

Url: [/r/Superstonk/comments/wfff5l/why_the_dtcc_processed_it_as_a_stock_split_how/](https://www.reddit.com/r/Superstonk/comments/wfff5l/why_the_dtcc_processed_it_as_a_stock_split_how/)

****TL;DR:** The DTCC published (created) a 'Distributions Service Guide on the 30th June 2022. This outlines how corporate actions are to be handled and exemptions for participants under certain distribution events like stock splits and stock dividends. Ie Dividend FTDs aren't tracked in a stock split.**

Punny again. As always, I'm just a humble user trying to find the truth. Like anyone, I have a little bit of crayon munching smooth brain in me. I may get things wrong but nevertheless, it's in good intentions and an everlasting pursuit of the truth.



5 - I bowwowed too much stok n now i'm fuk, help

So, where do I start? It all began with u/joddodd post with the DTCC's notification of Gamestop's issuance of a split by dividend.

[Noice.](https://preview.redd.it/eq50vegjhjf91.png?width=791&format;=png&auto;=webp&s;=b13cb73424d83a4054f215adf1b835e09eaeeb84)

Interim accounting. Yeah that's right. you see the date above labelled 'Due bill - 25 - JUL -2022'? Let's explain what a due bill is and why it's used.

Interim accounting is an important part of the entitlements and allocations process for distributions. The interim period (also referred to as the due bill period) is the period during which a settling trade has due bills attached to it. A due bill is an indication of a seller's obligation to deliver a pending distribution (such as a cash dividend, stock dividend, interest payment, etc.) to the buyer in a securities transaction.

For most bonds, the buyer of the security is entitled to the interest payment (the distribution) on trades that settle up to, including the day before, the payable date, even though the buyer is not the record date holder.

For smooth brains? - This is what you call a 'dividend waiting to be distributed'. It's also what allowed you to buy shares AFTER the record date but still receive divvy shares. Each share had due bills attached ie...dividends...

To be honest, it's a not a bad idea. Maybe that's because it allowed me to grab a few more of those pre-split shares for splitting later on...

however...

What if those due bills failed to be delivered when the payable date come around?...

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Splittin' Facts

The DTCC quite nicely tracks all the failed due bills and attempts to sort the mess out! WAHEY...

I introduce - **The Due Bill Fail Tracking System**

<https://preview.redd.it/cfoso96gnjf91.png?width=1151&format=png&auto=webp&s=96858a79a8e548baf9f376b70b55c1a6adced454>

You might be thinking 'but the DTCC released those shares...'? Well...what if a load of shady brokers that didn't actually have your shares, were now required to find them? Furthermore, the US is known to just be blatantly corrupt, so what about when the German brokers got involved and were expecting shares?...

Well why don't they just 'not track' stock splits?...Oh yeah, that's exactly what they did.

<https://preview.redd.it/v0stb3a3ojf91.png?width=1118&format=png&auto=webp&s=bbc6d4f0c37c5595d9327bf8ef6974c152ce88d7>

So even if they weren't delivered, their system conveniently DOES NOT TRACK THE FAILS.

