

## Market Notice 2020-10-19\_02

### Cash-settlement facilitation service

<b>Date</b>	19/10/2020
-------------	------------

Pursuant to AIX CSD Rule 8.1.1 and associated AIX CSD Procedures, AIX CSD hereby informs its Participants of the introduction of a new service aimed at ensuring timely cash-settlement of trades when an AIX CSD Participant fails, in good faith, to deliver cash to the AIX CSD in time for the daily settlement batch. The new facility is available effective immediately.

#### PRE-REQUISITES

In order to request the service, the AIX CSD Participant must have instructed its bank to transfer the required amount to the AIX CSD cash-settlement bank PRIOR to the request for cash-settlement facilitation being sent to the AIX CSD. A copy of the SWIFT transfer notification from the originating bank will suffice as conclusive evidence and should be attached to the email request and completed form.

#### CASH-SETTLEMENT FACILITATION PROCEDURE

If the required funds are not received at the AIX CSD by 11am on T+2, the concerned AIX CSD Participant must send the completed form (in Annex 4 of AIX CSD Procedures) in SFTP (<https://share.aix.kz>) requesting the service and the needed amount. The AIX CSD will then debit the Guarantee Fund for that same amount, subject to applicable conditions, to fulfill the AIX CSD Participant's obligation. In such a case, only the service is due, no late settlement penalty will apply provided that a valid cash-settlement facilitation request and form are received and satisfied.

If the email request or supporting evidence is produced after 11:30am on T+2, the same procedure will apply but both the relevant late settlement penalty and the service fee will be due.

If the email request or supporting evidence is produced on T+3, the same procedure will apply, and both the relevant late settlement penalty and the service fee will be due.

Upon receipt of the request, the AIX CSD will process it and confirm back to the AIX CSD Participant by email. If the request cannot be processed, the AIX CSD Participant is informed likewise.

Beyond close of business on T+3, regular settlement fail procedure will apply.

Once the missing funds are received by the AIX CSD, these are used to replenish the Guarantee Fund.

#### WAIVER

The cash-settlement facilitation service is offered on a best effort basis and without any guarantee that the required amount can be delivered by the AIX CSD.

As a general rule, AIX CSD Participants should take all necessary measures to ensure timely reception of cash-settlement monies by the AIX CSD on T+2 before 11am.

## SERVICE FEES

Fees components:	Fees:
For cash-settlement facilitation	US\$ 25 per request
Service Interest	<p>KZT: National Bank of Kazakhstan (NBK) Tenge Overnight Interest Average (TONIA) + 2pts. Charged on a daily basis from T+4.</p> <p>USD: Secured Overnight Financing Rate (SOFR) + 2pts. Charged on a daily basis from T+4.</p>

Should you have any questions in relation to this Market Notice, please feel free to contact AIX CSD at [ptd@aix.kz](mailto:ptd@aix.kz) or, by phone, +77172 23 53 02 / + 77172 23 53 79.