
Monthly CAT Update

April 20, 2022

Agenda

- Transaction Production Statistics
- CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates
- Transaction Technical Specifications Updates
- CAIS Reporting Updates
- Compliance Updates
- Upcoming Industry Webinars and Other Updates
- Q&A

Transaction Production Statistics

Overall error rates remain generally under 5%. The detailed daily statistics will be provided as an appendix when this presentation is published on the CAT website.

CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates

CAT Financial and Operating Budget

- ▶ The Consolidated Audit Trail, LLC's [2022 Financial and Operating Budget](#) was published on April 6, 2022.
 - These documents will be hosted on the “[CAT Financial and Operating Budget](#)” page under the “[About](#)” tab.

New FAQs

- ▶ There are no new Transaction [FAQs](#).
- ▶ Updated Transaction [FAQs](#)
 - FAQs [U29](#) and [U30](#) have been retired effective with the retirement of the *TIDType* field from transaction order events in the Industry Member Technical Specifications.

Transaction Technical Specifications Updates

2022 IM Releases – Scope and Schedule

Release 1

Spec Publication – 12/20/2021

Industry Test Release – 2/7/2022

Production Release – 3/21/2022

Phase 2d cleanup - Schema changes and related validations

- Add *multiLegInd* to route modify/cancel events to eliminate unlinked errors
- Change data type for *handlingInstructions* value DLVT from Text to an array to support storage of multiple values
- Enforce requirements to populate *deptType* on MLOA event
- Enforce requirements to populate *clearingFirm* on MOOT event

Change Requested by IMs

- Add *firmDesignatedID* and *accountHolderType* to MEOTS event

Release 2

Spec Publication – 3/25/2022

Industry Test Release – 5/16/2022

Production Release – 7/11/2022

Schema changes and related validations

- Add *accountHolderType* to allocation events
- Remove TIDType from allocation events

CAIS related validations

- Validate FDID against CAIS data

Validations to address IM reporting errors

- Reject negative values in *price* fields for applicable events
- Enforce correct values on the *side* field for all events, including Trade Side Details, Firm Details, and Client Details.
- Provide updated guidance for populating the *underlying* field for Multi-Leg events.

Release 3 - Final Scope - TBD

Spec Publication – 7/15/2022

Industry Test Release – 10/3/2022

Production Release – 12/5/2022

Schema changes and related validations

- Add new event - **MLOE**
- Enforce requirements to populate *cancelQty*, *multiLegInd* on applicable events
- Change data type for *handlingInstructions* value CASH from Boolean to Price to capture actual monetary value instruction
- Enforce correct values on the *side* field in Leg Details.
- Enforce requirements to populate the *underlying* field on Multi-Leg events.
- Add *deskOrderID* field to Order Internal Route events to uniquely identify MEIR, MOIR, and MLIR events.

Environment Availability

- ▶ The CAT CAIS Production environment will be unavailable from Saturday, April 23, 2022 at approximately 8 a.m. ET to Sunday, April 24, 2022 at approximately 1 p.m. ET and the CAT CAIS Production Mirror environment will be unavailable from Thursday, April 21, 2022 at approximately 8 a.m. ET to Sunday, April, 24, 2022 at approximately 1 p.m. ET to facilitate the deployment of Full CAIS functionality. During these times, Industry Members will not be able to submit data to the CAT CAIS Production and Production Mirror environments, respectively.
- ▶ All Primary EAST 1 environments for both the Transaction and CAIS systems will be unavailable from approximately 8 p.m. ET on May 13, 2022 until 2 p.m. ET on May 15, 2022 for a scheduled internal Disaster Recovery failover test, during which time Industry Members will not be able to submit data to CAT.
 - FINRA CAT will send a communication when the systems become unavailable and will send another communication when the systems are back up.

Technical Specification Updates

- ▶ V4.0.0 r14 of the [Industry Member Technical Specifications \(2d\)](#) (Clean and Redlined) was published on March 25, 2022.
 - The updates were reviewed and discussed during the [March 29, 2022 Technical Specifications Working Group](#).
 - The related [schema](#) was published on March 29, 2022.

CAIS Reporting Updates

Industry Member Release Rollout – Pre-Production

Full CAIS Release 1 Industry Test – 1/31/2022 Production – 4/25/2022	Full CAIS Release 2a Industry Test – 3/28/2022 Production – 4/25/2022	Full CAIS Release 2b Industry Test – 4/11/2022 Production – 4/25/2022
<p>Ingestion</p> <ul style="list-style-type: none">• Industry Test Open for Machine-to-Machine File & Data Integrity Validations, Material Inconsistencies, and Feedback• Feedback file contains up to 1,000 Rejections <p>CAIS Reporter Portal</p> <ul style="list-style-type: none">• Manual File Upload• Manual Submission• Submission Feedback• Inconsistencies Feedback• Nightly Inconsistencies Report <p>Full CAIS Certification opened on 2/1/2022</p>	<p>Ingestion</p> <ul style="list-style-type: none">• New DRIVERLICENSE Foreign TID Type• EIN Validation changed to format validation• Feedback file enhanced to include all Rejections feedback <p>CAIS Reporter Portal</p> <ul style="list-style-type: none">• FDID Reconciliation Report updated with Full CAIS information (count of CAT Customers and Version information)	<p>Ingestion</p> <ul style="list-style-type: none">• Remove OTHBKR and CP customerType values for Legal Entity Customer Records• Remove BROKERAGE and ADVISED values for accountType• Remove primeBrokerID and bankDepositoryID fields and add a new DVPCustodianID field

Industry Member Release Rollout – Production

Full CAIS Release 3a
Industry Test – 5/25/2022
Production – 6/13/2022

Ingestion

- New Authorized Trader Names List on FDID record
- Increase *lastName* field length to 200 characters

Reports

- FDID Version Report posted to SFTP weekly, containing active LTID Phase FDIDs not updated to Full CAIS Phase

CAIS Reporter Portal

- FDID Version Report available on-demand, containing active LTID Phase FDIDs not updated to Full CAIS Phase

Full CAIS Release 3b
Industry Test – 6/13/2022
Production – 6/27/2022

Ingestion

- New OTHGOVT Foreign TID Type

Full CAIS Release 4
Industry Test – 8/29/2022
Production – 9/12/2022

Ingestion

- New INACTIVE FDID End Reason
- Automated Transfer Procedure

Full CAIS Production Certification

- ▶ Production Certification for Full CAIS is open.
- ▶ The deadline for Production Certification is June 20, 2022.
- ▶ Certification after June 20, 2022 may delay access to the Full CAIS Production Environment.

CAIS Upcoming Key Dates

Topic	Event	Date
Industry Webinar	Bi-weekly CAIS Industry Testing Checkpoint Calls	Bi-weekly starting February 23, 2022
Production Release	Production Environment Opens for Full CAIS	April 25, 2022
Production Certification	Full CAIS Certification Deadline	June 20, 2022
Compliance Go-Live	Production Go-Live for Full CAIS Reporting Requirements	July 11, 2022

Compliance dates are listed in the [Timeline](#)

New and Updated CAIS FAQs

- ▶ Two new CAIS [FAQs](#):
 - FAQ [Q58](#) regarding reporting unparsed names to CAT CAIS.
 - FAQ [Q59](#) regarding the FDIDs that are in scope for Full CAIS reporting commencing on July 11, 2022.
- ▶ One updated CAIS [FAQ](#):
 - FAQ [Q40](#) regarding the definition of “Active Account” and what information needs to be populated in CAIS by July 11, 2022.

CAIS Updates

- ▶ V2.0 r8 of the [CAT Reporting Customer and Account Technical Specifications for Industry Members](#) (Clean and Redline) was published on April 8, 2022.
 - The updates were reviewed and discussed during the [April 12, 2022 CAIS Technical Specifications Working Group](#).
- ▶ V2.3 of the CAT CAIS Industry Member Reporting Scenarios (Clean and Redline) are scheduled to be published on April 22, 2022.
- ▶ Updated [CAT Alert 2021-04-Phase 2e: Transitioning from LTID Account Phase to Full CAIS Phase](#) was published on April 4, 2022.
 - Removed the statement that the CAIS Report Card for Industry Members will contain the count of FDIDs remaining as LTID Account Phase records since this will not be included for compliance counts.
- ▶ A new video tutorial, [Part 2: Overview and Demonstration of the CAT CAIS Reporter Portal - Full CAIS](#), was published on March 17, 2022.

CAIS Checkpoint Calls

- ▶ The next [CAIS Industry Testing Checkpoint Call](#) will be on April 21, 2022 at 4:15 pm ET.
- ▶ The presentations and recordings are available for:
 - [04/07/2022 CAIS Industry Testing Checkpoint Call](#)
 - [03/23/2022 CAIS Industry Testing Checkpoint Call](#)

Compliance Updates

Industry Member Report Card Updates

- ▶ The March 2022 CAT Industry Member Compliance Report Cards were published on April 14, 2022.
- ▶ Other Resources:
 - [Industry Member Report Card- Known Issues List](#)
 - [CAIS Compliance Glossary](#)
 - [Transaction Compliance Glossary](#)
 - Previously Recorded and Posted [Report Card Webinars](#)

Other Compliance Updates

- ▶ Updated [Erroneous Events Self Reporting Form v1.2](#) was published on March 25, 2022.
 - Updates include clarifications to questions.
- ▶ Updated [CAT Alert 2020-04 – Standards for Self Reporting Erroneous Events to FINRA CAT](#) was published on March 23, 2022.
 - Updates reflect changes to the Self-Reporting Form.

Upcoming Industry Webinars and Other Updates

Upcoming Industry Webinars

- ▶ The next [Monthly CAT Update](#) will be held on May 17, 2022 at 9 am ET.

Other Updates

- ▶ The recording and presentation from the following webinars are available on the CAT website:
 - [3/16/2022 Monthly CAT Update](#)
 - [3/29/2022 Cost Savings and Processing Efficiencies](#)
 - [4/06/2022 CAT Funding](#)

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

March 10, 2022 – April 13, 2022

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
3/10/2022	.0086%	.0427%	.0425%	.0020%	.0018%	.0018%	.0014%	.0240%	.0021%	.0774%	.0774%	.1111%	.0940%	.0660%	.0635%
3/11/2022	.0146%	.0005%	.0001%	.0020%	.0014%	.0486%	.0043%	.0109%	.0031%	.0708%	.0708%	.1206%	.1082%	.0323%	.0262%
3/14/2022	.0004%	.0007%	.0002%	.0017%	.0013%	.0052%	.0049%	.0062%	.0057%	.4584%	.0659%	.1457%	.1284%	.0668%	.0118%
3/15/2022	.6847%	.0042%	.0002%	.3281%	.0015%	.4688%	.0006%	.9963%	.0011%	.0700%	.0687%	.1301%	.1028%	1.0828%	.6955%
3/16/2022	.3941%	.0008%	.0003%	.0020%	.0018%	.0117%	.0114%	.6792%	.0101%	.0692%	.0692%	.0415%	.0197%	.4751%	.4072%
3/17/2022	.0115%	.0006%	.0005%	.0018%	.0016%	.0029%	.0029%	.0075%	.0068%	.0573%	.0573%	.0361%	.0165%	.0223%	.0221%
3/18/2022	.0012%	.0007%	.0002%	.0020%	.0018%	.0008%	.0007%	.0023%	.0020%	.0297%	.0297%	.0371%	.0201%	.0077%	.0071%
3/21/2022	.5290%	.0004%	.0001%	.0015%	.0014%	.0008%	.0004%	1.2934%	.0019%	.0079%	.0079%	.0481%	.0303%	.6614%	.5313%
3/22/2022	.0084%	.0010%	.0008%	.0058%	.0028%	.0043%	.0005%	.1124%	.0677%	.0007%	.0006%	.0370%	.0268%	.0255%	.0182%
3/23/2022	.5174%	.2218%	.0005%	.1927%	.0031%	.0017%	.0011%	1.4429%	.0058%	.0008%	.0008%	.0617%	.0297%	1.0209%	.5197%
3/24/2022	2.2235%	.0054%	.0017%	.0034%	.0033%	.0009%	.0004%	3.2007%	.0056%	.0051%	.0050%	.0357%	.0306%	2.5555%	2.2288%
3/25/2022	.0588%	.0059%	.0001%	.0045%	.0028%	.0010%	.0004%	.0125%	.0015%	.0085%	.0085%	.0363%	.0322%	.0694%	.0612%
3/28/2022	.0015%	.0006%	.0002%	.0033%	.0032%	.0012%	.0004%	.0033%	.0016%	.5431%	.0006%	.0607%	.0419%	.0778%	.0042%

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3/29/2022	.0937%	.0005%	.0001%	.0032%	.0030%	.0014%	.0004%	.4584%	.1475%	.0004%	.0004%	.0838%	.0272%	.1425%	.1108%
3/30/2022	.0012%	.0006%	.0001%	.0031%	.0028%	.0008%	.0004%	.0141%	.0113%	.0006%	.0006%	.0312%	.0270%	.0056%	.0047%
3/31/2022	.0338%	.0007%	.0001%	.0032%	.0030%	.0007%	.0007%	.0738%	.0016%	.0006%	.0006%	.0307%	.0243%	.0444%	.0364%
4/1/2022	.0001%	.0005%	.0002%	.0028%	.0027%	.0704%	.0702%	.0720%	.0717%	.0006%	.0005%	.0364%	.0310%	.0169%	.0164%
4/4/2022	7.2799%	.0048%	.0003%	.0038%	.0027%	2.9651%	.0005%	1.4020%	.0019%	.0005%	.0005%	.0440%	.0379%	7.4684%	7.0488%
4/5/2022	.0383%	.0331%	.0002%	.0050%	.0034%	.0477%	.0476%	.0998%	.0842%	.0006%	.0006%	.0366%	.0298%	.0894%	.0537%
4/6/2022	.0013%	.0005%	.0002%	.0024%	.0023%	.0003%	.0002%	.0043%	.0016%	.0004%	.0004%	.0688%	.0611%	.0041%	.0034%
4/7/2022	.0001%	.0006%	.0002%	.0025%	.0023%	.0004%	.0002%	.0017%	.0012%	.0005%	.0005%	.0359%	.0277%	.0028%	.0022%
4/8/2022	.0001%	.0005%	.0001%	.0023%	.0022%	.0006%	.0002%	.0318%	.0309%	.0005%	.0004%	.0290%	.0233%	.0054%	.0048%
4/11/2022	.0520%	.0005%	.0001%	.0029%	.0027%	.1113%	.0002%	.1317%	.0021%	.0005%	.0005%	.0610%	.0547%	.0782%	.0545%
4/12/2022	.0039%	.0004%	.0001%	.0032%	.0030%	.0002%	.0002%	.0235%	.0018%	.0005%	.0005%	.0326%	.0256%	.0091%	.0065%
4/13/2022	.2518%	.0005%	.0005%	.0045%	.0031%	.0003%	.0003%	.2221%	.0023%	.0006%	.0006%	.0349%	.0269%	.2775%	.2549%

Options – Rolling Five Day Period

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

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3/10/2022	.0002%	.0007%	.0006%	.0579%	.0578%	.3059%	.3027%	.1550%	.1521%	.0056%	.0028%	.6524%	.6524%	.0527%	.0518%
3/11/2022	.0003%	.0009%	.0007%	.0540%	.0539%	.3585%	.3553%	.1717%	.1714%	.0114%	.0094%	.4638%	.4638%	.0520%	.0512%
3/14/2022	.0157%	.0006%	.0006%	.0409%	.0408%	.3058%	.3014%	.2370%	.2358%	.0551%	.0044%	1.0918%	1.0918%	.0689%	.0556%
3/15/2022	.2399%	.0009%	.0008%	.2585%	.0436%	2.0596%	.2790%	.1486%	.1303%	11.2021%	.0069%	4.0026%	.7452%	3.2942%	.2810%
3/16/2022	.0040%	.0011%	.0006%	.0730%	.0729%	.3388%	.3348%	.2760%	.1523%	.0068%	.0050%	1.3215%	1.1190%	.0708%	.0679%
3/17/2022	.0000%	.0011%	.0011%	.0448%	.0447%	.3247%	.3204%	.1427%	.1424%	.0095%	.0094%	1.3795%	1.3149%	.0443%	.0441%
3/18/2022	.0000%	.0011%	.0010%	.0404%	.0403%	.4096%	.4039%	.1846%	.1836%	.0100%	.0051%	1.2075%	1.1594%	.0430%	.0415%
3/21/2022	.0547%	.0097%	.0006%	.0841%	.0053%	.4520%	.3017%	.2724%	.1517%	.0074%	.0036%	.8067%	.7851%	.1388%	.0667%
3/22/2022	.0044%	.0007%	.0007%	.0049%	.0048%	.2505%	.2468%	.0894%	.0885%	7.8719%	.0141%	.4345%	.4101%	1.9881%	.0178%
3/23/2022	.0032%	.0015%	.0006%	.0077%	.0045%	.2507%	.2469%	.0869%	.0842%	7.8646%	.0160%	.2939%	.2724%	2.0048%	.0149%
3/24/2022	.0120%	.0006%	.0006%	.0049%	.0049%	.2534%	.2501%	.3245%	.0878%	7.4045%	.0127%	.2479%	.2479%	1.9026%	.0243%
3/25/2022	.0003%	.0005%	.0005%	.0064%	.0063%	.2803%	.2759%	.3337%	.3332%	.0091%	.0024%	.1983%	.1983%	.0175%	.0156%
3/28/2022	.0099%	.0001%	.0001%	.0022%	.0021%	.2607%	.2567%	.0776%	.0754%	.0072%	.0003%	.2962%	.2806%	.0176%	.0157%

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3/29/2022	.0121%	.0001%	.0000%	.0034%	.0034%	.2933%	.2887%	.0863%	.0853%	.0133%	.0005%	.2209%	.2099%	.0233%	.0198%
3/30/2022	.0008%	.0001%	.0001%	.0038%	.0035%	.2685%	.2645%	.0954%	.0772%	.0111%	.0002%	.0994%	.0710%	.0115%	.0082%
3/31/2022	.0601%	.0003%	.0002%	.0028%	.0027%	.2396%	.2362%	.0734%	.0727%	.0071%	.0002%	.1405%	.1405%	.0684%	.0665%
4/1/2022	.0021%	.0002%	.0002%	.0033%	.0033%	.2435%	.2387%	.0798%	.0789%	.0069%	.0003%	.1428%	.1428%	.0112%	.0094%
4/4/2022	1.9661%	.0711%	.0657%	.0050%	.0038%	2.3403%	.2159%	.8134%	.6215%	.0164%	.0003%	.1020%	.0874%	2.0434%	1.9937%
4/5/2022	.0016%	.0002%	.0001%	.0039%	.0030%	.1535%	.1503%	.0687%	.0488%	.0094%	.0002%	.1093%	.1093%	.0115%	.0080%
4/6/2022	.0001%	.0010%	.0010%	.0032%	.0030%	.1698%	.1660%	.0590%	.0587%	.0059%	.0043%	.1180%	.1180%	.0095%	.0088%
4/7/2022	.0000%	.0012%	.0012%	.0026%	.0025%	.1741%	.1706%	.0616%	.0613%	.0067%	.0004%	.0000%	.0000%	.0092%	.0074%
4/8/2022	.0000%	.0024%	.0024%	.0022%	.0020%	.1907%	.1865%	.0680%	.0678%	.0109%	.0006%	.0708%	.0708%	.0115%	.0087%
4/11/2022	.0004%	.0001%	.0001%	.0023%	.0022%	.1522%	.1484%	.1312%	.1309%	.0061%	.0006%	.2826%	.1643%	.0092%	.0077%
4/12/2022	.0003%	.0022%	.0022%	.0030%	.0028%	.1445%	.1410%	.1245%	.1243%	.0110%	.0009%	.1357%	.0792%	.0125%	.0097%
4/13/2022	.0600%	.0002%	.0001%	.0061%	.0024%	.1563%	.1527%	.1990%	.1092%	.0092%	.0091%	.1770%	.1770%	.0742%	.0695%