

NASDAQ Announces Ex-Dividend Date Changes For T+2 Settlement

June 22, 2017 | Client Update

For most securities transactions, on September 5, 2017 the settlement cycle will shorten from three business days to two business days after the trade date, or T+2, as we discussed in a prior [client memo](#) . With the upcoming move to a T+2 settlement cycle, NASDAQ companies paying dividends in September or later should pay close attention to changes to the ex-dividend date when selecting record dates and preparing related announcements.

An ex-dividend date, or “ex-date,” is the date prior to which an investor must purchase a security to be entitled to receive a previously declared dividend. NASDAQ recently announced that, in order to avoid investor confusion about proper settlement, ***no NASDAQ-listed securities will have an ex-date of September 5, 2017.***

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Joseph A. Hall

+1 212 450 4565
joseph.hall@davispolk.com

Michael Kaplan

+1 212 450 4111
michael.kaplan@davispolk.com

Richard D. Truesdell, Jr.

+1 212 450 4674
richard.truesdell@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.

Related materials

[Read the full update](#)