

# Information Notice

## Completion of Prospective CAT Cost Recovery Fee 2024-1

December 24, 2024

### Suggested Routing

- ▶ Compliance
- ▶ Legal
- ▶ Trading

### Key Topic(s)

- ▶ Consolidated Audit Trail
- ▶ E-Bill
- ▶ Prospective CAT Cost Recovery Fee 2024-1

### Referenced Rules and Notices

- ▶ Rule 6897

### Summary

Effective January 1, 2025, the Prospective CAT Cost Recovery Fee 2024-1 will no longer be in effect for transactions in eligible securities executed by FINRA member CAT executing brokers, and the Prospective CAT Cost Recovery Fee 2025-1 will be in effect.

Questions concerning this *Notice* should be directed to:

- ▶ Amanda Rath, Associate Director, Finance, at (240) 386-6637 or [email](#); or
- ▶ Faisal Sheikh, Assistant General Counsel, Office of General Counsel, at (202) 728-8379 or [email](#).

### Discussion

FINRA Rule 6897(b)(1)(C) implemented a Consolidated Audit Trail (CAT) cost recovery fee—Prospective CAT Cost Recovery Fee 2024-1—to substantially recover FINRA's designated portion of reasonably budgeted CAT costs for the period of July 16, 2024, through December 31, 2024, towards the creation, implementation and maintenance of the CAT, and provides that this fee will remain in effect on a monthly basis until a new subsequent Prospective CAT Cost Recovery Fee is in effect.<sup>1</sup> Rule 6897(b)(1)(C) also states that FINRA will provide notice to firms when Prospective CAT Cost Recovery Fee 2024-1 is no longer in effect.

A new Prospective CAT Cost Recovery Fee—Prospective CAT Cost Recovery Fee 2025-1—will be applied to members executing brokers' transactions beginning January 1, 2025. Therefore, FINRA is providing notice that, after December 31, 2024, Prospective CAT Cost Recovery Fee 2024-1 will not be applied to members' transactions.<sup>2</sup> The last invoice for Prospective CAT Cost Recovery Fee 2024-1 based on December 2024 transactions will be sent to member CAT executing brokers in January 2025, with payments due February 2025.

## Endnotes

1. For additional information regarding Prospective CAT Cost Recovery Fee 2024-1, *see* Rule 6897(b)(1)(C); *see also* Securities Exchange Act Release No. 100920 (September 4, 2024), 89 FR 73457 (September 10, 2024).

Prospective CAT Cost Recovery Fee 2024-1 is unrelated to “CAT Fee 2024-1.” “CAT Fee 2024-1” is a separate fee assessed, not by FINRA, but by CAT LLC pursuant to the CAT NMS Plan. CAT Fee 2024-1 will remain in effect until CAT LLC provides notice otherwise. *See* Securities Exchange Act Release No. 100920 (September 4, 2024), 89 FR 73457 (September 10, 2024); *see also* FINRA Rule 6897(a)(1)(C).

2. *See* [File No. SR-FINRA-2024-024](#) (December 20, 2024).