

Actionable Identifier Call
March 4, 2020 – 10:00 am

OCC held an industry call on March 4, 2020 to discuss the Actionable Identifier initiative. We provided a high-level overview of the project and the timelines associated with the project and then answered questions. Below is a the timeline, summary of key points and questions answered.

Timeline

| Timeframe | Required Action |
|--|---|
| May 6, 2019 | SEC approval to amend Rule 401 to require an Actionable Identifier on trades |
| June 8, 2020 (13 months after approval) | Clearing Members 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. |
| December 7, 2020 (19 months after approval) | Clearing Members 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 firm trades other than market-maker trades. Clearing Members 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. |

Firms should be aware of the following:

- Actionable Identifier contact information is in Contact Facility on MyOCC
- OCC continues to update the information on our public website. This includes previous presentation and summaries of calls
- OCC has statistics on the population of the data for each firm
- Policies and procedures are required. Please make sure you create them.
- If have difficulty on how to implement or where to start, please reach out to us. We can connect you to other firms that have made progress.
- Next meeting will be in April

Questions:

Where can I get a list of Actionable Identifier contacts for each firm? OCC does have a list of Actionable Identifier contacts which was sent out to each firm. In addition, the Contact Facility in MyOCC was updated to include Actionable Identifier role and OCC updated the information for each firm.

As an executing firm, can I populate the trade with anything or does it have to be meaningful to the clearing firms? The identifier needs to be meaningful to the clearing firm. The purpose of the actionable identifier is to allow a clearing firm to clear the trade and identify a client. Executing firms also have the option of clearing the trade to their own firm and move it later with a CMTA transfer. The identifier is also required on a CMTA transfer. Both clearing firms and executing firms should be working together to determine what information will be included on a trade.

Why isn't there a centralized database with a standard format for all Actionable Identifiers? It is difficult to work with many brokers and clearing firms to determine identifier. Clearing Members requested that OCC assist in requiring an identifier on the trades to allow firms to identify the clients. There have been many discussions over the years and there were concerns including anonymity. It was decided that firms should work together to determine what works best for them. Some clearing firms are requiring an identifier on trades while other are using a generic identifier such as their clearing name, number or MPID. It is up to the firm to determine how they want to utilize the identifier.

As an executing firm, how do I collaborate with prime brokers to get appropriate identifier on trades. For example, I execute for a client who clears at 10 different firms. Is it easier to go to the client or clearing firms? Another OCC firm responded and indicated that he recently did this work and went to the clearing firms to get this information. He used the contact information in MyOCC to reach out to the firms.

If my firm is an executor and clearing firm, do I need to have two procedures to cover both executing and clearing or just one? You need one procedure and it can address how you would handle it from both an executing firm and a clearing firm. If a firm is an executing firm, they should consider, what they will populate if an identifier was not included. They may want to consider a default value.

Provide clarification on the tags to use to populate the Actionable Identifier field. There seems to be confusion on what tag to use. The Actionable Identifier should be populated in Tag 1 on the trade across all exchanges.

As a retail firm, if the order id is populated on the trade, do I need to populate the Actionable Identifier field? Yes, all customer and firm trades must include an actionable identifier and Tag 1 must be populated on all trades.