

Nonstandard Transfers

User Guide

For Banks

Submitted by the Bank ACATS User Group

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Definition of Nonstandard Transfers

- **Mutual Fund Cleanup:** Allows a deliverer to clean up mutual fund assets that were included in an earlier ACATS transfer but were reregistered outside ACATS. The cleanup action will be to reverse the settlement incentive money charged to the deliverer (and credited to the receiver) when the original transfer was prepared for settlement. The deliverer must submit the new fund customer account number of the receiver that the deliverer received from the fund as verification that the new mutual fund asset was reregistered into the receiver's account at the fund.

Note: Banks can use this functionality to notify the receiving ACATS participant that the Mutual Fund asset has been reregistered. No fail monies are being cleaned up.

- **Partial Transfer–Deliverer (PTD):** Allows the deliverer to initiate a partial transfer of a customer account according to the customer's instructions.
 - **Partial Transfer–Receiver (PTR):** Allows the receiver to initiate a transfer request of specific assets according to the customer's instructions.
 - **Reclaim:** Allows the original deliverer to initiate the return of an asset from the original receiver.
- Note: Banks are ineligible at this time to use this functionality.*
- **Residual Credit:** Allows the original deliverer to transfer to the original receiver any residual credit balances remaining in the account.

General Information

- Input cutoff times for initiating nonstandard transfers is 12 noon ET.
- No asset adjustments (changes or deletes) are allowed.
- System rejects will occur if asset listing contains errors (No review error status).
- Option assets will extend settlement by one (1) business day.
- Specific reject codes must be used to reject nonstandard transfer types.
- Settlement code "08" identifies nonstandard transfers settlement figures.

Processing Walkthrough

Mutual Fund Cleanup (MFC)

- The delivering firm initiates the MFC.

- The input cutoff time is 12 noon ET.
- The deliverer submits both the transfer initiation (TI) record and the asset (AT) record.
- Account is in review status (1-day).
- Receiver can reject MFC transaction using reject code “27” by 4:00 pm ET.
- MFC transactions settle next business day.

Partial Transfer Receiver (PTR)

- The receiving firm initiates the PTR request.
- The input cutoff time is 12 noon ET.
- The receiver submits both the transfer initiation (TI) record and the asset (AT) record.
- Account can be in memo request status for up to (2-days)
- Deliverer can reject PTR request using reject codes 1-9 by 2:00 pm ET.
- If deliverer wants to validate request, submit asset (AT) record by 3rd day 12 noon ET.
- Account is in review status (1-day).
- Receiver can reject PTR transaction using reject code “21” by 4:00 pm ET.
- PTR transactions settle next business day.

Partial Transfer Deliverer (PTD)

- The delivering firm initiates the PTD.
- The input cutoff time is 12 noon ET.
- The deliverer submits both the transfer initiation (TI) record and the asset (AT) record.
- Account is in review status (1-day).
- Receiver can reject PTD transaction using reject code “23” by 4:00 pm ET.
- PTD transactions settle next business day.

Reclaim (RCL)

- The delivering firm initiates the RCL.
- The input cutoff time is 12 noon ET.
- The deliverer submits both the transfer initiation (TI) record and the asset (AT) record.
- Account can be in review status for up to (3-days).
- Receiver can reject RCL transaction using reject code “25” by 4:00 pm ET.
- Settlement normally occurs in 4 days.

Residual Credit (RCR)

- The delivering firm initiates the RCR.
- The input cutoff time is 12 noon ET.
- The deliverer submits both the transfer initiation (TI) record and the asset (AT) record.
- Account is in review status (1-day).
- Receiver can reject RCR transaction using reject code “22” by 4:00 pm ET.

- RCR transactions settle next business day.

Best Practices

- PTR - Don't use "F" at asset level in conjunction with a quantity. If quantity does not = Full quantity held, it can lead to a conflict in instructions.
 - When using "F", use 100% indicator
- PTR - Use the full indicator to facilitate the movement of all shares not just the requested shares. (Customer statements may not accurately reflect the correct balance)
- PTR - Don't use \$ indicator with "P" as asset level. Most firms will not honor a \$ value to calculate share amount of an asset.
 - When using "P", use share amount for quantity of an asset.
 - When using "P", entering a % can cause a conflict of instructions if multiple PTR's are on the system.
- PTR - Do not use dollar value or percentage when requesting part of a position.
- PTR - Use the PTR functionality to reclaim a mutual fund asset. Identify reclaim intentions in the MEMO field and include the original ACATS control number.
- PTR - If requested position does not exist in the account, don't reject unless it is the only position/asset requested. Use MEMO field to identify reason.
- PTR - Use the MEMO field on all adjustments to requested cash/positions.
- PTD - Use the MEMO field to indicate "GIFTING" or other circumstances for different registration/account types.
- When rejecting an account (manually or systematically) provide as much information as possible in the comments field.
- If an asset list from another firm lists a non-deliverable asset, respond back with that asset listed as a memo entry rather than rejecting the whole request. The same applies if the share quantity available from transfer is less than the requested amount; respond back with the available share quantity rather than rejecting the request.

Processing Guidelines

- Must reject partial transfers same day assets (account validated) are submitted.
- Receiver must use appropriate reject code when rejecting nonstandard transfer. Invalid reject codes will not be processed by ACATS.
- Deliverer can use reject codes 1-9. All codes will be processed as hard rejects.
- Mutual Fund re-registrations must be submitted same day asset listing is received.

ACATS Transfer Statuses

Non-Standard (Partials*, Residual Credit, Reclaim, Fail Reversal, , Mutual Fund Cleanup) Accounts Transfers																
EVENT	MONDAY			TUESDAY			WEDNESDAY			THURSDAY			FRIDAY			COMMENTS
	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	
Non-Standard Transfer (contains no option assets)																* This page applies to Partial Transfer Deliverer only – for PTR statuses see next page
Transfer/assets input by deliverer	Null	RV														Transfer and assets input on any transaction cycle – non-standard transfer input accepted up to cycle 3
Prepare for settlement			SC													Status to SET-CLOSE at EOD, settle instructions created
Settle				SC	SC	PU										Transfer settles, shown on reports as closed, purged at EOD
Non-Standard Transfer (includes option assets)																
Transfer/assets input by deliverer	Null	RV														Transfer and assets input on any transaction cycle - non-standard transfer input accepted up to cycle 3
Options asset present			SP													Status to SET-PREP at EOD, options require 2 day notice
Prepare for settlement				SP	SP	SC										Transfer 'locked' in SET-PREP, to SET-CLOSE at EOD
Settle							SC	SC	PU							Transfer settles, shown on reports as closed, purged at EOD
Non-Standard Transfer rejected by receiver																
Transfer/assets input by deliverer	Null	RV														Transfer and assets input on any transaction cycle - non-standard transfer input accepted up to cycle 3
Receiver rejects		RV to RJ	RJ													Receiver rejects transfer – up to EOD
Purged				RJ	RJ	PU										Transfer shows as closed, purged at EOD

ACATS Transfer Statuses

Non-Standard (Partials*, Residual Credit, Reclaim, Fail Reversal, , Mutual Fund Cleanup) Accounts Transfers																
	MONDAY			TUESDAY			WEDNESDAY			THURSDAY			FRIDAY			
EVENT	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	COMMENTS
Non-Standard Transfer Partial Transfer Receiver (PTR)																* This page applies to Partial Transfer Receiver only – for PTD statuses see previous page.
Transfer / asset request input by receiver	Null	M-PTR	M-PTR													Transfer and asset request input on any transaction cycle - transfer request input accepted up to cycle 3
Assets input by deliverer				M-PTR	M-PTR to RV	SC										PTR-Memo remains in Request Deliverer inputs assets on any cycle – assets input accepted up to cycle 3
Prepare for settlement							SC	SC	PU							Status to SET-CLOSE at EOD, settle instructions created
Settle																Transfer settles, shown on report as closed, purged at EOD
Non-Standard Transfer PTR Then Deliverer rejects request																
Transfer / asset request input by receiver	Null	M-PTR	M-PTR													Transfer and asset request input on any transaction cycle – transfer request input accepted up to cycle 3
Deliverer rejects transfer				M-PTR	M-PTR to RJ	RJ										Deliverer reject request (Code 1-9) – deliverer rejects accepted up to cycle 4
Purged							RJ	RJ	PU							Transfer shows as closed. purged at EOD
Non-Standard Transfer PTR Then receiver rejects transfer																
Transfer / asset request input by receiver	Null	M-PTR	M-PTR													Transfer and asset request input on any transaction cycle - transfer request input accepted up to cycle 3
Assets input by deliverer				M-PTR	M-PTR to RV											PTR-Memo remains in Request Deliverer inputs assets on any cycle – assets input accepted up to cycle 3
Receiver rejects transfer					RV to RJ	RJ										Receiver reject assets (code 21) EOD
Purged							RJ	RJ	PU							Transfer shows as closed, purged at EOD

ACATS Transfer Statuses

Non-Standard (Partials, Residual Credit, Reclaim, Fail Reversal, , Mutual Fund Cleanup) Accounts Transfers																
EVENT	MONDAY			TUESDAY			WEDNESDAY			THURSDAY			FRIDAY			COMMENTS
	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	SOD	INTRA-DAY	EOD	
Non-Standard Transfer Reclaim (RCL)																
Transfer / asset request input by deliverer	Null	RV	RV													Transfer and asset request input on any transaction cycle – RCL transfer accepted up to cycle 3
No action by receiver				RV	RV	RV										RCL remains in review status
No action by receiver							RV	RV	RV							RCL remains in review status
No action by receiver										RV	RV					RCL remains in review status Intra-day
Prepare for settlement												SC				Status to SET-CLOSE at EOD, settle instructions created
Settle													SC	SC	PU	Transfer settles, shown on report as closed, purged at EOD
Non-Standard Transfer RCL Then Receiver accelerates																
Transfer / asset request input by deliverer	Null	RV	RV													Transfer and asset request input on any transaction cycle - RCL transfer accepted up to cycle 3
No action by receiver				RV	RV	RV										RCL remains in review status
Receiver accelerates transfer							RV	RV to RV-X								Receiver accelerates – prior to EOD
Prepare for settlement									SC							Status to SET-CLOSE at EOD, settle instructions created
Settle										SC	SC	PU				Transfer settles, shown on report as closed, purged at EOD
Non-Standard Transfer RCL with receiver reject																
Transfer / asset request input by deliverer	Null	RV	RV													Transfer and asset request input on any transaction cycle - RCL transfer accepted up to cycle 3
No action by receiver				RV	RV	RV										RCL remains in review status – EOD
Receiver rejects							RV	RV to RJ	RJ							Receiver rejects transfer – up to EOD
Prepare for settlement										RJ	RJ	PU				Transfer shows as closed, purged at EOD