

# FINANCIAL INFORMATION FORUM

April 4, 2024

**By electronic mail**

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090  
Attn: Mr. Sai Rao

**Re: Request for extension of the deadlines (i) for the CAT system to communicate errors to CAT reporters, and (ii) for industry members to correct CAT errors**

Dear Mr. Rao,

Financial Information Forum (“FIF”) is submitting this letter in response to the exemptive order granted by the Securities and Exchange Commission (the “Commission”) to the Participants (the “CAT Plan Participants”) of the National Market System Plan Governing the Consolidated Audit Trail (the “CAT NMS Plan”) on November 2, 2023 (the “November 2023 Exemptive Order”).<sup>1</sup> FIF is writing specifically with respect to the exemptive relief granted by the Commission to the CAT Plan Participants “... from the requirement set forth in Appendix D, Section 6.1 of the CAT NMS Plan that lifecycle linkages be created by T+1 at noon Eastern Time.”<sup>2</sup> This exemption is conditioned on the Plan Processor (FINRA CAT) maintaining or improving “... the existing performance of functionality currently providing lifecycle linkages for all order events by T+1 at 9 p.m. Eastern Time....”<sup>3</sup> Under Appendix D, Section 6.1 of the CAT NMS Plan,

The Participants require the following timeframes (Figure A) for the identification, communication and correction of errors from the time an order event is received by the processor:

---

<sup>1</sup> Securities Exchange Act Release No. 98848 (Nov. 2, 2023), 88 FR 77128 (Nov. 8, 2023) (Order Granting Conditional Exemptive Relief, Pursuant to Section 36(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 608(e) of Regulation NMS under the Exchange Act, from Certain Requirements of the National Market System Plan Governing the Consolidated Audit Trail).

<sup>2</sup> Id. at 8-9.

<sup>3</sup> Id. at 9.

Noon Eastern Time T+1 (transaction date + one day) – Initial data validation, lifecycle linkages and communication of errors to CAT Reporters....<sup>4</sup>

Since the Commission has provided exemptive relief to extend to 9:00 p.m. on T+1 (from noon on T+1)<sup>5</sup> the deadline for the consolidated audit trail (“CAT”) system to provide lifecycle linkages, FIF members request that the Commission also provide exemptive relief for the following:

- Extending to 9:00 p.m. on T+1 (from noon on T+1) the deadline for the CAT system to communicate errors to CAT reporters
- Extending to 8:00 a.m. on T+4 (from 8:00 a.m. on T+3) the deadline for resubmission of corrected data by industry members (or, at a minimum, extending this deadline to 5:00 p.m. on T+3 to conform to the requested nine-hour extension for the CAT system to communicate errors to CAT reporters).<sup>6</sup>

FIF members note that the requested relief would not impact the current requirement under the CAT NMS Plan that the CAT system make corrected data available to Commission personnel and regulatory personnel at the CAT Plan Participants by 8:00 a.m. on T+5.<sup>7</sup>

FIF members believe that the exemptive relief requested above would significantly reduce the operating costs for the CAT system while preserving the current time period available to industry members to resolve CAT errors. FIF members further request that the Commission direct the CAT Plan Participants (i) to prepare a report on the projected reduction in annual CAT operating costs that would result from the changes requested above, and (ii) make this report publicly available.

\* \* \* \* \*

FIF and our members request the opportunity to discuss the above requests with Commission representatives. Please contact me at [howard.meyerson@fif.com](mailto:howard.meyerson@fif.com) after you and your colleagues have had the opportunity to review these requests.

Very truly yours,

/s/ Howard Meyerson

Howard Meyerson  
Managing Director, Financial Information Forum

Cc: Lily Bailey, Securities and Exchange Commission  
Brandon Becker, CAT Operating Committee

---

<sup>4</sup> Limited Liability Company Agreement of Consolidated Audit Trail, LLC (September 6, 2023) (“CAT NMS Plan”), at Appendix D-18.

<sup>5</sup> Consistent with the CAT NMS Plan, all times in this letter refer to Eastern Time.

<sup>6</sup> See CAT NMS Plan, at Appendix D-18.

<sup>7</sup> Ibid.

Erika Berg, Securities and Exchange Commission  
Shelly Bohlin, FINRA CAT  
Mark Donohue, Securities and Exchange Commission  
David Hsu, Securities and Exchange Commission  
Andrew Sherman, Securities and Exchange Commission  
David S. Shillman, Securities and Exchange Commission  
Haoxiang Zhu, Securities and Exchange Commission