

**CENTRAL SECURITIES DEPOSITORY
(GH) LTD
PENALTIES**

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CSD PENALTIES (TIER 2)

Document Control

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S/N	Action Type	APPROVED PENALTY
1	Debt trades not allocated by DPs on T	GHC 500.00 or 1% (which ever will be higher) of the value of the transactions subject to a maximum of GHC 20,000.
2	Funds settlement default or failure to settle money obligations	GHC 2,000 or 5% of the value of the funds default whichever is higher shall be paid by the defaulted DP
	Failure on the part of the DP to settle the amount of Guarantee Fund used to settle the participant's settlement default obligation on time.	Shall attract an additional daily fee of GHC 500.00.
3	Wrongful cancellation of trade by Custodians	The Custodian shall pay GHC 1,000 or 1% of the value of a trade wrongfully rejected by the Custodians on behalf of its clients whichever is higher.
4	Failure of a DP to act on the instruction of depositors or its clients.	The matter shall be referred to the Business Conduct Committee of the CSD.
5	Failure on the part of DPs to pay fees and charges	The DP shall be suspended from the depository's activities.
6	Failure on the part of a Broker to update CSD on its most active credit line or bank guarantee	CSD will set the Broker's credit line to zero (i.e. Brokers and Custodians will unable to trade on the ATS)
7	Failure of a DP to submit its audited financial statements to CSD not later than three months after the end of its financial year.	The DP shall pay GH¢ 50.00 for each day that the financial statement is not submitted. After 60 days if CSD has not received the statement, the affected institution may be suspended.
8	Violation of the Code of Conduct for DP Officers	The Officer shall be suspended from the activities of the Depository for a period not exceeding 2 years.
9	Funds failure during reverse repo settlement	Repos that are not released on the return date shall attract a daily penalty of GHC 500.00
10	Failed delivery (Buy-in)	A daily fine of GHC 100.00 or 1% (whichever will be higher) of the value of the transaction until the situation is rectified.
		If the buy-in is unsuccessful, the defaulting DP will pay a penalty GHC 1,000 or 1% (which ever will be higher) of the value of the failed securities in addition to any proven losses sustained by the counterparty.

Document Owner and Approval

The Central Securities Depository (GH) LTD is the owner of this document and is responsible for ensuring that it is reviewed in line with the review requirements of the ISMS.

A current version of this document is available to the public on CSD's website www.csd.com.gh

This procedure was approved by the Chief Executive Officer (CEO) and is issued on a version-controlled basis under his signature.

Signature:

Date:

Change History Record

Issue	Description of Change	Approval	Date of Issue
1	Initial issue	CEO	16/10/2016
2	Document control, document owner and approval, and change history record was introduced	CEO	14/09/2022