

CXN MEMBER CHECKLIST

TRINIDAD AND TOBAGO CENTRAL DEPOSITORY LIMITED

User Requirements

- i. Depend access form for each user.
- ii. Delegated Authority-list of authorised signatories, copies of IDs and sample signatures.
- iii. USD account for funding transactions in the USD market.
- iv. TTD account for settlement of trades in TTD Equities and Bonds

Participant's responsibility

Each Participant is responsible for providing the TTCD with the name of the Commercial Bank at which the firm's account is conducted for net to receive funds. Details to be provided:

- i. Bank name and address of branch
- ii. Bank account number
- iii. Bank account type
- iv. Name on the bank account
- v. Wire transfer instructions for the bank account.

TTCD's responsibility

The TTCD is responsible for facilitating the settlement of all net to pay and net to receive funds via the Commercial Banks with the Central Bank in the case of TTD securities and from the TTCD's USD account to settlement USD denominated securities. Settlement of trades in TTD follows the same procedure as obtains for local participants.

The TTCD USD account (details below) is used for settlement of USD trades. Funds deposited to the TTCD USD account by net to pay participants are used to credit the accounts of the net to receive participants.

TTCD Bank Details

WELLS FARGO BANK N.A.

International Operations

P.O. BOX 13860

Philadelphia, Pennsylvania

19101-3866

U.S.A.

Swift Code: PNBPUS3NNYC

ABA: 026005092

Beneficiary Bank:

First Citizens Bank Ltd

#9 Queen's Park East

Port of Spain

SWIFT Code FCTTTTPS

Beneficiary: Trinidad and Tobago Central Depository - AC#1955827

Appendix

Settlement Procedures

TTD Equity and Debt Market

For the purposes of guaranteeing settlement of transactions, each Participant will negotiate and enter into an agreement with a Commercial Bank in Trinidad and Tobago to settle all net to pay transactions from its account and receive all net to receive to the account.

Participants are responsible for providing the TTCD with the name of the Commercial Bank at which the firm's Payment Account is conducted, the Account Number, and the name of a contact person at the Bank who is responsible for the approval of funds in the Payment Account.

Settlement Process at (T+2)- Equities and (T+2) – Corporate Bonds

- a. By **9.00 a.m.** on each Settlement Date the payment account at the Participant's Commercial Bank must have sufficient cleared funds, and the Bank's Reserve Account at the Central Bank is funded for any payable due.
- b. By **10 a.m.** on each Settlement Date the buying Participants' Commercial Bank(s), will confirm the existence of the required cleared funds (net to pay) in its clients' Payment Accounts to the Central Bank.
- c. By **11.00 a.m.** the Central Bank will debit the Reserve Account of each buying Participant's Commercial Bank with the requisite amount and deposit the (net to receive) funds to the Reserve Account of the corresponding selling Participant's Commercial Bank.

1. Trade Date – Post Trading Procedures

- a. Trading sessions close at **12.00 pm**. By **1.30 p.m.** every trade day the TTCD posts on its website (www.stockex.co.tt) an encrypted file to be downloaded by securities firms. This file contains the settlement details of each participant's trade activity for the session, i.e. Net to Receive, Net to Pay.
- b. Details of the trades executed in each security, Buy/Sell, Client name, Account Number, Volume and Value of shares traded are also accessible to securities firms via the GV and Depend systems with print options.
- c. The reports posted are verified as being accurate by the TTCD Supervisor against trading activity values produced by the GV Application. This is confirmed by the Operations Supervisor and in his/her absence the Compliance Officer.

Files posted

TTCD – Encrypted FTP file, Net Settlement Report detailing the value of payments to be received by or paid to the trading participants.

Securities Firms –Details of trades from the GV and Depend systems.

Securities Firms

- a. For the member firms, the total net to pay or receive is advised. Each Participant's access is restricted to the file pertaining to its own firm.
- b. The TTCD would receive an electronic confirmation that the respective files have been downloaded. Follow up must be conducted with any member firm or Bank for which a confirmation was not received.

Contingency

- a. In the event that files are unable to be downloaded from the website as a result of technical failures or interruption in service, the TTCD would verbally notify Managing Directors of all securities firms and in their absence a senior officer of the situation.
- b. Depending on the expected duration of a technical interruption, the settlement details would be printed in hard copy format, verified by a senior officer, affixed with the TTCD stamp and faxed or emailed to each of the institutions. until such time as the files are electronically uploaded.

US Dollar Equity and Debt Market

Settlement Process (T+2) - Equities and (T+2) - Corporate Bonds

1. At the end of Trade date (T) all Participants will be advised via email that the settlement reports are available (1.30pm) on the Stock Exchange Website.
2. All Participants will download said settlement reports from website using their login user profiles.
3. By **9.00 a.m.** on the day after the trade (T+1), the TTCD US Dollar account (First Citizens Bank, Independence Square) must be funded by all "Net to Pay" Participants for trades executed along with bank charges. *All transfers must be made by a MT103 Bank to Client transfer and must cover all local and foreign bank charges.*
4. By 9.00 a.m on the day after the trade (T+1) the TTCD will check the settlement account for transfers received from "net to pay" participants. All Participants will ensure that the funds are transferred to the settlement account no later than 10.00am on the day after the trade (T+1).
5. By 10.00 a.m. on the day after the trade (T+1) the TTCD will confirm that the required funds (net to pay and bank charges) for settlement are transferred and available for settlement day (T+2) for all Participants.

6. By **11.00 a.m.** on the day after the trade (T+1) the TTCD via the online Account Transfer/Wire Transfer will post and confirm a debit to the USD Account” and credit the “Net to Receive” accounts of the Participants pending settlement.
7. At 12.00 p.m. on the day after the trade (T+1) the TTCD will execute the transfer of funds to the relevant Participants’ accounts.
8. The TTCD will provide confirmation to Participants that “Net to Pay” and “Net to Receive” Obligations as reflected in the Participants’ Net Settlement Obligation Report were fulfilled.

January 19, 2012