

**MEMO# 30338**

October 24, 2016

# **Member Call on November 7 to Discuss: SEC Proposal to Amend Securities Transaction Settlement Cycle at 1:00 p.m. US ET**

[30338]

October 24, 2016

TO: ACCOUNTING/TREASURERS COMMITTEE No. 20-16  
DERIVATIVES MARKETS ADVISORY COMMITTEE No. 64-16  
ETF (EXCHANGE-TRADED FUNDS) COMMITTEE No. 30-16  
ETF ADVISORY COMMITTEE No. 29-16  
EQUITY MARKETS ADVISORY COMMITTEE No. 47-16  
FIXED-INCOME ADVISORY COMMITTEE No. 42-16  
INTERNATIONAL OPERATIONS ADVISORY COMMITTEE No. 29-16  
OPERATIONS COMMITTEE No. 25-16  
SEC RULES COMMITTEE No. 47-16  
SEC RULES MEMBERS No. 64-16  
SECURITIES OPERATIONS ADVISORY COMMITTEE  
SMALL FUNDS COMMITTEE No. 28-16  
TRANSFER AGENT ADVISORY COMMITTEE No. 54-16 RE: MEMBER CALL ON NOVEMBER 7 TO  
DISCUSS: SEC PROPOSAL TO AMEND SECURITIES TRANSACTION SETTLEMENT CYCLE AT  
1:00 P.M. US ET

The SEC recently issued a proposed rule that would amend Rule 15c6-1(a) under the Securities Exchange Act of 1934 ("Exchange Act") to shorten the standard settlement cycle for most broker-dealer transactions from three business days after the trade date ("T+3") to two business days after the trade date ("T+2").[\[1\]](#)

The Release cited a number of reasons for shortening the settlement cycle, which included reducing credit and market risk exposure related to unsettled trades, reducing liquidity risk, encouraging efficiency in the clearance and settlement process, and reducing systemic risk for the US market. The SEC references the financial services industry-led initiative to shorten the regular-way settlement for equities, corporate bonds, municipal bonds, and unit investments trusts from T+3 to T+2 with a target migration date of September, 5th, 2017.[\[2\]](#)

**On November 7 at 1:00 p.m. (ET), we will hold a 1-hour member only call to discuss the Proposal.**

**Conference dial-in information:**

US Toll-Free Number: **800-857-9816**

US Toll Number: **1-312-470-7179**

Passcode: 1322251

**Comments on the Proposal are due by December 5th. Please do not share the dial-in information outside your firm.**

Ahmed El Ghazaly  
Director - Securities Operations

**endnotes**

[1][ ] Amendment to Securities Transaction Settlement Cycle, SEC Release No. Release No. 34-78962; File No. S7-22-16, available at <https://www.gpo.gov/fdsys/pkg/FR-2016-10-05/pdf/2016-23890.pdf>.

[2][ ] The industry formed an Industry Steering Committee (co-chaired by ICI), an Industry Working Group, and five sub-working groups to facilitate the move to a shorter settlement cycle. For background on the T+2 industry-led initiative and its benefits, see <http://www.ust2.com/>.

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