



Equities Clearing Enhancements: ACATS Enhancements

ACATS, developed over 40 years ago by the National Securities Clearing Corporation (NSCC), facilitates the smooth and electronic transfer of assets, like stocks, bonds, and cash, from one brokerage firm or bank to another. Two of the greatly anticipated innovations planned as part of DTCC's multiyear transformation program are enhancements to ACATS.

WHAT'S CHANGING?

- **Removing a Day from the ACATS Settlement Cycle**
With this enhancement, one additional day from the ACATS transfer cycle will be eliminated, allowing for a full transfer to be processed in just 3-4 business days. It will also eliminate the extra day required to process mutual funds and options, which will now synch-up with all other securities from a settlement perspective. This enhancement was made possible by the industry's monumental shift to T+1 settlement in May 2024.
- **New Messaging Capabilities, New Interfaces**
Upgrades of the ACATS message formats and communication protocols are currently in production, and firms are migrating to the new interfaces at an increasing rate in preparation for the decommissioning of the legacy file formats.

CLIENT IMPACT

These changes will be mandatory for clients:

- Firms will be required to support one-day settling assets for all transfers.
- Firms must migrate off the legacy files.

BENEFITS

- Reduce client risk.
- More efficient workflow process.
- Stronger resiliency of services.
- Better overall client experience.

TIMELINE

- The **removal of settle prep** in ACATS is targeted for July 2025 testing and October 2025 production.
- **New client interfaces** have been in production as of Q3 2023; firms have until Q3 2026 to fully migrate off the legacy files.

WHERE CAN I GET MORE INFORMATION?

Read our [Functional Change Document](#), visit [DTCCTransformation.com](https://www.dtcc.com/DTCCTransformation.com) or Contact Us.

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