

SEC Issues Statement on September 5 Implementation of “T+2” Settlement Cycle for Securities Transactions

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As previously discussed in the [March 24 edition](#) of the *Corporate & Financial Weekly Digest*, the Securities and Exchange Commission (SEC), on March 22, adopted an amendment to Rule 15c6-1(a) that has shortened the standard settlement cycle for most broker-dealer securities transactions from three days (known as T+3) to two days (known as T+2), effective September 5.

On September 11, the SEC issued a statement regarding the implementation of this shorter settlement cycle. In its statement, the SEC noted the benefits of the shortened settlement cycle, including the likely reduction of credit, market and liquidity risks in the clearance and settlement process, as well as the enhanced efficiency of the US securities markets (for example, because market participants will be able to receive proceeds from securities transactions sooner).

The full text of the SEC’s statement is available [here](#).

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