Order Modified event did not match the routingParty on the exchange order. • 7020 Named – receiverIMID did not match: Named on an exchange order, but the routingParty on the exchange order does not match the receiverIMID reported on the corresponding Order Route event.	11/6/20	2.2.1 r8
9	Open	Clarify definition of handlingInstructions value WDP: Discretion on Limit Price Within a Specified Range.	11/6/20	2.2.1 r8
10	Open	Additional guidance surrounding delete instructions: • A repair or delete instruction must be reported using the error ROE ID provided by CAT when a CAT record was malformed or had an error associated with the eventTimestamp or firmROEID. • Firm identified errors associated with the CAT Reporter IMID must be corrected using the Delete Instruction.	11/6/20	2.2.1 r8
11	Open	Updates to section 7 introducing outstanding errors.	11/6/20	2.2.1 r8

Planned Industry Member Technical Specification Updates– Last Updated 11/03/2020 – 2a/2b

#	Status	Summary	Release Date	Spec Version
12	Open	Clarify the definition of *handlingInstructions* value 'BIN' (Buy-In).	11/6/20	2.2.1 r8
13	Open	Clarify that 6000 and 7000 series error codes apply to both sending IMs (MEORs) and receiving outbound routers (MEOAs).	11/6/20	2.2.1 r8
14	Open	Clarify that leading zeros will also be removed for Interfirm Linkage in addition to Exchange Linkage.	11/6/20	2.2.1 r8

General Announcements and Reminders

Latest Updates

➢On October 28, 2020, the Order Routing Field Mapping between CAT and Exchanges (v1.9) document was revised with updates for population of the *senderIMID* field for MIAX PEARL Equities.

➢On Tuesday, November 17, 2020 at 9:30 am ET, Consolidated Audit Trail, LLC and FINRA CAT, LLC will host an industry webinar focused on two topics. One part of the webinar will focus on the transition from Phase 2a/2b to Phase 2c CAT reporting as it relates to schema changes, timing and other related issues. The second part of the webinar will focus on the November 2020 updates to the Phase 2a/2b, Phase 2c and Phase 2d Industry Member Technical Specifications.

Reminders

➢ On June 29, 2020, new versions of the Options Start of Day and End of Day symbol files were introduced to include the Test Option Series flag identifying options test symbols.

➢ Existing versions of the files without the test flag will continue to be available until December 14, 2020, when they will be retired. Firms that use these files should plan to transition to the new versions prior to that time.

➢ Workstations running end-of-life operating systems will be blocked from accessing CAT applications effective Monday, December 7, 2020. After that date, users will not be able to access CAT applications with the affected system until it is upgraded to a supported version of the operating system. All impacted users have been sent notification emails.

Upcoming Key Dates

Upcoming Key Dates for Release 2a/2b

Topic	Event	Date
Industry Call: Industry Testing Checkpoint	Weekly Industry Testing Checkpoint Calls on Tuesdays at 4:15 pm ET	Tuesdays, until further notice
Compliance Go-Live	Compliance Go-Live for Options Phase 2b Interfirm and Exchange Compliance Date	January 4, 2021

The Timeline can be found at https://catnmsplan.com/timeline

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.

FINRA CAT Helpdesk

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