

T+1 Conversion Weekend DTC Corporate Actions Statement

Date:

5/23/2024

DTCC Corporate Actions Statement

On May 28, 2024, the standard settlement cycle for most US securities will change from T+2 to T+1. The last day that T+2 trading will occur in the U.S. will be Friday, May 24, 2024. Since Monday, May 27, 2024, is a US holiday (Memorial Day), Tuesday, May 28, 2024, will be the first date that securities will trade using the T+1 settlement cycle. Through analysis performed by DTCC, in conjunction with its industry partners such as organized securities exchanges, agents, trade groups and its member firms the following conversion weekend plan has been suggested.

Ex-Dates on Distributions

Based on discussions with the industry, DTCC believes that “Regular Way” Distribution processing as it relates to Ex-Dates should be as follows:

- If Record Date is May 28, 2024, the Ex-Date will be May 24, 2024
- If Record Date is May 29, 2024, the Ex-Date will be May 29, 2024 - *this should be the first day applying the T+1 settlement convention to the Ex-Date process*
- It has been recommended that no Ex-Dates rule on May 28, 2024

“Irregular Way” or late Ex-Dates on large distributions such as Stock Splits and Spin Offs where the distribution is payable on May 24, 2024, would generally have an Ex-Date ruled on the business day following the Payable Date. These “Irregular Way” Ex-Dates are ruled by organized securities exchanges. As such, a large distribution event with a Payable Date of May 24, 2024, would normally have an Ex-Date of May 28, 2024 because of the holiday on May 27, 2024, however, given the T+1 start date of May 28, 2024, this Ex-Date should in fact be ruled on May 29, 2024.

To better illustrate this using the calendar below, the last day for T+2 trading in the US will be May 24, 2024 (*denoted as calendar footnote 1*) and this date should be the last ruled Ex-Date using the T+2 settlement cycle. The first T+1 trading date will be May 28, 2024 (*denoted as calendar footnote 2*) and there should be no Ex-Dates ruled in the US on that date. The first date that Ex-Date should be ruled using a T+1 settlement cycle will be on May 29, 2024 (*denoted as calendar footnote 3*) and this also corresponds to the double settlement of both T+2 and T+1 trades in the US.

MAY 2024

SUN	MON	TUE	WED	THU	FRI	SAT
28	29	30	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24 1	25
26	27 Memorial Day Holiday	28 2	29 3	30	31	1

For more information related to the T+1 migration weekend in the US, please refer to the helpful links below:

- [DTCC T+1 Conversion Guide](#)
- [NYSE Notice on Changes Related to T+1](#)
- [NASDAQ Notice on Changes Related to T+1](#)
- [SIFMA T+1 Dividends FAQ](#)

Voluntary Reorganization Events Expiring on/and Post May 24, 2024 With A Notice of Guaranteed Delivery

Voluntary Reorganization events, such as Tender Offers and Exchange Offers, can be structured where the offeror allows investors to accept the Tender Offer by the expiration date and deliver their securities after the expiration date within the period prescribed in the offer. This is known as Notice of Guaranteed Delivery or “protect”. The delivery of the tendered securities guaranteed in the protect is to occur by the period prescribed in the offer which is called the cover protect. Generally, the protect is used when a firm intends to execute a trade in the market to buy the event securities to participate in the offer. The security position received into the firm’s account during the protect period is then used to “cover” that protect. The period between the Expiration Date of the offer and the time to cover that protect (Cover/Protect Expiration Date) typically follows the settlement cycle for the market in which the event securities trade.

Beginning on Friday, May 24, 2024, Voluntary Reorganization events expiring, which afford a Notice of Guaranteed Delivery feature should offer a one-day Cover/Protect period to match the T+1 settlement cycle. A two-day Cover/Protect period after May 28, 2024, could be problematic to firms trying to pass liability to cover traded obligations between counterparties. Securities Transfer Agents, Issuers and their Counsel should begin to create offers where the Notice of Guaranteed Delivery features have a one-day Cover Protect period.

Using The CA Advanced Search to Locate Events Over The Conversion Period

To assist DTC participants with monitoring and reviewing critical dates such as Ex Date, DTC Cover/Protect Expiration Date and others, it is recommended to use the CA Web Advanced Search feature daily before, during and after the T+1 migration weekend. Included below are tips to effectively use the CA Web Advanced Search during this time. For any questions about an event or for help using this search feature, please raise an inquiry using the CA Web Request Help, contact the Asset Services Client Support team or your Relationship Manager. Additional help is available within the CA Web User Guide or Help Features accessible by clicking on the question mark icons located within CA Web.

Performing an Advanced Search

1. Within CA Web on the main menu bar, hover your mouse over **Announcements** and click **Event Search**.
2. Click the **Advanced Search** tab.
3. Select your date criteria on the Advanced Search page. (***Note:** The **Date Criteria** fields drive the search that covers the conversion period)
 - a. Select the date type:
 - i. For Distributions: select the **Ex-Date**.
 - ii. For Reorganizations: select the **Effective Date** or **DTC Instruction Expiration Date** or **DTC Cover/Protect Expiration Date**
 - iii. *Redemption events are not affected by the T+1 Conversion
 - b. Select the date range:
 - i. Select 5/24/2024 as the Start Date.
 - ii. Select the + sign.
 - iii. As an example, type 3, 5, or 7 in the Days field to cover the initial conversion period. This date range can vary as needed per your firms procedures.
4. Select any other search criteria as needed per your firms procedures.
 - a. For the Composite Record Status, select **AP**, **CA**, or **All**.

- b. For Reorganizations, you can narrow your event search to **Mandatory**, **Voluntary**, or **Voluntary with Options**.
 - c. Leave **All** selected to receive a full report.
5. Click **Search**.
 - a. The Search Results page displays a maximum of 3,000 results, current as of the time you executed your search.

Exporting Your Searches to Excel

*Note that when you perform a search, only the first 3,000 results are displayed on the Results page.

To view more than 3,000 results or to create a report of your search results, export your results to Excel. When you export your results to Excel, you will export the full list of your results.

*Note: Clicking **Print** will print only the screen that you see in front of you.

1. Click **Export to Excel**.
 - a. A dialog box asks whether you want to open or save the file.
2. Open the file in Excel.
 - a. A basic spreadsheet contains all of your results.
 - b. Every event in your search is represented by a row.
 - c. Every field available in CA Web is represented by a column.
3. Sort, save, or print this data as you would for any Excel spreadsheet.