



# National Clearing Company of Pakistan Limited

8th Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/April-12/16

April 26, 2012

## NOTICE FOR ALL CLEARING MEMBERS

### CLEARING & SETTLEMENT OF NEGOTIATED DEAL MARKET (“NDM”) CLIENT-TO-CLIENT TRADES THROUGH NATIONAL CLEARING & SETTLEMENT SYSTEM “NCSS” ON T+0 SETTLEMENT CYCLE

This is with reference to our earlier Notice NCCPL/CM/March-12/13 dated March 21, 2012, regarding clearing and settlement of Negotiated Deal Market (“NDM”) Trades through National Clearing and Settlement System (“NCSS”).

In this respect, we are pleased to inform you that, in order to provide further facilitation to the Clearing Members, **settlement facility on NDM trades has been extended for T+0 settlement cycle without the involvement of payments.**

Accordingly, **Client-to-Client or Client-to-Proprietary trades to be executed in NDM will also be settled on T+0 Settlement Cycle basis through NCSS effective from Monday, April 30, 2012 as per the following mechanism:**

1. Client-to-Client or Client-to-Proprietary NDM Trades on T+0 Settlement Cycle will be **recorded at Stock Exchanges by 01:00 p.m.**
2. Upon execution of Client-to-Client or Client-to-Proprietary NDM Trades, Stock Exchanges will transmit such NDM Trades to NCSS as per the existing on-line mechanism by 1:00 p.m.
3. Settlement Cycle, of such Client-to-Client or Client-to-Proprietary NDM Trades, will be T+0 in NCSS.
4. **Member-to-Member NDM Trades will NOT be allowed in the NDM Reporting Interface for T+0 settlement cycle.**
5. **NCSS Functionality of Broker-to-Broker transactions on Inter-Exchange Trades and Institutional Delivery System shall NOT be allowed on such Client-to-Client or Client-to-Proprietary NDM Trades.**
6. Settlement of such Client-to-Client or Client-to-Proprietary NDM Trades shall be based on **Trade-for-Trade Balance Order Mechanism of NCSS without the Pay & Collect of amounts involved.**



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7. Settlement of Client-to-Client or Client-to-Proprietary NDM Trades will be managed in NCSS through the Regular account of BCM. **However, no netting will be permissible across positions in NDM and any other Market.**
8. **For the Securities Settlement, NCSS shall transmit instructions to Central Depository System (“eCDS”) as per the Designated Time Schedule (“DTS”) of NCSS for the movement of Securities, based on Balance Orders, from the respective selling CM’s CDS Account to the respective buying CM’s CDS Account without the generation of Money Obligation.**
9. In case of none or partial delivery confirmation by CDS within DTS of NCSS, such NDM Trade(s) shall not be processed further in NCSS.

For any further information or queries please feel free to contact the Customer Support Department of your respective locations.

City	Telephone Number	Fax Number	Email
Karachi	021-32460811-19	021-32460827	<a href="mailto:helpdesk@nccpl.pk">helpdesk@nccpl.pk</a>
Lahore	042-36280815-7	042-36280818	<a href="mailto:helpdesk@nccpl.pk">helpdesk@nccpl.pk</a>
Islamabad	051-2804244-46	051-2804243	<a href="mailto:helpdesk@nccpl.pk">helpdesk@nccpl.pk</a>

Regards,

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**Badiuddin Akber**

Head of Operations

CC:

1. Director (PRDD) Securities and Exchange Commission of Pakistan – Islamabad
2. Managing Director - The Karachi Stock Exchange (Guarantee) Limited
3. Managing Director - The Lahore Stock Exchange (Guarantee) Limited
4. Managing Director - The Islamabad Stock Exchange (Guarantee) Limited
5. Chief Executive Officer - Central Depository Company of Pakistan Limited
6. Chief Executive Officer - Mutual Fund Association of Pakistan
7. Chairman - Pakistan Banking Association