

Actionable Identifier FAQs

On May 6, 2019, the SEC approved OCC's Rule filing to require an Actionable Identifier on all customer and firm securities option trades, other than market-maker trades.

How does this benefit Clearing Members?

Clearing Members and OCC believe that having an identifier on all trades will allow the industry to more quickly identify the correct account for each trade. Allowing the Carrying Clearing Members to identify the client account in a timelier fashion is designed to facilitate a more robust trade and risk management process.

What type of information will be required on the trade record?

Clearing Members are required to add an Actionable Identifier to the trade record which is designed to allow the Carrying Clearing Member to promptly identify the account source to facilitate timely clearing of the trade.

What is meant by "Actionable"?

The identifying information provided on the trade should contain enough information to allow the Carrying Clearing Member to promptly identify the account that originated the trade. This may include a name, series of numbers or other identifying information assigned by a Clearing Member to the account. The Actionable Identifier has been designed such that Clearing Members would not include personal identification information in the identifier.

The type and amount of information provided will be agreed upon by the Executing and Carrying Clearing Members involved.

Is it just for CMTA trades or all trades?

The Rule requires an Actionable Identifier on **all** customer and firm trades, not just CMTA trades, except for market-maker trades. Market-maker trades do not require the information since the market-maker account identifier is already included on the trade.

If a firm executes for themselves, does OCC still require an Actionable Identifier?

Yes, firms are required to put some type of identification on all customer and firm trades. They could include an indicator to identify the client or simply indicate that it is self-cleared.

How does this affect introducing brokers?

Clearing Members will be responsible for collaborating with their introducing brokers and execution firms about this requirement and the need to add an Actionable Identifier on trades.

What is the exact Tag number on the Trade Record Layout that needs to be populated?

Refer to Actionable Identifier Field Mapping Document for Tags and Fields in the Appendix of this document.

What is the length of the Actionable ID field?

The Actionable ID field is 10 characters which is the same length of Tag 1 at the exchanges.

Some Clearing Members currently utilize Tag 1 for other functions. Can OCC just develop another Tag for the Actionable ID field?

Creating a new FIXML Tag is onerous on the industry and would require systemic changes for Clearing Members and exchanges as well as a comprehensive industry testing effort. Tag 1 was initially identified by Clearing Members and Exchanges for this type of information. Some Clearing Members are modifying their process and moving their data from Tag 1 to the Optional Data Field.

What type of data are firms populating in the Actionable Identifier field?

OCC interviewed approximately 25 firms on what data will be populated in this field. Firms are still evaluating their systems and determining an appropriate identifier but the goal of most firms is to populate the field with a specific account number so it can be used for reconciliation and eventually real time risk monitoring. Below is a table of some responses from members.

Types of Clients	Actionable Identifier Data
Retail Clients	Firms will use an Account Number or an order ID identifier
Institutional Clients	Firms will use: <ul style="list-style-type: none">• Account Number or an agreed upon identifier• Trading Desk Identifier• MPID
Joint Back Office (JBO)	Firms will use an Account Number/Client ID
Proprietary Accounts	Firms will use a Trading Desk/Affiliate Identifier

Since each clearing firm is responsible for assigning the actionable ID, is there concern of duplicate information? Will OCC look at the Actionable ID and Clearing Firm to distinguish clients?

OCC will not validate the Actionable ID information or use it to identify clients. OCC does not track client information.

Will it be acceptable for the agency router to send its own actionable identifier to the exchange where there is no CMTA on the order as the order will be held in the Firm's CMTA account until the allocation is determined end of day?

Yes, that is acceptable.

How are floor brokers expected to manage this process manually?

Floor brokers will be expected to add Actionable ID info on the trade at some point. It can be added after a fill, but will be required on the trade.

What if a trade goes through and it is not updated by end of day?

OCC understands that there will be exceptions. However, if it is a repeatable pattern with no improvements, OCC can enforce a rule violation.

What if they don't put the identifier on the trade? Who is responsible?

Firms are expected to work with the floor brokers if they do not populate the trade with the correct information. Ultimately the clearing firm is responsible. Firms can also reach out to OCC if they are not making any progress with the executing firm/floor broker and OCC will try and assist.

Are there any concerns regarding the data quality of the actionable identifiers being shared on the street?

The quality of the Actionable ID is determined by the acceptability to the carrying Clearing Member.

If an agency router were to reach out to the clearing firm and inadvertently obtained the wrong Actionable ID for a fund account, would the agency router be at fault for appending the incorrect Actionable ID to the clients' order flow?

It would be expected that the execution firm and carrying firm would identify the mistake and correct for future trades

Will OCC reject the trade if the Actionable Identifier is not included?

No, OCC will not reject any trades if the Actionable Identifier is not included. However, as of December 7, 2020, it will be a violation of OCC Rules if the Actionable Identifier is not included on all customer and firm securities options trades other than market-maker trades.

When will this take effect?

Following the SEC's approval on May 6, 2019, Clearing Members will have 12 months (updated to 15 months due to the Covid-19 Pandemic) to comply with the requirement that an Actionable Identifier be included in every securities option customer and firm trade except for market-maker trades. OCC plans to monitor all trades and identify if the Actionable Identifier field is not populated with some data (i.e., the Customer ID field is blank). During this time, OCC does not plan to surveil whether the data is in fact actionable but rather monitor whether the field is populated with data. OCC plans to contact firms during this time that are not populating the field with data to find out about their implementation plan or improvements to their plan.

By December 7, 2020, (19 months following the SEC's approval), all trades must include an Actionable Identifier. (See table below)

Timeframe	Required Action
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September 20, 2018	OCC submitted in draft to the SEC staff a proposed rule change to Rule 401 that would require an Actionable Identifier on trades
March 20, 2019	Formal Rule Filing to amend Rule 401 to require an Actionable Identifier on trades
May 6, 2019	SEC approval
September 8, 2020 *Note: Due to the Covid-19 pandemic, high volume and high volatility, the deadline was extended from June to September 8, 2020.	Firms would be required to populate Customer ID fields with Actionable Identifiers on all customer and firm trades and should have in place policies and procedures reasonably designed to include Actionable Identifier data to allow prompt clearance of the trades. However, OCC would not treat as a violation of Rule 401 the failure of such policies and procedures to provide that sufficient information is included in the Actionable Identifier field. *
19 months after SEC approval – December 7, 2020	Firms would be required to populate Customer ID fields on trades with Actionable Identifier data and the data should be actionable to identify clients. This is for all customer and firms trades other than market-maker trades. Firms must have policies and procedures in place reasonably designed to provide that sufficient information is included in the Actionable Identifier fields to allow the receiving firm to promptly clear the trades.

Will Clearing Members be required to test?

The tag already exists on the exchange trade input file. No testing will be required.

How can I see if my trades include an Actionable Identifier?

On outbound DDS messages from OCC, the Actionable Identifier will be populated in the FIX Tag #448, Customer Account Number Field. In ENCORE Clearing Members can view the Actionable Identifier on the Trade Inquiry Screen in the Account # (see below) column.

OCC has also updated the Trade Inquiry screen to allow Clearing Members to filter the Account # field for trades with no data to monitor their progress in complying to the new requirement

Trade Inquiry (Options) (11/05/2018) ORIG: 02222; AAPL; All Trades; All B/S;																							
Filter		Go To:																		Refresh Print Export			
T	Exec	A	I	O/	B/	Qt	Sym	C/	Series/Contract	Strik	Trade	Prem	Settle	As Of	Contra	Exec	Date/Tim	Acct	Order	CI	Intro	Customer	Optional
S	CM#	I	D	C	S	v	b	P	Date	e	Price	Curn	Amount	Date	CM#	Broker	e	#	ID	I	Broker	ID	Data

Will OCC require Clearing Members to have operational procedures in place?

OCC will require Clearing Members to have policies and procedures reasonably designed to provide that sufficient information is included in the Actionable Identifier fields to allow the receiving firm to promptly clear the trades.

Are there any changes to Post-trade CMTA Transfers?

No, there are no changes to CMTA Transfers since an Actionable Identifier is already required.

If we are not going to use the Actionable Identifier for processing purposes, do we really need to have an id on every trade that clears customer or firm?

Yes, you are required by the OCC rule to have something actionable populated in the field to be compliant.

If a trade does not have an Actionable ID on the trade, who does OCC contact, the member that clears the trade or the member who executed the trade?

OCC will contact the clearing member who clears the trade. It is the responsibility of the carrying clearing member to ensure that the trades that they clear have an actionable id populated.

Can you use any characters for the Actionable ID?

OCC will accept any character populated within the Actionable ID field.

If an executor does not populate trades with an Actionable ID, what course of action can carrying clearing member take?

A clearing member should first try to work with the executor to try and populate the trades as expected. If that does not work, the clearing member should work with their customer to speak to the executor and if that does not work, a clearing member can take down CMTA Agreements with the executor to stop the activity from being cleared.

What is the expected behavior for GTC orders created prior to September 8, 2020 that do not have an Actionable Identifier?

If a GTC order is filled, the clearing member would identify the trade and if possible, try to populate the actionable identifier by end of day. OCC understands that there may be instances these cannot be populated and it should be a best effort basis.

Actionable Identifier Field Mapping Document

Exchange	FIX Tag for Actionable ID	FIX Tag for Optional Data	Exchange Proprietary Transmission Protocols		
			System	Field Name for Actionable ID	Field Name for Optional Data
BOX	Tag 1	Tag 58	SAIL and FIX	Clearing Instruction and Owner Field	Owner Data
Cboe C1	Tag 1	Tag 9324	Binary Order Entry (BOE)	Account	ClearingOptionalData
Cboe BZX	Tag 1	Tag 9324	Binary Order Entry (BOE)	Account	ClearingOptionalData
Cboe C2	Tag 1	Tag 9324	Binary Order Entry (BOE)	Account	ClearingOptionalData
Cboe EDGX	Tag 1	Tag 9324	Binary Order Entry (BOE)	Account	ClearingOptionalData
MIAX Options	Tag 1	Tag 58	MEI	N/A	N/A
MIAX Emerald	Tag 1	Tag 58	MEI	N/A	N/A
MIAX PEARL	Tag 1	Tag 58	MEO	Account	N/A
NASDAQ BX	Tag 1	Tag 58	FIX Only	Account	Text (FIX only)
NASDAQ GEMX	Tag 1	Tag 58	FIX and OTTO	Account	Text (FIX only)
NASDAQ ISE	Tag 1	Tag 58	FIX and OTTO	Account	Text (FIX only)
NASDAQ MRX	Tag 1	Tag 58	FIX and OTTO	Account	Text (FIX only)
NASDAQ NOM	Tag 1	Tag 58	FIX and OTTO	Account	Text (FIX only)
NASDAQ PHLX	Tag 1	Tag 58	FIX Only	N/A	Text (FIX only)
NYSE AMEX	Tag 1	Tag 526	Arca Direct & FIX	Account	Optional Data
NYSE ARCA	Tag 1	Tag 526	Arca Direct & FIX	Account	Optional Data

OCC DDS Mapping Information

Inbound Exchange Trade Messages to OCC

Buy Side Account (Customer Acct #)	Sell Side Account (Customer Acct #)
Tag # 448	Tag # 448

OCC Outbound DDS Messages to Members and Exchanges

Customer Account Number (Account#) Tag #448
Trade Capture Report – Pty ID “ “ R="24"