

# Direct Cash Settlement – Process Flow

December, 2015

# What is Direct Cash Settlement?

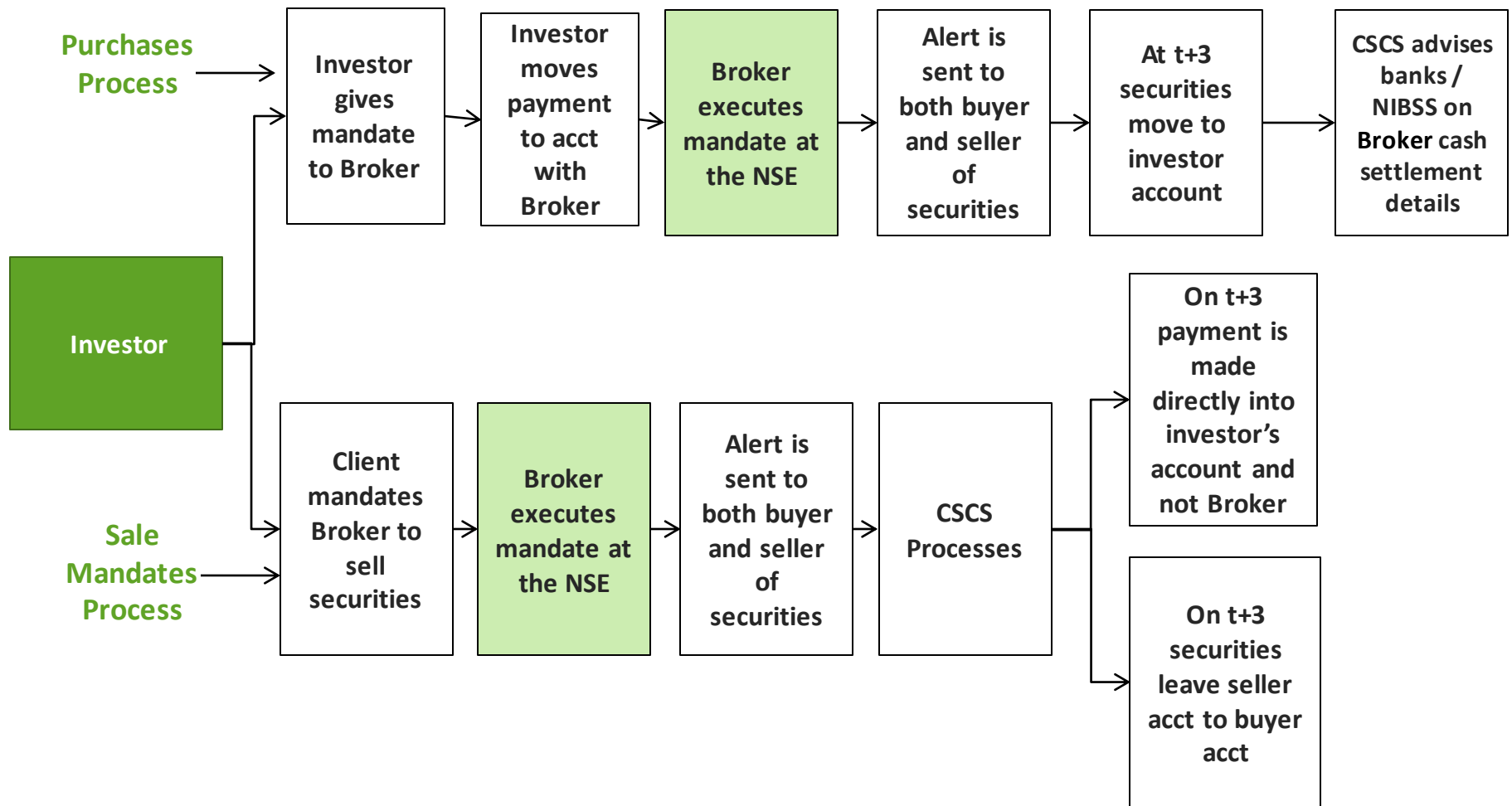
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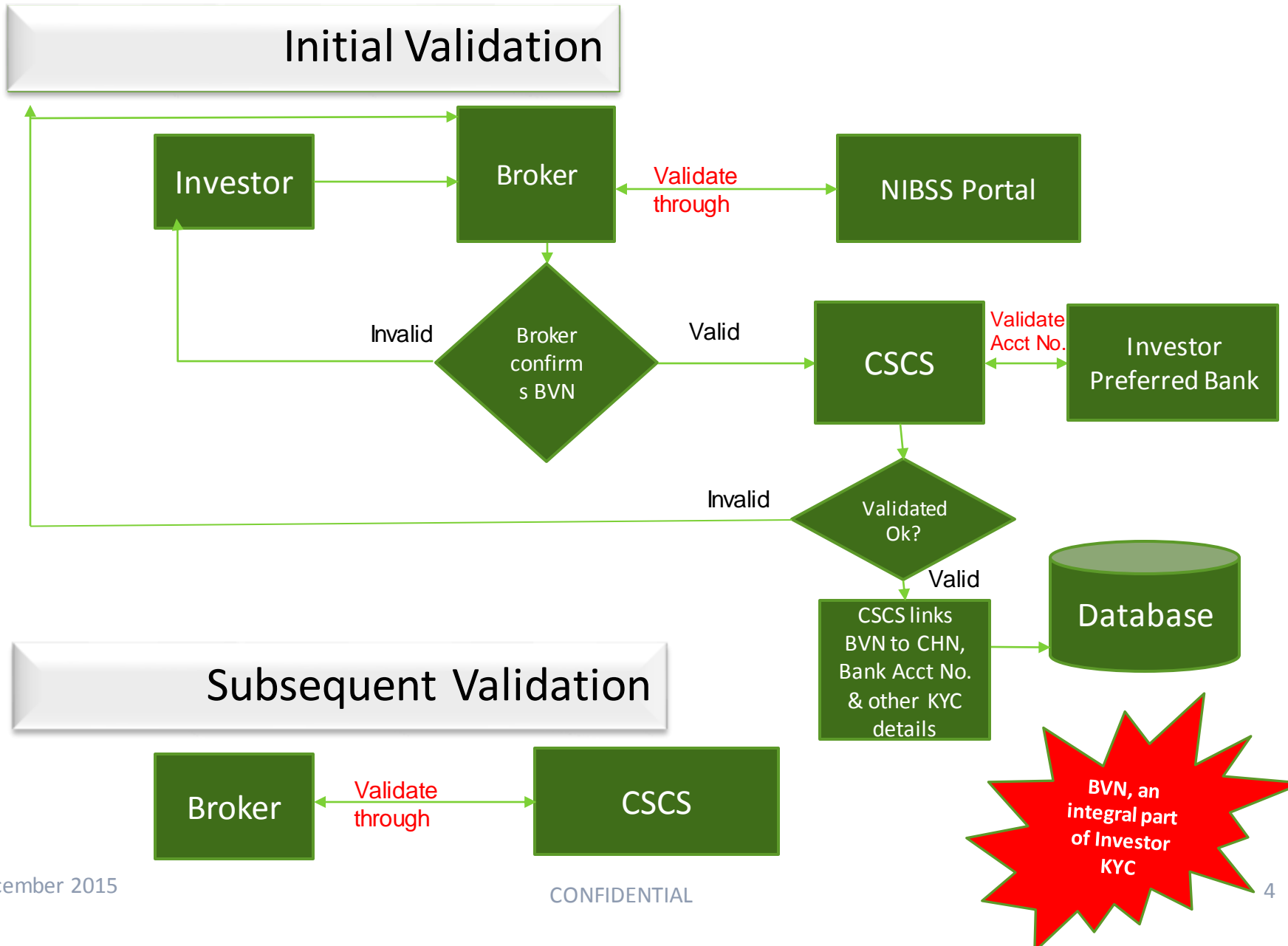
## DIRECT CASH SETTLEMENT

*The process where proceeds from trades executed by brokers on the Exchange settles directly into investors' bank account.*

# Direct Cash Settlement - Critical Process Flow



# Investor Identity Management- Bank Account/BVN Update Process



# Transactions Settlement – Process

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## Settlement

- ❑ CSCS process transactions from NSE
- ❑ CSCS generates Net position at the Investor level
- ❑ On Transaction day (Day T), CSCS advises Settlement Bank (SB) of Net Debit (fund) position of SBFs.
- ❑ On Settlement day (Day T + 3) CSCS advises Sett. Banks to:
  - ✓ Debit (fund) SBF settlement Bank(s) account;
  - ✓ Credit (fund) :
    - Selling Investors/SBF (for Prop Position trades)
    - SBF – Brokerage Commission on Investor trades
    - Regulatory authorities with commissions/charges