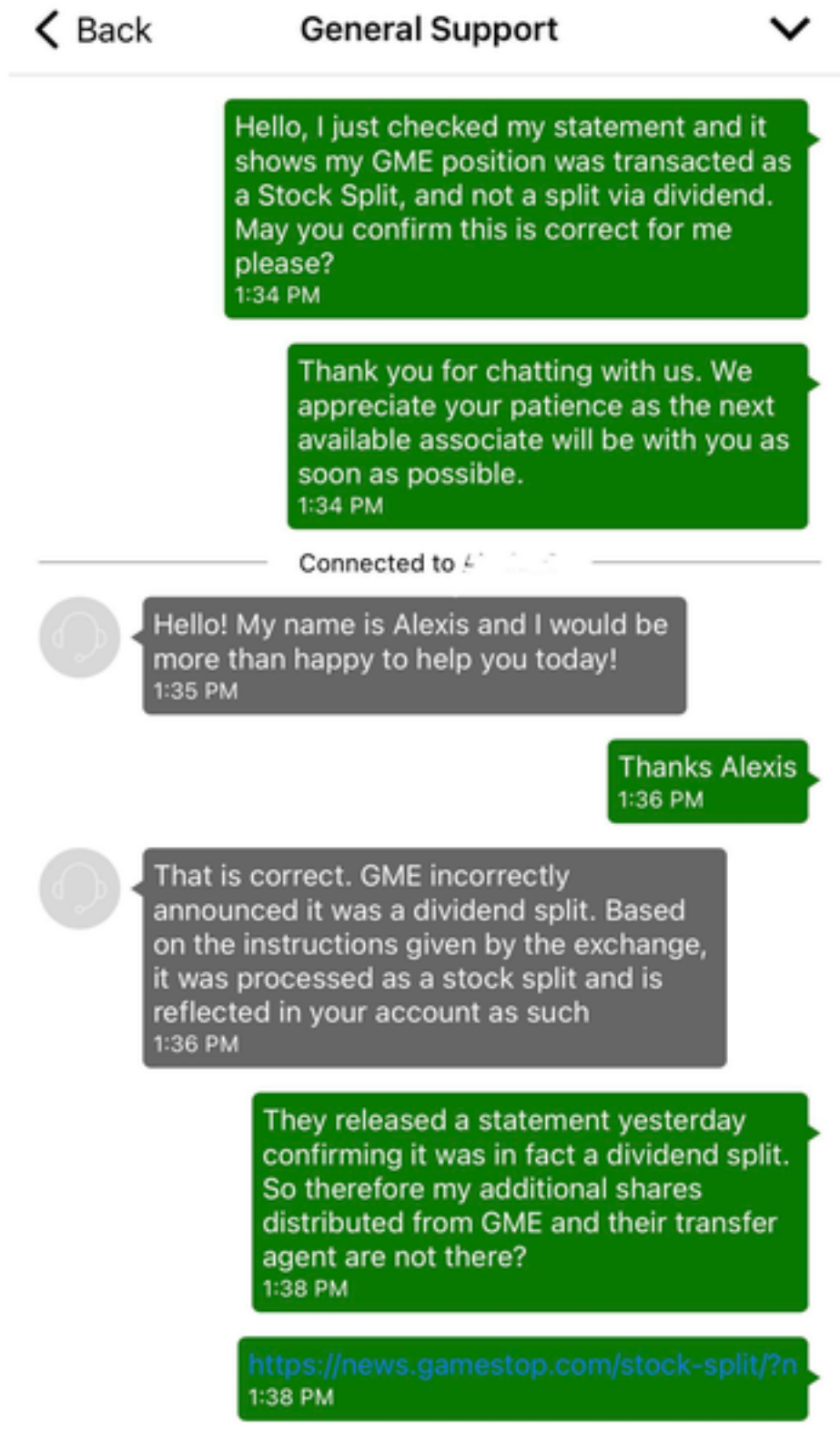


Title: How TDA is handling splividend. They didn't receive shares and blame GME for the confusion.
Author: disoriented_llama
Created 2022-08-07 12:55:05 UTC
Permalink: /r/TheGloryHodl/comments/wif3p8/how_tda_is_handling_splividend_they_didnt_receive/
Url: <https://www.reddit.com/gallery/whugh6>

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entered by GME

1:49 PM

So the exchange has the power to override the instructions of a company for their corporate action?

1:50 PM



Due bills are hard to explain but there's a lot of great articles on it if you google it. We have had a lot of issues with misinformation on this specific corporate event so it is no problem. We are unsure why the info was stated as a dividend on GME's end

1:50 PM



The exchange is not necessarily overriding GME. GME entered a due bill contract and that contract is binding so GME must act in accordance with the contract they agreed to essentially. The exchange is just enforcing the terms specified in a binding contract

1:51 PM



<https://www.finra.org/rules-guidance/rulebooks/finra-rules/11630#:~:text=The%20term%20%22due%2Dbill%22,such%20to%20a%20subsequent%20purchaser.>

1:53 PM

One last question, if you wouldn't mind, if the exchange gave instructions to brokers to process it as a split would that mean that TDA never received any shares to back the number reflected on the customers side?

1:53 PM



Ask us anything

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<https://news.gamestop.com/stock-split/?n>

1:38 PM



Gamestop is incorrect and it was processed as a 4:1 stock split. Not a dividend. I understand how this can be confusing but I can confirm based on the documents submitted to the exchange that this was intended to be a stock split, not a dividend split

1:41 PM

That statement came out last night? I don't think they would have doubled down if they misspoke? Is it possible that whomever received the shares that were to be distributed to TDA miss processed their request?

1:43 PM

Also, I hope you don't think I'm blaming you and I appreciate you taking time to get me answers.

1:48 PM



The statement is incorrect and I am not sure why they restated that. There seems to be a miscommunication on the internet with what is on the website and what is actually processed on the exchange. A due bill contract was processed on the exchange which overrides GME's original record and ex date which was set by the exchanges according to the due bill entered by GME

1:49 PM

So the exchange has the power to override the instructions of a company for their



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1:50 PM



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<https://www.finra.org/rules-guidance/rulebooks/finra-rules/11630#:~:text=The%20term%20%22due%2Dbill%22,such%20to%20a%20subsequent%20purchaser.>
1:53 PM

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1:53 PM



We don't really get extra shares, currently held shares just reflect the split. New shares don't need to be created and given out in this specific event
1:55 PM

Thanks for that.
1:56 PM



Ask us anything

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