

Date: December 15, 2022
To: Fedwire Securities Service Participants & Service Providers
Subject: Update on ACAP Enhancements Phase 1 Implementation



Update on Automated Claim Adjustment Process Enhancements
Claim adjustments will not be processed on January 30, 2023

The Federal Reserve Banks previously announced the phased implementation approach for [enhancements](#) to the Fedwire® Securities Service's Automated Claim Adjustment Process (ACAP). The enhancements include shifting the timing and settlement method for claim adjustments and new reporting (Phase 1) and expanding ACAP tracking to all coupon-paying securities and adding securities lending as a transaction type (Phase 2). Please visit the [ACAP Resources and Implementation Center](#) for more detailed information.

Phase 1 of enhancements are on track for the effective date of Monday, January 30, 2023 (Day 1). **In preparing for the production implementation of Phase 1, participants and service providers should be aware that the Federal Reserve Banks will not process ACAP claims on Day 1 through either the Fedwire Securities Service or the National Settlement Service.** New Fedwire Securities Service type code 8908 and 8909 claim adjustment messages will not be created or settled for claims with an adjustment date of January 30, 2023. Any claims with an adjustment date of January 30, 2023, should be resolved between counterparties outside of the Fedwire Securities Service.

This one-day deviation from normal claim adjustment processing is aimed to minimize the implementation risk of ACAP enhancements. As ACAP currently only tracks Agency Mortgage-Backed Securities (MBS) claims, the only possible claims that could be processed on Day 1 are MBS fail-tracking claims resulting from fail transactions settled on Friday, January 27, 2023. The Reserve Banks will transmit the Day 1 *Fail Claim Adjustment Notification* (MSG-ID: BA2070) through the Fedwire Securities Service in the current report format to participants the evening of Friday, January 27, 2023. Effected participants are instructed to resolve any fail-related claims reported on the notification outside of the Fedwire Securities Service.

More information about Day 1 can be found on the [Frequently Asked Questions](#) page of the ACAP Resources and Implementation Center.

Please contact the East Rutherford Operations Center for the Fedwire Securities Service at (800) 390-2788 with any general ACAP questions. If you have testing-related questions, contact your designated [Wholesale Testing Unit](#).



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