

Settlement Simplification Changes / Modernized Applications: Reclaims

DTC currently offers the capability to reverse, or reclaim, settled deliver order (DO) and payment order (PO) transactions, with a limited, complex reclaim matching processes. The DTC Reclaim process is being streamlined as part of DTCC Transformation initiatives.

What's Changing?

To identify a Deliver Order (DO) or Payment Order (PO) as a reclaim, clients currently submit transactions with designated reclaim reason codes. Once a transaction is received with a reclaim reason code, DTC attempts to "match" the reclaim transaction to an original transaction processed within the preceding 60 business days. If a match is found, DTC "links" the reclaim and the original transactions and adds transaction reference information from the original transaction on the output from the reclaim. If a match is not found, DTC will still process the reclaim, but without this systemic linking.

DTCC continues to allow DO and PO reclaim transactions and the inclusion of reclaim reasons but will no longer attempt to match or systemically link reclaims to original settled transactions. Reclaim outputs will retain the reclaim reason and client-provided reference information, where supplied. As part of the transition to ISO 20022, existing Activity and Reason Codes will be replaced by ISO Tags, with processing behavior preserved under the new messaging structure.

Client Impact

- Due to the limited value associated with reclaim linking, DTC will decommission the capability.
- This change will have a minimal impact on clients' processing.

Benefits

- Eliminates a manual, exception-heavy process
- Speeds up settlement
- Reduces settlement risk and uncertainty

Timeline

- Reclaim functionality will change Q3 2027.

WHERE CAN I GET MORE INFORMATION?

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

