

February 14, 2022

SEC PROPOSES RULE CHANGES TO SHORTEN THE SECURITY SETTLEMENT CYCLE TO T+1 BY MARCH 31, 2024

To Our Clients and Friends:

On February 9, 2022, the Securities and Exchange Commission (the "Commission") announced a proposed rule to shorten the standard settlement cycle for most broker-dealer transactions from two business days after the trade date ("T+2") to one business day after the trade date ("T+1"), while soliciting comments regarding challenges and possible approaches to achieving settlement by the end of trade date ("T+0"). To facilitate a T+1 settlement process, the Commission is proposing new requirements designed to protect investors, reduce risk between a transaction and its completion, and increase operational efficiency. The proposed rules and rule amendments would establish a compliance date of March 31, 2024.

Read More



The following Gibson Dunn attorneys assisted in preparing this update: Alan Bannister, Boris Dolgonos, Andrew Fabens, Hillary Holmes, Peter Wardle, Rodrigo Surcan, Thomas Canny, Harrison Tucker, and Justine Robinson.

© 2022 Gibson, Dunn & Crutcher LLP

Attorney Advertising: The enclosed materials have been prepared for general informational purposes only and are not intended as legal advice.