
Mass Transfer of FDIDs Across CAT Reporter Firms

October 5, 2021

CAT NMS Plan – Appendix C

“The Plan Processor must be able to link accounts that move from one CAT Reporter to another due to mergers and acquisitions, divestitures, and other events.”

Examples of Mass Transfers Across CAT Reporters

- Industry Member A acquires Industry Member B, resulting in all of the underlying Accounts held at Industry Member B being transferred to Industry Member A
- Industry Member A merges with Industry Member B, resulting in all of the Accounts being subsumed into the sole existing entity

Out of Scope for Mass Transfers

- The following activities are **NOT** considered Mass Transfers of FDIDs Across CAT Reporter Firms:
 - Transfers of securities during an account transfer between broker-dealers
 - ACATS Transfer
 - Transferring a Registered Investment Advisor's book of business from one Industry Member to another Industry Member
 - For a clearing firm, when the correspondent firm changes to another clearing firm

Please see FAQs [Q53](#) and [B53](#)

Reporting Mechanisms for Mass Transfers

In the instance of Account transfers from one CAT Reporter Firm to another, resulting from a merger, acquisition, or divestiture, it is required by the CAT NMS Plan to have a means of linking the Accounts from the prior firm to those of the new firm. There will be two mechanisms enacted by which this activity can occur:

- 1) Contact FINRA CAT Helpdesk
- 2) Report Transfer Activity Directly to CAIS

Also, see Section 3.2 Mass Transfer of FDIDs across CAT Reporter Firms in the [CAT Reporting Customer and Account Technical Specifications for Industry Members -CCID](#)

Option 1 – Contact the FINRA CAT Helpdesk

- The receiving CAT Reporter Firm must contact the FINRA CAT Helpdesk to provide notification of an upcoming transfer event, including the expected date for closure of the transfer.
- A report will be generated by the Plan Processor and provided to the receiving CAT Reporter Firm, detailing any FDIDs of the transferring CAT Reporter Firm that duplicate any FDID of the receiving CAT Reporter Firm, as well as indication of CAT Customers that are present from both the transferring and receiving firms.
- The Plan Processor will also create a copy of the FDIDs with no *fdidEndDate* set (or an *fdidEndDate* set in the future) and associations to customers present under the transferring CAT Reporter Firm into the CRD of the receiving CAT Reporter Firm. Any new customer records that have not previously been submitted by the receiving firm CAT Reporter Firm will also be created from the data of the transferring CAT Reporter Firm into the CRD of the receiving CAT Reporter Firm.
- All FDIDs and customer associations of the transferring CAT Reporter Firm will be ended with an *fdidEndReason* of 'TRANSFER' by the Plan processor on behalf of the transferring firm as of the date of the transfer event. No submissions by the transferring CAT Reporter Firm CRD will be accepted following the closure of the transfer event.

Option 2 – Report Transfer Activity to CAIS

- The transferring CAT Reporter must report the end of the FDID record by setting the *fdidEndReason* field with a value of 'TRANSFER'.
- The receiving CAT Reporter Firm acquiring the Accounts must report in their submission file the FDID their firm has assigned to the Account, the CRD of the transferring CAT Reporter Firm as the *priorCATReporterCRD* value, and must also provide the FDID value assigned to the acquired Account by the transferring CAT Reporter as the *priorCATReporterFDID*.
- When using this approach, FDID, LTID, and Customer data of the transferring CAT Reporter Firm will not be moved to the acquiring CAT Reporter Firm by the Plan Processor. It is the obligation of the receiving CAT Reporter Firm to submit all FDID, LTID, and Customer data of the acquired accounts.

For more information, see Section 2.4 Transferring an FDID Due to a Corporate Event in the [CAT Customer & Account Industry Member Reporting Scenarios \(Full CAIS\)](#), along with Scenarios 2.4.1 Transferring Firm Submission and 2.4.2 Receiving Firm Submission.

FINRA CAT Helpdesk

Questions may be directed to the FINRA CAT Helpdesk at 888-696-3348 or help@finracat.com

How to Ask a Question during Today's Call

- **For participants using computer audio:**
 - Click the "Raise Hand" button at the bottom of the participants window.
 - A visual prompt will indicate that your line has been unmuted.
- **For participants using phone audio:**
 - Enter *9 on your phone keypad.
 - An audio prompt will indicate that your line has been unmuted.