

## CLEARING AND SETTLEMENT TIMELINES

### Trade in the Debt Market

This section covers the timelines for trade execution in the debt market. The settlement cycle for debt securities is T+2

#### T+0

1. Participant shall capture trades on the GFIM from 9.00am to 4.00pm
2. All matched trades shall be received by CSD from GFIM by 4.00pm
3. Initial settlement obligation of all Depository Participants (DPs) will be available online by 4.00 pm for client allocation.
4. Allocation of trades should be completed by all DPs by 4.30 pm. The DPs who don't allocate their trades by 4.30 pm will be penalised accordingly.

**Note:** Trades settling on T+0 settlement cycle must be captured and allocated by 4.00 pm for final and irrevocable settlement at 4.20 pm on T+0.

#### T+1

1. Reallocation of wrongly allocated trades should be completed by all DPs by 11.00 am.
2. Custodian Banks have up to 4.30 pm to confirm or reject custodian trades. Thereafter, the Custodian Banks must inform CSD about the reason for the trade rejection. Custodian Banks will pay a penalty for rejected trades, if it is later on proven that the trade rejection was wrongly executed by the Custodian Bank.
3. Trades rejected by Custodians will be automatically assigned to the executing DP's account for settlement.
4. The final settlement obligation shall be available online to all DPs by 4.30 pm.

#### T+2

1. Based on the final settlement obligations, Brokers are required to make funds available at their respective Settlement Partners by 12.00 noon.
2. If by 12.00 noon, a Broker's fund is inadequate to meet its settlement obligations, the Settlement Partner shall inform the Broker.
3. Settlement Partners shall confirm the availability of funds for settlement at the Settlement Bank (Bank of Ghana) to CSD by 2.00 pm and inform the CSD of any shortfall in its Settlement Obligations.
4. If by 2.00 pm, the deficiency in 2 above is not rectified by the Broker, the Broker is deemed to have defaulted or failed the trade and the Settlement Guarantee Fund shall be automatically activated for settlement.

5. The CSD will immediately suspend the defaulting DP's Securities Account from any further depository activities and inform GFIM thereafter to deactivate the DP's trading account until the default is rectified.
6. CSD will send the final settlement instructions and file to the Settlement Bank by 4.20pm for final and irrevocable settlement to occur at 4.20pm.

### **Trade in the Equity Market**

This section covers the timelines for trade execution in the equity market. The settlement cycle for equity securities is T+3.

#### **T+0**

1. Participant will capture trades on the ATS from 9.00am to 3.00pm
2. All matched trades shall be received by CSD from ATS at 3.00pm
3. Initial settlement obligation of all DPs will be available online by 3.30 pm

#### **T+2**

1. Reallocation of wrongly allocated trades should be completed by all DPs by 11.00 am.
2. Custodian Banks have up to 12.30 pm to confirm and reject custodian trades. Thereafter, the Custodian Banks must inform CSD about the reason for the trade rejection. Custodian Banks will pay a penalty for rejected trades if it is proven that the trade rejection was wrongly executed by the Custodian Bank.
3. Trades rejected by Custodians will be automatically assigned to the executing DP's account for settlement.
4. The final settlement obligation shall be available online to all DPs by 12.30 pm.

#### **T+3**

1. Based on the final settlement obligations, Brokers are required to make funds available at their respective Settlement Partners by 11.00 am.
2. If by 11.00 am, a Broker's fund is inadequate to meet the its settlement obligations, the Settlement Partner shall inform the Broker.
3. Settlement Partners shall confirm the availability of funds for settlement at the Settlement Bank (Bank of Ghana) to CSD by 12.00 noon and inform the CSD of any shortfall in its Settlement Obligations.
4. If by 12.00 noon, the deficiency in 2 above is not rectified, the Broker is deemed to have defaulted or failed the trade and the Settlement Guarantee Fund shall be automatically activated for settlement.

5. The CSD will immediately suspend the defaulting DP's Securities Account from any further depository activity and thereafter inform the GSE to deactivate the DP's trading account until the default is rectified.
6. CSD will send the final settlement instructions and file to the Settlement Bank by 2.00pm for final and irrevocable settlement to occur at 2.00pm.