



Central Securities Depository (CSD) Rulebook



Rulebook
of the
Central Securities Depository
(Ghana) Ltd.

June 2025

GENERAL RULES	1
Part I. Preliminary Statements	1
1. Citation and Scope of Application	1
2. Interpretation	3
3. Conduct, Acts and Omissions	4
4. Notice, Notification and Service of Documents	4
5. Defects, Irregularities and Deficiencies	6
6. Binding Effect of the CSD Rulebook	6
7. Operational Procedures	6
8. Legal Effect of the CSD Rulebook and Operational Procedures	7
9. Applicable Law and Competent Jurisdiction	7
10. Interactions and Communications with Stakeholders	7
Part II. The Central Securities Depository (GH) LTD	8
11. Establishment and Status of the CSD	8
12. Functions and Services of the CSD	8
13. Powers of the CSD	10
14. Delegation of Functions and Powers	10
15. Administrative Sanctions	11
16. Liability of CSD and Disclaimers	11
17. Indemnity of CSD	12
18. Complaints Against the CSD	12
19. Dispute Resolution	13
20. Business Conduct Committee	13
Part III. General Rules Related to the CSD Activity	14
21. The CSD System	14
22. Connections with External Systems	15
23. Links with other Central Securities Depositories	15
24. Confidentiality Rules	16
25. Information Published on the Website	17
26. Protection of Securities and Cash	18
27. Designated Time Schedule	18
28. Activity in non-Business Days and Outside Designated Time	19
29. Reports Available in the CSD System	19
Part IV. Depository Participants	20
30. Eligibility Criteria	20
31. Qualification Requirements	20
32. Application for Appointment	21
33. Depository Participant's Appointment	22
34. Obligations and Functions of Depository Participants	23
35. Depository Participant's Agreements	24
36. Disputes Between Depository Participants	25
37. Complaints Against Depository Participants	26
38. Depository Participant's Refusal to Act	26
39. Depository Participant Officers	27
40. Suspension and Termination of an Appointment	29
41. Actions in the Event of Suspension or Termination	32
42. Transfer of Securities Accounts Upon Suspension or Termination	32

43.	Discipline of Depository Participants and Depository Participant Officers	33
44.	Appointment of a Manager	33
45.	Depository Participant's Insolvency	34
OPERATIONAL RULES		36
Part V. Accounts in the CSD System		36
46.	Nature of Interest in Securities Accounts	36
47.	General Rules Regarding the Securities Accounts	36
48.	Types of Securities Accounts	36
49.	Opening and Closing of Securities Accounts	37
50.	Depository Participants' Obligations Regarding Securities Accounts	38
51.	Account Holder's Identity	39
52.	Depositors' Obligations Regarding the Securities Accounts	39
53.	Establishment of Securities Accounts by the CSD	39
54.	Crediting and Debiting Securities Accounts	39
55.	Records Regarding Rights and Restrictions in Securities Accounts	40
56.	Record of Depositors and Securities Account Statement	40
57.	Securities Accounts Belonging to the CSD	41
58.	Nominee account	41
Part VI. Admittance, Initial Record and Deposit of Securities		42
59.	Admittance of Securities into the CSD	42
60.	Initial Record of Securities	42
61.	Registration of Issuers and Rules Relating to Issuers	43
62.	Processing of Deposits and Records	44
63.	Deposit of Securities during Primary Issues	45
64.	Additional Issue of Securities	45
65.	Entries on the Issue of Securities	46
66.	Withdrawal of Securities	46
67.	De-Listing of Securities Admitted in the CSD	47
CLEARING AND SETTLEMENT RULES		48
Part VII. Settlement Processing and Transfer Orders		48
68.	General Rules on Settlement Processing	48
69.	Settlement Processing Steps and Settlement Finality	48
70.	Settlement in External CSD Accounts	49
71.	Transfer Order Entrance into the CSD System	49
72.	Validity and Legal Effect of Transfer Orders	50
73.	Modification and Cancellation of Transfer Orders	50
74.	Correction of Transfer Orders	51
75.	Recycling of Transfer Orders	51
76.	Transfer Order Priority	51
77.	Non-execution and Suspension of Transfer Orders	52
78.	Data for Settlements from Securities Exchanges	52
79.	Data for Settlement from the Bank of Ghana	53
80.	Settlement under the Power of Attorney Regime	53
Part VIII. Clearing and Settlement Framework		54
81.	General Rules on Clearing and Settlement	54

82.	Settlement Bank	55
83.	Securities Transactions Settled in the CSD System	55
84.	Settlement Date	56
85.	Settlement Cycle	56
86.	Settlement Mechanisms	57
87.	Settlement of Operations Involving a Transfer of Cash	57
88.	Cash Net Settlement	58
89.	Measures to Prevent Settlement Fails	58
90.	Measures to Address Settlement Fails	59
91.	Disclosure of Clearing Data	59
Part IX. Settlement Partners		60
92.	Obligation to Designate a Settlement Partner	60
93.	Eligibility Criteria for Admission as a Settlement Partner	61
94.	Change of Settlement Partner	61
95.	The Role of a Settlement Partner	61
96.	Funding Facilities Provided by Settlement Partners	62
Part X. Clearing and Settlement Processing of Securities Transactions		63
97.	Settlement Report	63
98.	Trade Confirmation by Custodian Banks	64
99.	Securities and Cash Settlement Proceeding	64
CORPORATE ACTIONS PROCESSING		67
Part XI. General Framework on Corporate Actions		67
100.	Services Related to Corporate Actions	67
101.	Creation of Corporate Actions	67
102.	Corporate Action Announcements	68
103.	Modification, Withdrawal and Cancellation of Corporate Actions	68
104.	Cash and Securities Settlement Related to Corporate Actions	69
105.	Recycling and Manual Cancellation of Corporate Actions	69
106.	Last Trading Date	70
107.	Ex Date applied by the CSD	70
Part XII. Corporate Action Services Related to Debt Instruments		70
108.	Coupon / Interest Payment	70
109.	Redemption at Maturity	70
110.	Call of debt instruments	71
111.	Maturity Extension	71
112.	Partial Redemption	71
113.	Conversion of Bond to Shares	72
114.	Debt Restructuring	72
Part XIII. Corporate Action Services Related to Equities		72
115.	Cash Dividend Payments	72
116.	Dividend Reinvestment	73
117.	Bonus Issue	73
118.	Reduction of Face Value	74
119.	Worthless Equities Withdrawal	74
120.	Securities Conversion	74

121.	Stock Split	75
122.	Reverse Stock Split	76
123.	Merger	76
124.	Spin-Off	76
125.	Distribution of Subscription Rights	76
126.	Conversion of Subscription Rights	77
ANCILLARY SERVICES AND OPERATIONS RULES		78
Part XIV. Ancillary Services and Operations		78
127.	General Provisions on Ancillary Services and Operations	78
128.	Register of Depositors	78
129.	Error! Bookmark not defined.	
130.	Repurchase Agreements	79
131.	Margin Calls for Repurchase Agreements	80
132.	Buy-back Operations	80
Part XV. Restrictions on Securities Account		80
133.	General Provisions of Restrictions on Securities Account	80
134.	Technical Rules for Applying Restrictions	81
135.	Suspension of Securities	81
136.	Freeze of Securities	82
137.	Charging of Securities	83
	Pledge of	83
138.	Securities	83
MISCELLANEOUS RULES		85
Part XVI. Fees and Charges		85
139.	Fees and Charges Schedule	85
140.	Fees and Charges from Depository Participants and Issuers with Corporate Actions	85
141.	Payment Obligation of Depository Participants and Issuers with Corporate Actions	86
142.	Payment Obligation of Other Persons	86
Part XVII. Integrity, Security and Continuity		86
143.	Reconciliation Rules	86
144.	Availability of Computer System and Continuity	88
145.	Other Integrity and Security Requirements	89
Part XVIII. Amendments and Definitions		196
146.	Amendment of this Rulebook	196
147.	Definitions or Interpretations	196
148.	Transitory Rules	223

GENERAL RULES

i

Preliminary Statements

Part I. Preliminary Statements

1. Scope of Application

- (1) This Rulebook is issued pursuant to Section 5 of the Central Securities Depository Act, 2007 (Act 733) and shall constitute the central securities depository rules, as defined by the Central Securities Depository Act, 2007 (Act 733).
- (2) The Rulebook of the Central Securities Depository (GH) LTD (hereinafter referred to as "this Rulebook") defines the operational rules, the settlement and clearing rules and the rules for other services and activities performed by the CSD, and the legal relations between the CSD, participants of the CSD (hereinafter referred to as the "Depository Participants"), Issuers and Depositors, and other stakeholders referred to in Rule 1(3).
- (3) This Rulebook, shall apply to the following entities in respect of the services provided by the CSD and operations conducted through the CSD System:
 - (a) Depository Participants;
 - (b) Issuers;
 - (c) Depositors;
 - (d) Registrars;
 - (e) Settlement Partners;
 - (f) Other central securities depositories;
 - (g) any other persons as prescribed by the CSD with the approval of the SEC.
- (4) In the event of any conflict between:
 - (a) this Rulebook and Participation Agreement, the Rulebook shall have precedence and govern, unless otherwise agreed upon in the Participation Agreement and the agreements entered into between the CSD the stakeholders referred to in Rule (3) (c-g) above,
 - (b) this Rulebook and CSD Operating Procedures and User Guides, this Rulebook shall have precedence and govern.
- (5) The CSD may establish exceptions to this Rulebook in the Participation Agreement between the CSD and a specific Depository Participant, provided that such exceptions comply with applicable laws. Exceptions may be granted in the following cases:
 - (a) Handling special operations or activities not covered by this Rulebook;
 - (b) Managing participant default processes;
 - (c) Granting temporary fee waivers for operations under dispute between the CSD and a Depository Participant;
 - (d) Defining alternative governing law or dispute resolution mechanisms for a Depository Participant from another jurisdiction;

- (e) Providing alternative connectivity solutions or technical access methods for participants facing infrastructure limitations;
- (f) Establishing contractual termination clauses for a Depository Participant from another jurisdiction;
- (g) Handling cross-border operations and arrangements between the CSD and a central securities depository from another jurisdiction.

(6) This Rulebook repeals the Central Securities Depository (GH) Ltd Operational Rules dated November 23, 2021, and the Central Securities Depository (GH) Ltd Clearing and Settlement Rules dated November 23, 2021.

(7) This Rulebook and any amendment, modification, revision and/or substitution thereof, shall be approved by the Securities and Exchange Commission (hereinafter referred to as "the SEC").

(8) This Rulebook shall be read and applied in conjunction with the:

- (a) Central Securities Depository Act, 2007 (Act 733) (hereinafter referred to as the "CSD Act");
- (b) Securities Industry Act, 2016 (Act 929) as amended and applicable regulations, codes, directives, guidelines and circulars issued thereunder and any amendments;
- (c) Companies Act, 2019 (Act 992);
- (d) Anti-Money Laundering Act, 2020 (Act 1044)
- (e) Data Protection Act, 2012 (Act 843)
- (f) Foreign Exchange Act, 2006 (Act 723)
- (g) Cybersecurity Act, 2020 (Act 1038)
- (h) Electronic Transactions Act 2008 (Act 772)
- (i) Any Applicable laws.
- (j) Guidelines on Settlement Guarantee Fund;
- (k) Participation Agreement
- (l) Confidentiality Agreement and
- (m) Settlement Partner Agreement;
- (n) Agreements entered into between the CSD and the Bank of Ghana regarding the Settlement Bank's operations;
- (o) Agreements entered into between the CSD and any external central securities depositories;
- (p) Agreements entered into between the CSD and Issuers
- (q) Any other relevant market rules

9 Where there are conflicts or inconsistencies between:

- (a) this Rulebook and any of the laws referred to in Rule (1) (8) (a-h) above, then the laws referred in Rule (1) (8) (a) -(g) shall prevail.
- (b) this Rulebook and any of the Guidelines, rules and agreements referred to in Rule 1 (8) (i-q) above, then the same shall be referred to the SEC for determination.

2. Interpretation

General interpretation rules

- (1) In this Rulebook, unless the context otherwise requires:
 - (a) Capitalized terms used herein and defined in this Rulebook shall have the meaning given to them by the CSD Act;
 - (b) A reference to any legislation includes any statutory modification or re-enactment of, and any statutory instrument issued under that legislation;
 - (c) A reference to this Rulebook, the Operational Procedures, the Fees and Charges Schedule, or the Designated Time Schedule is a reference to this Rulebook, Operational Procedures, Fees and Deposits Schedule or the Designated Time Schedule as modified or amended by the CSD from time to time as approved by the SEC;
 - (d) A word denoting a person shall be deemed to include references to natural persons, firms, partnerships, companies, corporations, associations, organizations and governmental authorities;
 - (e) If an expression is given a particular meaning, another part of speech or grammatical form of that word or expression has a corresponding meaning; and
 - (f) A reference to power includes a reference to authority and discretion.
- (2) In this Rulebook, unless expressed to the contrary:
 - (a) a Depositor of any book-entry security in or under suspense shall, be treated as a member (or debenture holder) but nonetheless such security is under suspense by virtue of the CSD placing a computerized "freeze" or "hold", whether temporary or otherwise, on such security resulting in any of the following forms of suspension where "freeze" or "hold" has been placed:
 - i. upon any securities issued by an Issuer such that no entries whatsoever may be made in respect of any such securities in all securities accounts held by the CSD or a particular Depository Participant;
 - ii. on a particular securities account such that no entries whatsoever may be made in respect of any book- entry securities whatsoever held in such account;
 - iii. on any securities by an Issuer and only in respect of a particular Depositor's account such that no entries may be made whatsoever in respect of any book- entry securities of that Issuer held under such securities account; or

- iv. on a particular quantum and type of security held under a particular securities account such that no entries may be made in respect to such quantum and type of security held under such account.
- (b) Words importing the masculine gender include feminine and neuter gender.
- (c) A reference to writing shall be deemed to include any mode of representing or reproducing letters, figures or marks in a visible form.
- (d) Terms used in this Rulebook and in the CSD Act shall have the meaning assigned to them under the CSD Act.

Headings

- (3) In this Rulebook, headings are for convenience and do not affect interpretation and application of rules.

Deposit of Securities in the CSD

- (4) In this Rulebook, a reference to deposit in the CSD of any eligible securities which are a registered form of securities is a reference to the performance by a securities account holder of his duties under Part VI of this Rulebook and the performance by the Issuer of such eligible securities of its duties under Part VI of this Rulebook.

Withdrawal of Securities from the CSD

- (5) In this Rulebook, a reference to the withdrawal of registered form securities from the CSD is a reference to the performance by a securities account holder of his duties under Part VI and the performance by the Issuer of such securities of its duties under Part VI.

Book-entry Securities of an Issuer

- (6) In this Rulebook, a reference to book-entry securities of an Issuer is a reference to the securities of an Issuer that are deposited in the CSD.

3. Conduct, Acts and Omissions

- (1) In this Rulebook, a reference to conduct or engaging in conduct includes a reference to doing, omitting to do or refusing to do any act, including the making of or the giving effect to an agreement.
- (2) In this Rulebook, conduct engaged in on behalf of a person:
 - (a) by an officer, employee, Registrar or the agent of the person within the scope of the actual or apparent authority of the officer, employee, Registrar or the agent; or
 - (b) by any other person at the direction of or with the consent or agreement (whether express or implied) of an officer, employee, Registrar or the agent of the person, where the giving of the direction, consent or agreement is within the scope of the actual or apparent authority of the officer, employee, Registrar or the agent, is taken to have been engaged in by the person.
- (3) For the purposes of this Rulebook, if it is necessary to establish the state of mind of a person in respect of any conduct engaged in by that person, it is sufficient to demonstrate that an

officer, employee, Registrar, or agent of that person, acting within the scope of his or her actual or apparent authority, possessed the requisite state of mind.

- (4) A reference in Rule 3(3) to the state of mind of a person includes a reference to the knowledge, intention, opinion, belief or purpose of the person and the person's reasons for the person's intention, opinion, belief or purpose.
- (5) In this Rulebook, unless the contrary intention appears, a reference to doing any act or omitting to do any act/ thing includes a reference to causing, permitting or authorising the act or thing to be done.

4. Service of Documents

- (1) In this Rulebook, a reference to notifying a person of any matter is a reference to transmitting a message containing that matter to the person.
- (2) For the purposes of this Rulebook, notices transmitted by the CSD to a Depository Participant or any other addressee shall be taken to be received by the Depository Participant or any other addressee when the matters comprised in the notices are transmitted to the computer terminal linked to the CSD System.
- (3) If any Rule requires or permits the giving of notice of any matter to a person, such notice shall be given in writing.
- (4) For the purposes of any rule that requires or permits a notice or document to be given to a person, whether the expression "serve", "give" or "send" or any other similar expression is used, the notice or document may be given:
 - (a) to a natural person:
 - i. by personal delivery;
 - ii. by leaving it at, or by sending it by courier or registered post to the address of the place of residence or business of the person last known to the person serving the notice or document;
 - iii. by sending it by facsimile to the person's facsimile number last notified to the person giving the notice or document; or
 - iv. by sending it by email to the person's email address that CSD has established for the giving of notices or documents to such person;
 - (b) to a company or other body corporate:
 - i. by leaving it at, or sending it by courier or registered post to, its registered office and, in the case of any other body corporate, its head office;
 - ii. by sending it by facsimile to the company's or body corporate's facsimile number last notified to the person giving the notice or document; or
 - iii. by sending it by email to such company or body corporate's email address that CSD has established for the giving of notices or documents to such company or body corporate;
 - iv. by sending it through the Secure File Transfer Protocol (hereinafter referred to as the "SFTP") allocated by the CSD to the specified company or other corporate body .

(5) For the purpose of Rule 4(4):

- (a) a notice or document sent by registered post shall be taken to be received within five (5) Business Days after the notice or document, in a correctly addressed and stamped envelope or other covering, is put in the registered post;
- (b) a notice or document sent by courier shall be taken to be received at the time of delivery to the last known address as recorded by the CSD;
- (c) a notice or document sent by facsimile shall be taken to be received when the sender's facsimile machine indicates a successful transmission to the correct facsimile number;
- (d) a notice or document sent by email shall be taken to be received by the addressee when the sender's computer indicates a successful transmission of such notice or document; and
- (e) a notice or document sent via SFTP shall be deemed received by the addressee when the sender's computer system confirms successful transmission of such notice or document.

(6) Nothing in Rule 4(4) prevents notices or documents being sent or given to, or served on, a person in any other manner required or permitted by law.

(7) If under this Rulebook, the CSD is to give any notice or document to all Depository Participants, Issuers, Registrars and relevant stakeholders, the accidental omission by the CSD to give notice or document to one or more Depository Participants, Issuers, Registrars and relevant stakeholders shall not affect the validity and enforceability of any resolution, decision, proceeding or act in connection with which the notice or document was to have been given, provided that the notice is published in a widely circulated media to which all Depository Participants, Issuers and Registrars have access to.

(8) Notwithstanding anything to the contrary contained in this Rulebook, if a notice or document is sent by courier or registered post, as provided in Rule 4(4), and is returned undelivered because:

- (a) of the unavailability of the addressee at the address to which the notice or document was sent, or
- (b) the place of residence, the place of business, the registered or the head office as known to the CSD, to which the notice or the document was sent was closed or was not the place of residence, place of business, the registered or the head office, as the case may be, of the addressee such notice or document shall nevertheless be deemed to have been received by the addressee for the purposes of this Rulebook.

5. Defects, Irregularities and Deficiencies

(1) A decision, resolution, proceeding or act of the CSD under this Rulebook is not invalidated by any defect, irregularity or deficiency of notice or time unless:

- (a) a Depository Participant concerned by the defect, irregularity or deficiency appeals to the CSD to reconsider its decision, resolution or proceeding ; and/or
- (b) the CSD considers that defect, irregularity or deficiency has caused or may cause substantial injustice which cannot reasonably be avoided; and the CSD accordingly resolves that the decision, resolution, proceeding or act is invalid.

6. Binding Effect of this Rulebook

- (1) This Rulebook is binding on the CSD and the stakeholders referred to in Rule 1(3).
- (2) Entities referred to in Rule 6(1) shall adhere to this Rulebook and to discharge the obligations imposed upon them herein, in accordance with the provisions set forth in this Rulebook.

7. Operational Procedures

- (1) CSD shall develop the CSD Operational Procedures (hereinafter referred to as the "Operational Procedures"), pertaining to any aspects related to the functions and activities of the CSD, which shall be approved by the Board of Directors of the CSD.
- (2) Operational Procedures are mandatory for any stakeholder referred to in Rule 1(3), as well as other natural and any other persons as prescribed by the CSD regarding the aspects related to the functions and services established by Rule 12.
- (3) Failure by the stakeholders referred to in Rule 1(3) to comply with any part of the Operational Procedures is a contravention Rule 7 (2).
- (4) The CSD may make changes to the Operational Procedures and shall give not less than ten (10) Business Days' notice to Depository Participants prior to implementing changes to the Operational Procedures.
- (5) The final version of the CSD Operational Procedures shall be submitted to the SEC

8. Legal Effect of this Rulebook and Operational Procedures

- (1) This Rulebook and the Operational Procedures shall govern the legal relationships between the CSD and the stakeholders referred to in Rule 1(3) in relation to the services provided by the CSD, regardless of whether such relationships arise under applicable law as stated in Rule 1 (8) above or contractual agreement between the CSD and the respective person.
- (2) This Rulebook shall enter into force and be applicable to the stakeholders referred to in Rule 1(3) at the date established by the CSD, provided that the CSD publishes on its official website:
 - (a) The full text of the Rulebook and Operational Procedures;
 - (b) An announcement regarding the approval and entry into force of the Rulebook and Operational Procedures.
- (3) The Operational Procedures shall come into force and be applicable by the stakeholders referred to in Rule 1(3) upon the approval by the Board of Directors of the CSD.
- (4) The text of this Rulebook and Operational Procedures published on the CSD's website, including any amendments and additions, on the CSD's official website shall also contain the date of the approval and the date of entry into force.
- (5) The CSD shall notify Depository Participants and publish a notice on the CSD's official website upon amending or supplementing this Rulebook and Operational Procedures.
- (6) Amendments and additions proposed to be made by the CSD to this Rulebook shall be submitted to Depository Participants for consultation.

9. Applicable Law and Competent Jurisdiction

- (1) The rules of this Rulebook and the legal relationships between the CSD and other entities regarding the services provided by the CSD will be governed by the legislation of the Republic of Ghana unless the parties agree otherwise or as provided by law.
- (2) Disputes between the CSD and other entities regarding the services provided by the CSD shall be governed by the laws of the Republic of Ghana and shall be resolved by the courts of the Republic of Ghana, unless the parties agree otherwise or as required by applicable law.

10. Interactions and Communications with Stakeholders

- (1) The CSD shall employ internationally recognised communication procedures and standards for communicating with external payment settlement systems.
- (2) Communications between the CSD and the stakeholders referred to in Rule 1(3) shall be conducted via the CSD System, email, fax, SFTP or other written correspondence.
- (3) Settlement instructions and other instructions regarding operations performed via the CSD System shall be executed through messages generated by the CSD System and/or systems linked with the CSD.
- (4) The format, structure, type, parameters, and technical requirements for the messages used in accordance with Rule 10(3) shall be determined by the CSD and/or the systems linked with the CSD.
- (5) Notwithstanding anything contained in this Rulebook, the following rules shall apply if Depository Participants, Issuers, Registrars and Depositors request a service from the CSD:
 - (a) The request submitted to the CSD shall conform to the template established by the CSD and include the documents specified by this Rulebook, the Operational Procedures or otherwise requested by the CSD;
 - (b) Documents submitted to the CSD shall be signed by the authorized signatories of the submitting party, either by handwritten or electronic signature, and shall be subject to verification by the CSD.
 - (c) Documents submitted shall be provided either in paper form or in electronic form (e.g. PDF);
 - (d) The CSD shall request the person or the authorised representative of the legal person to submit any additional documents related to the requested service within the timelines specified by the CSD Operational Procedures.
 - (e) If the CSD requests additional document(s) or the correction of errors in previously submitted documents, the review timeframe, as established by the Operational Procedures, shall commence from the date of submission of the last requested additional document(s) and/or the correction of the identified errors.
- (6) Persons submitting requests and documents to the CSD shall be responsible for the accuracy and correctness of the information and data contained therein.

ii

**The Central Securities
Depository (GH) LTD**

Part II. The Central Securities Depository (GH) LTD

11. Establishment and Status of the CSD

- (1) The CSD is incorporated as a company limited by shares under the Companies Act, 2019 (Act 992) and has rights, powers and functions of a central securities depository as prescribed by the CSD Act and this Rulebook.
- (2) The CSD shall commence its operations upon the date of approval of its initial application by the SEC.

12. Functions and Services of the CSD

- (1) The CSD shall perform the following functions:
 - (a) Admission of securities into the central securities depository;
 - (b) Admission of eligible intermediaries as Depository Participants into the CSD System;
 - (c) Facilitate the deposit and withdrawal of certificates in respect of securities admitted in the CSD;
 - (d) Facilitate the dematerialisation of securities;
 - (e) Facilitate the opening, maintenance and closure of securities accounts;
 - (f) Establish a proper and efficient system for the verification, inspection, identification and recording of book-entry securities within the CSD;
 - (g) Facilitate the efficient transfer of book-entry securities;
 - (h) Facilitate the efficient processing of cash payment in exchange for securities;
 - (i) Facilitate the registration of dealings in book-entry securities;
 - (j) Operate securities accounts for the handling of book-entry securities and cash;
 - (k) Designate one or more banks as Settlement Partners for the settlement of cash in respect of transactions cleared through the CSD;
 - (l) Facilitate the efficient collection of fees and other charges;
 - (m) Guard against falsification of any records or accounts required to be kept or maintained under the CSD Act; and
 - (n) Perform other functions that are necessary to ensure orderly dealings in admitted or dematerialized securities or as the SEC may from time to time prescribe.
- (2) To perform the functions provided by Rule 12(1), the CSD shall provide the following services:
 - (a) Depositing of securities by their addition and recording in the book-entry form in the CSD System;
 - (b) Providing and maintaining securities accounts;

- (c) Conducting clearing and settlement of securities;
- (d) Providing new issue services, including allocation and management of ISIN codes and other similar codes;
- (e) Organising a securities lending mechanism;
- (f) Providing collateral management services;
- (g) Conducting settlement matching, confirmation and verification;
- (h) Providing services related to Registers of Depositors;
- (i) Processing corporate actions, including information services and services related to shareholders general meetings;
- (j) Establishing connectivity with other central securities depositories to facilitate cross-border trading and settlement;
- (k) Processing fees collection;
- (l) Providing tax collection services;
- (m) Providing and delivering reports;
- (n) Providing information, data and statistics;
- (o) Advisory services.
- (p) Providing information and communication technology (ICT) services.

The ICT services provided by the CSD shall include solutions for clearing and settlement, registry management, data reporting, payments, connectivity, counterparty services, trade repository functions, and other ancillary activities. These services shall be available to market participants, regulatory authorities, and other entities as permitted under the CSD Act and this Rulebook.

- (3) The CSD shall perform its functions and activities over the following categories of eligible securities:
 - (a) Shares and debentures within the meaning of the Companies Act, 2019 (Act 992);
 - (b) Loan instruments of a company;
 - (c) Bonds or other loan instrument of the Government of Ghana or any other country;
 - (d) Instruments of Bank of Ghana;
 - (e) Bonds or other loan instruments of a corporation established under an enactment;
 - (f) Rights and interests whether described as units or otherwise under any unit trust;
 - (g) Warehouse receipts;
 - (h) Depository receipts;
 - (i) A right or option in respect of any shares, debentures, bonds or notes;

- (j) Commodities futures, contracts, options or other derivatives;
- (k) Derivatives as defined under the Securities Industry Act, 2016 (Act 929);
- (l) Any other instrument prescribed upon the recommendation of the SEC.

13. Powers of the CSD

- (1) The CSD has such powers as are conferred on it by or under:
 - (a) the CSD Act, 2007 (Act 733);
 - (b) the Securities Industry Act, 2016 (Act 929); its amendments and Regulations;
 - (c) this Rulebook; or
 - (d) An agreement with Depository Participants, Issuers or any other person dealing with the CSD under this Rulebook.
- (2) Unless otherwise indicated, the powers conferred on the CSD under Rule 13(1) shall be exercised in accordance with the provisions of this Rulebook or the Operational Procedures, or as prescribed by the Board of the CSD from time to time.
- (3) The CSD may, in authorizing any Depository Participant to perform any of the approved functions, impose such requirements or conditions as it considers necessary to ensure orderly deposits, withdrawals, transfers of book-entry securities, payment of cash and dealing with securities.

14. Delegation of Functions and Powers

- (1) The Board of the CSD may delegate any of its powers and functions under this Rulebook to:
 - (a) Board Committees;
 - (b) the Chief Executive Officer; or
 - (c) any one or more officers of the CSD.
- (2) A delegation of a power or function, or of a specified class of powers or functions, may be made either generally or as otherwise specified by the terms of the delegation.
- (3) The Board shall remain fully accountable and liable for any functions or powers delegated.
- (4) Any acts, omissions, or decisions made under a delegated authority shall be deemed acts of the Board, and the Board shall ensure that appropriate oversight, risk management, and internal controls are in place.
- (5) Notwithstanding any delegation, the CSD, as a legal entity, shall bear ultimate responsibility and liability for all activities, operations, and obligations arising from its functions.

15. Administrative Sanctions

- (1) Notwithstanding any other powers conferred on the CSD by the CSD Act or this Rulebook, for any breach of any of the provisions of this Rulebook, the CSD may impose the following administrative measures to any Depository Participant and Issuer:

- (a) Suspension;
- (b) Withdrawal of membership;
- (c) Private Reprimand or Public Reprimand;
- (d) Caution;
- (e) Cash penalties.

- (2) A cash penalty may be imposed only for settlement fails in accordance with Rule 90(2).
- (3) A cash penalty schedule shall be approved by the SEC before it is imposed by the CSD.
- (4) Administrative sanctions applied by the CSD may be subject to dispute resolution in accordance with Rule 19.

16. Liability of CSD and Disclaimers

- (1) The CSD shall be responsible for its own operations and functions and shall indemnify and hold indemnified the Depository Participants from any loss, legal costs (including third-party legal costs), damage or liability suffered and incurred directly as a result of any negligence, omission, mistake, misrepresentation, fraud or error on the part of the CSD, its employees and/or agents.
- (2) A Depository Participant shall be responsible for its own operations and functions as required to be maintained under the CSD Act, the Securities Industry Act, 2016 (Act 929) and its Regulations, this Rulebook and the Operational Procedures and shall indemnify and hold indemnified the CSD for any loss, legal costs (including third party legal costs), damage or liability suffered or incurred by the CSD, whether directly or otherwise, as a result of any negligence, omission, mistake, misrepresentation, fraud or error on the part of the Depository Participant, its employees and/or agents.
- (3) When acting in good faith and without negligence, the CSD shall not be liable to any Depository Participant, Issuer, Depositor, or any other person for:
 - (a) any loss of opportunity, profit, market, goodwill, interest or use of cash or securities;
 - (b) any other special, indirect or consequential loss, damage, expense, liability or claim which is suffered or incurred by any Depository Participant, Issuer, Depositor, or any other person arising from or related to the CSD's activities and services.
- (4) In any circumstances, the CSD shall not be liable for:
 - (a) Losses arising from the complete or partial failure of Depository Participants, Issuers, and Depositors to fulfil their obligations to deliver securities or cash;
 - (b) Losses incurred by Depository Participants, Issuers, and Depositors due to errors, interruptions, or incidents in systems and entities linked and connected to the CSD System;
 - (c) Losses caused by erroneous or incomplete information submitted to the CSD by Depository Participants, Issuers, and Depositors;
 - (d) Losses resulting from the complete or partial non-compliance of rules of this Rulebook or the Operational Procedures by Depository Participants, Issuers, and Depositors, which

led to such losses being incurred by them or by other parties;

- (e) Losses caused by errors, fraud, or wrongdoing by Depository Participants, Issuers, and Depositors, including their employees and representatives;
- (f) Moral, reputational, or image losses incurred by Depository Participants, Issuers, and Depositors, except for those caused in conditions provided by Rule 16(1);
- (5) The CSD, its employees and governing bodies and any other person acting on its behalf, including a Depository Participant or Settlement Partner, shall not be held liable to indemnify any aggrieved party for any delay, loss, damage or failure caused by force majeure events.

17. Indemnity of CSD

- (1) A Depository Participant shall fully indemnify and hold harmless the CSD from all demands, actions, and proceedings initiated by any client of the Depository Participant for any loss suffered by such client due to any error in the list of allottees, provided that such error did not arise as a result of negligence on the part of the CSD.
- (2) An Issuer shall fully indemnify and hold indemnified the CSD from all demands, actions and proceedings made by any Depositor for any loss suffered by such Depositor in respect of or arising from any error in the list of allottees provided that such error did not arise as a result of negligence on the part of the CSD.
- (3) The indemnification obligation of Depository Participants and Issuers as outlined in Rules 17(1) and 17(2) shall cover all direct and indirect losses, damages, costs, and expenses incurred by the CSD as a result of demands, actions, and proceedings brought by clients of Depository Participants and Depositors.
- (4) The Depository Participants and Issuers shall fully cooperate with the CSD in the review of any demands, actions, or proceedings initiated by a Depositor or Depository Participant's client against the CSD, including providing all necessary information as required.

18. Complaints Against the CSD

- (1) In the event that a Depository Participant, an Issuer, or a Depositor (hereinafter referred to as the "Petitioner") has a complaint regarding any failure, whether complete or partial, inefficiency in the performance of any function of the CSD, or any contravention by the CSD of its obligations under this Rulebook, such a complaint may be referred to the Chief Executive Officer for determination.
- (2) The complaint made to the Chief Executive Officer of CSD in accordance with Rule 18(1) shall be made in writing.
- (3) Upon referral of a complaint, the Chief Executive Officer may inquire into all facts, matters, and circumstances relevant to the complaint and take such action as is necessary for the resolution of the complaint.
- (4) The Chief Executive Officer shall resolve the complaint within fifteen (15) Business Days.
- (5) In the event that the Petitioner is dissatisfied or the Chief Executive Officer does not act within fifteen (15) Business Days, the matter may be referred to the Business Conduct Committee by the Petitioner as provided by Rule 19.
- (6) If the Petitioner is not satisfied with the resolution of the complaint the Petitioner may appeal to the Business Conduct Committee of the CSD Board in accordance with Rule 20(1)(a).

- (7) where the complaint concerns the CEO, the Petitioner may appeal to the Business Conduct Committee of the CSD Board in accordance with Rule 20(1)(a).
- (8) Where the complaint against the CSD or the CEO remains unresolved, the matter shall be referred to the SEC for resolution.

19. Dispute Resolution

- (1) A Petitioner adversely affected by a decision of the Chief Executive Officer upon a complaint resolution in accordance with Rule 18, or arising out of Rule 16(4), may file a complaint with the Business Conduct Committee.
- (2) The complaint shall be filed with the Chairman of the Business Conduct Committee within fifteen (15) Business Days after the notification by the CSD of the decision of the Chief Executive Officer.
- (3) Within fifteen (15) Business Days from the date the Business Conduct Committee is notified, the Business Conduct Committee shall give the Petitioner an opportunity to appear before it and to be heard. The Business Conduct Committee shall notify the Petitioner of its decision within fifteen (15) Business Days after hearing the affected Petitioner. No final decision shall become executory until such notification is made.

20. Business Conduct Committee

- (1) The CSD shall constitute a Business Conduct Committee, which shall be a Committee of the Board of the CSD, with the following functions:
 - (a) To make recommendations to the Board of the CSD with respect to applications for appointment as a Depository Participant in accordance with Rule 33 and with respect to suspension or termination of appointment in accordance with Rule 40;
 - (b) To deal with and advise the Board on such other matters of a financial and business nature as the Board may determine.
 - (c) To review and adjudicate complaints from aggrieved persons who claim to be adversely affected by any decision of the CEO with respect to the operations of the CSD;
 - (d) To monitor the operations relating to the Settlement Guarantee Fund;
- (2) The Committee shall consist of five (5) members appointed by the Board of the CSD. Three of the members, including the Committee Chairman, must not be Depository Participants, directors, shareholders, or employees of a Depository Participant, nor related to a Depository Participant. The other two members will be Depository Participants, one nominated by the Ghana Securities Industry Association and the other by the Ghana Association of Bankers.
- (3) Committee members are appointed for a three-year term, which can be renewed for up to two additional terms, totalling nine years. A member shall resign after each term to be considered for reappointment.
- (4) A member of the Business Conduct Committee shall not participate in the hearing of a dispute in which he has an interest. In the event that the representatives of Ghana Securities Industry Association and the Ghana Association of Bankers have such a conflict in any hearing, the Board of the CSD shall appoint a replacement who is also a Depository Participant on an ad hoc basis for the purpose of such disputes.

iii

General Rules related to the CSD Activity

21. The CSD System

- (1) The CSD shall establish the CSD System and serve as the operator of the CSD System.
- (2) The CSD shall be responsible for the management, maintenance, and oversight of the CSD System in accordance with this Rulebook and Operational Procedures.
- (3) The CSD shall ensure the integrity, security, and efficiency of the CSD System, fulfilling all operational and regulatory obligations as stipulated by this Rulebook.
- (4) The CSD shall operate the CSD System any time after the date of approval of this Rulebook by the SEC.
- (5) The CSD shall give notice to the Bank of Ghana, the SEC, Securities Exchange, Depository Participants, Registrars, Issuers and other relevant stakeholders:
 - (a) That with effect from the date specified in the notice, the CSD System shall become operational;
 - (b) In the event when the CSD System is unavailable .
- (6) In addition to Rule 21(5), the CSD shall give notice to SEC in the following cases regarding the CSD system:
 - (a) Not later than the next day after the event – in the event of any operational incident, including system outages, technical failures, or other incidents that may affect the normal functioning of the CSD system;
 - (b) Not later than twenty (20) business days before the event – in the event of any suspension or termination of specific services or operations within the CSD as per the CSD's decision;
 - (c) Not later than the next day after the event – upon discovering any security breaches, data leaks, or other cyber incidents that may compromise the integrity or confidentiality of the CSD system and its data;
 - (d) Not later than twenty (20) business days before the event – in the event of implementing any significant changes or upgrades to the CSD system that may impact the operations or functionalities used by Depository Participants;
 - (e) Not later than twenty (20) business days before the event – in the event of any amendments to regulatory requirements or compliance obligations known by the CSD, which could affect the CSD system operations or require significant changes and upgrades to the CSD System.
- (7) The right of access to the CSD System shall be granted to:
 - (a) Depository Participants;
 - (b) Bank of Ghana;
 - (c) Securities Exchange;
 - (d) Ministry of Finance;

- (e) National Pension Regulatory Authority;
- (f) Securities and Exchange Commission;
- (g) Issuers and Issuer Agents authorised by the CSD to access the CSD System
- (h) Other relevant stakeholders.

(8) Access to the CSD System for entities referred to in Rule 21(7) shall be facilitated through the entities' computer terminals and the access channels provided by the CSD.

22. **Connections with External Systems**

- (1) The CSD shall have the right to establish and maintain connections with other securities settlement systems, payment systems, clearing houses, central counterparties, Securities Exchanges, and any other relevant systems located in Ghana or other countries subject to approval by SEC.
- (2) The connections between the CSD and the external systems provided in Rule 22(1) shall be established based on an agreement between the CSD and the operator of the respective system or their representative, which shall define the rules governing the interaction between counterparties.
- (3) The CSD shall have access to and be a participant of the Ghana Interbank Settlement (GIS) system. The CSD shall have the right to directly debit the settlement accounts of Depository Participants and Issuers in the GIS system, in accordance with this Rulebook and the relevant contracts concluded between the CSD and the respective entities, in order to conduct the settlement operations through the CSD System.
- (4) The CSD shall apply robust risk management procedures to monitor and mitigate any potential risks arising from its links with foreign central securities depositories, including but not limited to credit risk, operational risk, and legal risk.

23. **Links with other Central Securities Depositories**

- (1) The CSD shall have the right to establish links with other central securities depositories in Ghana or other countries (hereinafter referred to as "External CSDs") and may act as the investor's depository or the issuer's depository concerning the External CSD in question. Similarly, any other central securities depository shall establish links with the CSD and serve as the issuer's depository and/or the investor's depository in relation to the CSD.
- (2) In relation to another central securities depository, the CSD shall act as the issuer's depository for securities deposited or registered with the CSD.
- (3) The CSD shall inform the SEC prior to the establishment of a link with another central securities depository.
- (4) The conditions for establishing links between the CSD and another central securities depository, including access to information systems, user authorization, and other matters related to the interaction between the parties, shall be governed by a contract concluded between the CSD and the respective central securities depository.
- (5) When establishing links with another central securities depository:

- (a) The CSD shall open and operate securities accounts in the systems managed by another central securities depository, in accordance with the regulations of the central securities depository in question and the contract between parties;
- (b) The central securities depository in question shall open securities accounts in the CSD System, in accordance with this Rulebook and the contract between parties.

(6) Prior to establishing a link with a central securities depository, the CSD shall conduct a risk assessment, ensuring that the depository in question complies with international standards and regulatory requirements.

24. Confidentiality Rules

- (1) The CSD shall ensure the confidentiality of all data and information related to its operations and business relationships with Depository Participants, Issuers, Depositors and the systems linked with the CSD, except such information as may already be in the public domain. The confidentiality clause shall cover but not be limited to:
 - (a) Data from securities accounts (account holders, operations, balances, account turnover, etc.), and the documentation containing such information;
 - (b) Application and information contained in or supplied in connection with an application;
 - (c) Data received from external settlement and payment systems and Securities Exchange;
 - (d) Registers of Depositors and Entitlement Lists;
 - (e) Personal data;
 - (f) Communications between the CSD and any external person;
 - (g) Transfer orders and settlement or payment instructions.
- (2) The CSD, Depository Participants and their agents shall keep all information about the CSD, Depository Participants and Depositors obtained by virtue of the operation of the CSD System confidential.
- (3) Employees and members of CSD governing body who, in the course of their duties, have access to the data and information specified in Rule 24(1) are required to:
 - (a) Ensure the confidentiality of such data and information; and
 - (b) Use the data and information solely for the performance of their duties within the CSD.
- (4) Unless the law provides otherwise, the data and information specified in Rule 24(1) shall be disclosed by the CSD in the following cases:
 - (a) To the Depository Participant – in respect of the securities held by and operations carried out by the Depository Participant in question and its clients;
 - (b) To the Government / Ministry of Finance – in respect of the securities issued or held by the Government / Ministry of Finance, and the operations conducted by

the Government / Ministry of Finance;

- (c) To the issuer of shares – in respect of the identity of shareholders, in accordance with the law;
- (d) To the issuer of debt/fixed income securities and any other security – in respect of the identity of security holders;
- (e) To the securities holder – in respect of the operations performed by the holder and the securities held by the holder;
- (f) To the legal representative of a deceased natural person – in respect of the securities held by the deceased natural person;
- (g) To the successor of a legal person – in respect of the securities held by the legal person;
- (h) To the creditor – in respect of securities over which rights were restricted/encumbered in favour of the creditor;
- (i) To the court – in respect of case under examination at the demand of the court;
- (j) To a legal or enforcement agency backed by the appropriate authority – in respect of a specific criminal, investigation or legal case;
- (k) To the bailiff – for the purpose of enforcing a procedure;
- (l) In any other cases as required by law.

(5) The CSD shall not be liable and held responsible for the disclosure to third parties or the publication by the entities specified in Rule 24(4) of the data and information received from the CSD.

(6) The data and information specified in Rule 24(1) may be disclosed by the CSD in the following cases:

- (a) Presentation and publication of data and information without disclosing the identity or personal data of the securities holder;
- (b) Presentation and publication of statistical data and information, reports, studies, and analysis conducted by the CSD;
- (c) Presentation of data, information and records to public authorities, as required by law;
- (d) Access to data and information by employees and members of CSD's governing body to perform their job, duties and responsibilities;
- (e) Presentation of data and information for the purpose of internal and external audits of the CSD;
- (f) Transmission of data and information to other securities settlement systems, payment systems and Securities Exchanges linked with the CSD, according to this Rulebook or agreements between parties.

(7) The CSD shall provide any information requested by the SEC or Bank of Ghana for the purpose of enabling or assisting the SEC or Bank of Ghana to exercise any function under any law or rules.

25. Information Published on the Website

(1) The CSD shall publish on its official website and keep updated the following information :

- (a) This Rulebook;
- (b) The Operational Procedures;
- (c) The Fees and Charges Schedule;
- (d) The Designated Time Schedule;
- (e) The securities admitted in the CSD System;
- (f) The Depository Participants and their roles;
- (g) The list of banks designated as Settlement Partners.
- (h) And any other information as may be required from time to time.

26. Protection of Securities and Cash

(1) Any sanctions imposed on the CSD, or measures taken to foreclose on the CSD's obligations, shall not adversely affect:

- (a) Securities deposited or registered by the CSD or recorded in securities accounts maintained within the CSD System except its own securities accounts;
- (b) Cash transferred for the purpose of facilitating settlement services through the CSD System.

(2) The CSD shall maintain records and accounts, at all times and without delay that;

- (a) Distinguish the securities accounts of a Depository Participant from those of any other Depository Participant and from the CSD's own assets;
- (b) Enable a Depository Participant to separate its own securities from the securities of its clients;
- (c) Enable a Depository Participant to separate the securities of any of its clients from the securities of its other clients;

(3) In the event of the CSD's insolvency, the securities and cash specified in Rule 26(1) shall not be included in the accounts receivable to satisfy the CSD's obligations.

27. Designated Time Schedule

(1) The CSD shall establish a Designated Time Schedule specifying the designated times for accessing or delivering data, initiating or executing transactions, requesting reports, and performing any other operations within the CSD System.

- (2) Unless otherwise provided by this Rulebook and the Designated Time Schedule, established in accordance with Rule 27(1), the following rules shall apply for the designated time:
 - (a) The CSD shall operate on Business Days, as defined by the official calendar, from the Start of Day to the End of Day;
 - (b) The CSD System shall become available for processing external transactions and operations, receiving external enquiries and accepting data from external sources at the Start of Day;
 - (c) The CSD System shall cease processing external transactions and operations, receiving external enquiries and accepting data from external sources at the End of Day.
- (3) During Business Days, from the Start of Day until the End of Day, Depository Participants, Issuers, and other authorised external users shall have access to the CSD System for accessing data, executing transactions, and performing other activities as specified in this Rulebook and the Operational Procedures.
- (4) Depository Participants, Registrars and Issuers are responsible for ensuring that all transactions and operations are initiated and completed within the period as set forth in the Designated Time Schedule.
- (5) Depending on the operation type, an operation initiated or conducted by Depository Participants, Registrars, Issuers, and other authorised external users in the CSD System outside the designated times shall be rejected, except as provided in Rule 28(1), or postponed for the next Business Day.
- (6) The Designated Time Schedule and any amendments thereto shall be published on the CSD's official website.
- (7) The CSD may make amendments to the Designated Time Schedule and shall notify Depository Participants of any changes to the Designated Time Schedule not less than ten (10) Business Days prior to implementing those changes.

28. Activity in non-Business Days and Outside Designated Time

- (1) The CSD may reserve the right to accept operations and process transfer instructions in non-Business Days or outside the regular designated time outlined by the Designated Time Schedule in the following cases:
 - (a) In the event that follows an interruption or incident affecting the CSD's activities;
 - (b) In the event that follows a suspension or change in the work schedule of settlement systems, payment systems and Securities Exchanges connected with the CSD;
 - (c) Other cases as deemed necessary by the CSD.
- (2) The CSD shall ensure that any activity conducted on non-Business Days or outside the regular designated time complies with applicable legal and regulatory requirements, and that necessary approvals or notifications are obtained from SEC and other relevant authorities if required.
- (3) The CSD shall inform the SEC about any activity conducted on non-Business Days no later than the next Business Day after such situation occurred.

- (4) The CSD shall provide adequate support to Depository Participants, Issuers and operators of systems connected with the CSD System during non-Business Days or outside the regular designated time, including ensuring that sufficient staff and resources are available to handle operations and transfer orders outside the regular designated time.
- (5) The CSD may require Depository Participants to provide appropriate staff in their offices during specified hours on non-Business Days or outside the regular designated time when such presence is deemed necessary by the CSD to ensure the integrity of its systems.

29. **Reports Available in the CSD System**

- (1) Reports as may be prescribed from time to time in the Operational Procedures may be obtained from the CSD by:
 - (a) A Depositor in relation to his securities account; and
 - (b) A person as may be permitted under the CSD Act.
- (2) Unless otherwise specified by law, the provision of reports by the CSD is subject to the payment of the appropriate fee as set forth by the Fees and Charges Schedule.

iv

Depository Participants

30. Eligibility Criteria

- (1) Persons prescribed under Section 9 of the CSD Act shall be eligible for appointment as Depository Participants.
- (2) An applicant who is the subject of any form of receivership, winding up or liquidation or analogous process or in respect of which an undischarged enforcement order has been issued over a substantial part of its assets, shall not qualify for appointment as a Depository Participant.
- (3) The Depository Participant shall comply with the requirements established in this Rulebook throughout the duration of holding the status of Depository Participant.
- (4) A Depository Participant is obligated to immediately inform the CSD if, after becoming a Depository Participant, it no longer meets the requirements established by Section 9 of the CSD Act or this Rulebook.

31. Qualification Requirements

- (1) To be appointed as a Depository Participant, the applicant shall meet the following requirements:
 - (a) The Financial Requirements, as outlined in Rule 31(2);
 - (b) The Technical Requirements as outlined in Rules 31(4)
 - (c) The Performance Requirements as outlined in Rules 31(5);
 - (d) The Business Integrity Requirements, as outlined in Rule 31(6);
 - (e) Other requirements and conditions, as outlined in Rule 31(8).
- (2) The applicant shall have a sound financial condition at all times to ensure the ability to fulfil its obligations under this Rulebook and compliance with all relevant regulatory requirements. A sound financial condition shall be assessed based on solvency, liquidity, and capital adequacy criteria, including but not limited to:
 - (a) Maintaining an unimpaired minimum capital requirement as applicable to the Depository Participant.
 - (b) Maintaining the minimum liquidity requirement established by the SEC.
 - (c) Demonstrating positive net assets and the ability to meet financial obligations as they fall due.
- (3) The application shall be submitted together with a signed copy of the applicant's latest audited financial statement or statement of affairs or an undertaking to the effect that the applicant has made arrangements to meet its financial obligations to the CSD as they fall due.

Technical Requirements

(4) The applicant shall meet the following technical requirements:

- (a) The applicant has the full complement of equipment as prescribed by the CSD necessary to communicate reliably with the CSD System; and
- (b) The applicant has the operational capabilities as prescribed by the CSD to the extent envisaged in this Rulebook and the Operational Procedures.

(5) The performance requirements are that the applicant employs or retains such personnel familiar with this Rulebook and the Operational Procedures as are necessary to allow the applicant to carry out its obligations in accordance with this Rulebook and the Operational Procedures.

Business Integrity Requirements

(6) The business integrity requirements for an applicant are that:

- (a) The applicant shall be in good standing with its Regulator and shall perform its obligations efficiently, honestly and fairly upon being appointed as a Depository Participant.
- (b) A person shall not be a director or executive officer of the Depository Participant if there is any evidence against the person involving a case of misconduct, fraud or mismanagement of a firm or any similar public concern.

Execution of Agreements

(7) An applicant, upon appointment as a Depository Participant, shall enter into a Participation Agreement and a Service Level Agreement with the CSD.

(8) The depository service and facilities shall be extended to a Depository Participant in accordance with the executed Participation Agreement and Service Level Agreement with a Depository Participant.

Other Requirements and Conditions

(9) The CSD may impose such requirements or conditions, as it considers necessary to ensure orderly deposits, withdrawals, transfers of book-entry securities, payment of cash or any other dealings in securities.

32. Application for Appointment

(1) An application for appointment as a Depository Participant shall be submitted to the CSD as set out in this Rulebook and shall be accompanied by:

- (a) The Constitution or any other document that defines the constitution of the applicant;
- (b) A letter of 'No Objection' from the applicant's Regulator indicating that the applicant is in good standing;
- (c) A current license of operation from the applicant's Regulator;

- (d) Profile of the applicant;
- (e) A Board Resolution authorizing the application for appointment as a Depository Participant;
- (f) Evidence of membership of a recognised securities market where the applicant intends to trade;
- (g) A statement by Directors on the applicant's ability to provide the required services including Financial statements (the latest annual audited financial statement) demonstrating the applicant's financial resources to meet its obligation under these Rules and compliance with the SEC's Laws and Regulations, this Rulebook and execution of the agreements in accordance with Rules 31(7) and 31(8);
- (h) Curricula Vitae of Directors and Senior Management staff;
- (i) Specimen signatures of authorised personnel of applicant;
- (j) Evidence to show that the applicant meets the CSD's financial, technical, performance, and business integrity requirements.

(2) By submitting the application to the CSD, the applicant confirms that at the time of submission of the application, the following conditions are met:

- (a) The applicant meets the qualification requirements outlined by this Rulebook;
- (b) In accordance with Sec 177(2) of the Companies Act, 2019 (Act992), the applicant, the applicant's employees and members of the governing body have not been convicted, either within the Republic of Ghana or elsewhere, immediately preceding the date on which the application is made, of an offence involving fraud or dishonesty punishable on conviction with imprisonment for a term of three months or more;
- (c) The applicant has qualified personnel (employees), which allows the applicant to apply and comply with law, this Rulebook and Operational Procedures.

(3) The CSD may by notice require an applicant for appointment to the CSD as a Depository Participant to provide it with any additional information in relation to the application which the CSD considers necessary.

(4) The CSD may seek information from persons other than the applicant to the extent that the CSD deems it necessary in considering whether to appoint the applicant or not.

(5) The appointment of a Depository Participant is subject to the CSD having the data processing capacity and operational capabilities to provide service to any new Depository Participant without endangering or impairing the integrity of the CSD System or its orderly functioning.

33. Depository Participant's Appointment

- (1) The applicant shall be deemed fit to be appointed as a Depository Participant upon the applicant satisfying all the criteria and requirements under Rules 30 and 31
- (2) The decision on the appointment or otherwise of a Depository Participant shall be made by the CSD within a maximum of twenty (20) Business Days from the date of receipt of the complete application as under Rule 32.
- (3) An appointment of a Depository Participant shall be made by the CSD in writing and signed by the Chief Executive Officer.

- (4) A depository participant that has been granted approval by the CSD shall be required to commence operations within six (6) months from the date of approval. Failure to commence operations within this period shall result in the automatic termination of the depository participant's appointment, unless an extension has been granted by the CSD upon a written request demonstrating valid justifications for the delay.
- (5) The Depository Participant shall commence operations upon:
 - (a) Entering into a Participation Agreement, a Service Level Agreement and a Confidentiality Agreement with the CSD;
 - (b) The CSD approving the appointment of Depository Participant Officers;
 - (c) Entering into the Settlement Partner Agreement and any other agreement as may be required by the CSD; and
 - (d) Submission of the following in accordance with Rule 96
 - (i) bank guarantee; or;
 - (ii) funded settlement account; or
 - (iii) committed line of credit facility;
 - (e) Pay all relevant fees.
- (6) The CSD shall refuse the appointment of a Depository Participant where at least one of the following applies:
 - (a) The applicant does not meet the eligibility criteria set forth in Rule 30;
 - (b) The applicant does not meet the qualification requirements set forth in Rule 31;
 - (c) The applicant has not submitted the complete information as required in Rule 32, or the application contains incomplete or erroneous data;
- (7) The decision to refuse the appointment of a Depository Participant shall:
 - (a) Be made in writing and signed by the Chief Executive Officer;
 - (b) Include the grounds for such refusal.
- (8) Any person aggrieved by a decision of the CSD not to appoint that person as a Depository Participant may appeal to the Board of the CSD.
- (9) The CSD shall notify the underlisted of the appointment of the Depository Participant not later than the next Business Day from the decision,
 - (a) the SEC – regarding all Depository Participants;
 - (b) the Bank of Ghana – regarding a Depository Participant that is a bank;
 - (c) the Securities Exchange – regarding a Depository Participant that is a member of the Securities Exchange.

(10) Upon appointment, the CSD shall allocate an identification code to every Depository Participant. The CSD may assign either an internal identification code, SWIFT BIC or SWIFT BIC like code, or the Legal Entity Identifier (LEI) in accordance with ISO 17442.

34. Obligations and Functions of Depository Participants

Fees and Penalties

(1) Depository Participant shall pay the following fee as per the fee schedule:

- (a) An appointment fee;
- (b) An annual subscription fee prescribed by the CSD;
- (c) The prescribed amount to the Settlement Guarantee Fund;
- (d) Transaction fees;
- (e) Any other fees provided by the Fees and Charges Schedule;
- (f) And the cash penalties imposed by the CSD as provided by the Fees and Charges Schedule.

(2) The annual subscription fee shall be payable by Depository Participants at the commencement of every calendar year following the year of appointment.

Continuing Obligations

(3) A Depository Participant shall throughout its appointment:

- (a) Submit to the CSD a copy of its annual audited financial statements, not later than three (3) months after the end of its financial year;
- (b) Maintain all its equipment and facilities, including the hardware and software, in the manner specified in writing by the CSD from time to time;
- (c) Comply with the provisions of this Rulebook, the Participation Agreement and the Operational Procedures, as well as any amendments and additions thereto, including those approved after its appointment;
- (d) Comply with the settlement obligations as provided in this Rulebook;
- (e) Comply with technical and security standards as may be prescribed by the CSD from time to time;
- (f) Provide such other documents as may reasonably be required by the CSD from time to time;
- (g) Produce or make available to the CSD or to the SEC, when required, any information or document relating to a securities account;
- (h) Ensure the confidentiality and protection of personal data regarding the operations performed within the CSD System;
- (i) Ensure the correct entry of data in the CSD System, including records regarding

identity of its clients, its own securities and securities of its clients;

- (j) Inform the CSD about any errors in the data entered by the Depository Participant in the CSD System, including the data from the transfer orders and data regarding the securities accounts and its clients;
- (k) Inform the CSD about any interruptions or incidents in the Depository Participant's systems, as well as of any circumstances that may lead to the inability to pay and deliver the securities, and/or to the insolvency of the Depository Participants;
- (l) Ensure compliance with this Rulebook and the Operational Procedures by addressing and resolving any violations as indicated in the notices issued by the CSD;
- (m) Meet all other conditions that may reasonably be imposed by the CSD.

Approved Functions

- (4) The CSD may authorize a Depository Participant to perform any or all of the functions and services, referred to in Rule 12.

35. Depository Participant's Agreements

Participation Agreement

- (1) The contractual relations between the CSD and Depository Participants shall be governed by the Participation Agreement.
- (2) The Participation Agreement shall be entered into between the parties and shall remain valid until terminated in accordance with this Rulebook.
- (3) During the validity of the Participation Agreement, the CSD and the Depository Participant shall have the rights, obligations, and responsibilities established by the Participation Agreement and by this Rulebook. In the event of conflicting terms, the provisions of the Rulebook shall prevail.
- (4) The suspension of Depository Participant shall not lead to the suspension or termination of the Participation Agreement.
- (5) The Participation Agreement may be terminated:
 - (a) Upon the Depository Participant's request;
 - (b) Upon the termination of Depository Participant's appointment, in accordance with Rule 40.
- (6) A request for termination of the Participation Agreement, solicited by the Depository Participant, shall implicitly constitute a request to terminate the Depository Participant's appointment and vice versa.
- (7) The Depository Participant shall fulfil all its obligations towards the CSD upon the termination of the Participation Agreement.

Agreements of the Depository Participant with its clients

- (8) The Depository Participant shall be responsible for its contractual relations with its clients and ensuring their compliance with the law.
- (9) The CSD shall not be liable to a Depository Participant, any client of a Depository Participant, or any other person for any matter arising from or in connection with the contractual relationship between a Depository Participant and its clients. The CSD shall bear no responsibility for the performance, enforcement or consequences of such contractual relationships.
- (10) The CSD shall not be treated as being a party to and liable as a principal in respect of any exchange trades or settlement of any Depository Participants' clients.

36. Disputes Between Depository Participants

- (1) A dispute between Depository Participants in relation to matters arising under or regulated by this Rulebook may be referred by a party to the dispute to the Chief Executive Officer for determination.
- (2) The referral of the dispute to the Chief Executive Officer under this Rule shall:
 - (a) Be made in writing together with the statement that the complaint was made pursuant to this Rule 36; and
 - (b) contain sufficient particulars for the Chief Executive Officer to form a *prima facie* opinion that the Depository Participant referring the dispute has suffered or is likely to suffer a loss as a result of a contravention of this Rulebook by another Depository Participant.
- (3) Upon referral of a dispute, the Chief Executive Officer may inquire into all facts, matters and circumstances relevant to the dispute and for this purpose may take statements (orally or in writing) from persons, request documents or other evidence and generally conduct his inquiries and proceedings for the resolution of the dispute.
- (4) Except as required by law, no person may use or disclose information, statements, documents or other evidence obtained by the person as a result of an inquiry into a dispute, for any purpose other than the resolution of that dispute.
- (5) The Chief Executive Officer shall determine the dispute within ten (10) Business Days.
- (6) A party to the dispute not satisfied with the resolution of the dispute may appeal the decision in accordance with Rule 19.

37. Complaints Against Depository Participants

- (1) Where a person has a complaint against a Depository Participant in relation to use by a Depository Participant of facilities provided by the CSD or non-compliance by the Depository Participant with regard to this Rulebook, that person shall give notice of the complaint to the Chief Executive Officer in writing and shall specify the breach or non-compliance.
- (2) The Chief Executive Officer may inquire into all the facts, matters and circumstances relevant to the complaint, including inspecting records, requesting information and/or taking disciplinary action in accordance with Rule 43.
- (3) The Chief Executive Officer shall resolve the complaint within ten (10) Business Days of receipt of same.

(4) A person who is not satisfied with the resolution of the complaint by the Chief Executive Officer may appeal to the Business Conduct Committee and, subsequently, to the CSD Board in accordance with Rule 20(1)(a).

38. Depository Participant's Refusal to Act

Duty to notify

(1) Where a Depository Participant refuses to act on the instructions of a Depositor in carrying out any of its functions related to a Depositor's transactions in respect of any book-entry security, the Depository Participant shall immediately notify the CSD and where reasonably possible the Depositor, stating the reason for such refusal.

(2) A Depository Participant may refuse a book entry security transaction under the following conditions

- (a) the Depositor has defaulted or is about to default on his obligations relating to any trade order or otherwise, or
- (b) the Depositor or trade violates the regulations concerning anti-money laundering and combating the financing of terrorism, insider trading or market abuse or any capital markets rule, or would result in a violation of applicable laws, regulations, or regulatory requirement, or
- (c) the Depositor's account is subject to a freeze, hold, or any other restriction due to legal action, regulatory investigation, or court orders, or
- (d) the Depository Participant knows or has reasonable grounds to suspect that the Depositor's instructions are fraudulent, unauthorized, or issued under duress, or
- (e) the documents or instructions provided by the Depositor are incomplete, inaccurate, unclear, or do not meet the required standards for processing, or
- (f) the Depositor has not paid fees for the previous services provided by the Depository Participant or refuses to pay any other fees to the Depository Participant, or
- (g) the Depositor's instructions violate the internal risk management policies, compliance protocols, or ethical standards of the Depository Participant,

(3) Nothing in this Rule shall be construed so as to authorise any Depository Participant to be in breach of any rule relating to such Depository Participant's lien on securities.

CSD may instruct a Depository Participant to Act

(4) Where the CSD, after investigating the matter specified in Rule 38(1) is not satisfied with the reason given by the Depository Participant for its refusal to act, the CSD may instruct such Depository Participant to carry out the Depositor's instructions or direct the Depository Participant to act appropriately to resolve the matter.

Sanction for Not Complying

(5) Failure on the part of the Depository Participant to notify the CSD under Rule 38(1) or to comply with its instructions under rule 38(3) may result in the measures applicable under Rule 43 and administrative sanctions as set forth in Rule 15.

39. Depository Participant Officers

General Requirements Regarding Depository Participant Officers

- (1) A Depository Participant shall have no fewer than two (2) operations users and one (1) user administrator, to ensure that activities are carried out and operations are conducted in accordance with this Rulebook and the Operational Procedures.
- (2) The CSD shall approve an employee of a Depository Participant to act as a Depository Participant Officer.

Qualification as a Depository Participant Officer

- (3) A person shall not be appointed as a Depository Participant Officer unless;
 - (a) That person has undertaken the training programme organised by the CSD.
 - (b) That person possesses the relevant educational or professional qualification, the minimum of which is equivalent to a higher national diploma.
 - (c) The person meets the integrity and standard of business conduct as shown in the investigations and observations of his employer, previous employers, educational institutions attended and other relevant references.
- (4) A Depository Participant shall not appoint a person as its Depository Participant Officer where that person is under suspension or has been expelled by the CSD, or has been expelled by the SEC.

Application for appointment as a Depository Participant Officer

- (5) A Depository Participant who desires to appoint a Depository Participant Officer shall apply to the CSD using the prescribed form.
- (6) To be approved as a Depository Participant Officer, the person shall successfully participate in a training programme organised by CSD for the Depository Participant Officer, subject to the payment of the appropriate fee.
- (7) A Depository Participant Officer who is employed by another Depository Participant within twelve (12) months upon leaving the employment of a Depository Participant shall not be required to go through the CSD training programme.
- (8) A Depository Participant Officer who has not been practising as a Depository Participant Officer for a continuous twelve (12) months period of or more shall be required, upon his application to resume such practice attend a training programme or a written examination or a combination of these as the CSD may determine at a fee prescribed by the CSD from time to time.

Appointment of Depository Participant Officers

- (9) On the approval of the appointment of a Depository Participant Officer, the name and other details shall be logged onto the CSD System by the CSD which shall grant access by the issuance of a security token.
- (10) A Depository Participant Officer shall be regarded by the CSD as authorised by the Depository Participant to conduct its business.

(11) No restrictions imposed by a Depository Participant or CSD on the authority of a Depository Participant Officer shall affect the liability of the Depository Participant to the CSD arising from transactions by the Depository Participant Officer on the CSD System.

Conditions to be complied with by a Depository Participant Officer

(12) A Depository Participant Officer shall adhere to the principle of good business practice in the conduct of his company's affairs and shall transact business only on behalf of his employer.

(13) A Depository Participant Officer shall be engaged as a full-time employee in the office of the Depository Participant.

Conditions to be complied with by the Depository Participant

(14) On termination or resignation of the employment of a Depository Participant Officer, the Depository Participant shall give notice of the termination or resignation to the CSD within one (1) Business Day of termination.

(15) A Depository Participant shall be liable for all entries made in the CSD by its Depository Participant Officer.

(16) All documents submitted to the CSD on behalf of a Depository Participant Officer shall be verified and authenticated by the Depository Participant.

Code of Conduct for Depository Participant Officers

(17) Depository Participant Officers shall comply with the code of conduct prescribed by their various Regulators. In addition, Depository Participant Officers shall also comply with the following code of conduct;

- (a) act honestly and fairly, with due skill, care and diligence and, where applicable, in the interests of a Depositor or the Depository Participant;
- (b) uphold the integrity of the financial markets;
- (c) disclose to a Depositor, relevant material information including the disclosure of actual or potential own interests;
- (d) maintain proper record-keeping;
- (e) avoid fraudulent and misleading advertising, canvassing and marketing;
- (f) ensure proper safekeeping of transaction documents of Depositors;
- (g) ensure proper separation and protection of cash and securities of Depositors.

Security Token Management Rules

(18) The CSD shall issue a security token to a Depository Participant Officer upon approval, granting the Depository Participant Officer secured access to the CSD System.

(19) The security token shall be used exclusively by the designated Depository Participant Officer to access the CSD System. The transfer or sharing of the security token with any other person is strictly prohibited.

(20) A Depository Participant Officer in possession of a security token shall:

- (a) Ensure that the security token is properly safeguarded against unauthorized access, loss, or theft;
- (b) Return the security token to the CSD immediately upon request or when it is no longer required for access;
- (c) perform regular checks and updates on their security tokens as prescribed by the CSD, including firmware updates or re-validation procedures to maintain the token's functionality and security;
- (d) immediately inform the CSD in the event that the security token is lost, stolen, or destroyed.

(21) In the event of any suspected compromise of a security token, including unauthorized access attempts, the Depository Participant shall immediately notify the CSD.

(22) The CSD shall deactivate any security token at any time for security reasons, non-compliance, or upon the departure or reassignment of the Depository Participant Officer.

40. Suspension and Termination of an Appointment

- (1) The CSD may suspend or terminate a Depository Participant's appointment in accordance with this Rulebook or if required by the Regulator or any other relevant authority.
- (2) The CSD shall suspend a Depository Participant and the provision of services to a Depository Participant where the Depository Participant fails, by the time required in accordance with this Rulebook:
 - (a) to make a required payment in full related to its clearing and settlement obligations,
 - (b) to deliver Securities related to its clearing and settlement obligations,
 - (c) to provide specific collateral for clearing and settlement services,
 - (d) to make its required contribution to the Settlement Guarantee Fund,
 - (e) to maintain its bank guarantee or committed line of credit where required,
 - (f) to pay its obligation to CSD as surety or guarantee, or
- (3) The CSD may suspend a Depository Participant and provide services to such Depository Participant when the CSD considers it reasonable that the suspension of services to the Depository Participant would cause material disruption to the CSD services and operations or would jeopardize the interests of the CSD or other Depository Participants, including but not limited to, the occurrence of any of the following events:
 - (a) the registration or license of the Depository Participant has been revoked or suspended by the supervisory authority,
 - (b) the membership of the Depository Participant of an institution that is a self-regulatory organization, or a Securities Exchange, has been suspended or terminated,

- (c) a receiver, trustee or any other measure in insolvency or pre-insolvency process has been appointed with respect to the Depository Participant or its assets.
- (4) In the case of suspension of a Depository Participant, the CSD shall notify the SEC on the next Business Day including the reasons of such suspension.

Suspension of a Depository Participant's appointment

- (5) The CSD may also suspend a Depository Participant in the following cases:
 - (a) Upon the request of the Depository Participant, specifying the reason and the duration for which the suspension is requested;
 - (b) where the Depository Participant violates this Rulebook or Operational Procedures, or agreements entered into with the CSD;
 - (c) where Depository Participant fails to fulfil its payment obligations for services rendered by the CSD or its settlement obligations, as required by this Rulebook;
 - (d) where the documents and information submitted by the Depository Participant contain incomplete or wrong data;
 - (e) where the Depository Participant no longer meets the eligibility criteria and qualification requirements set forth by this Rulebook.
- (6) A Depository Participant may be suspended for a period not exceeding six months.
- (7) At any time after the approval of the suspension decision, the CSD may:
 - (a) cancel the suspension decision before the expiry of the suspension period if the Depository Participant has rectified the grounds that led to the suspension;
 - (b) extend the suspension period by an additional period, if the Depository Participant has not rectified the grounds that led to the suspension;
 - (c) terminate the Depository Participant's appointment in accordance with this Rule 40.
- (8) During the period of suspension, the Depository Participant and Depository Participant's Officers shall be banned from:
 - (a) carrying out operations leading to a transfer of securities through the CSD System;
 - (b) opening new securities accounts;
 - (c) conducting other operations as prescribed by the CSD.

Termination of Depository Participant's Appointment

- (9) A Depository Participant's appointment may be terminated in the following cases:
 - (a) Upon the Depository Participant's request, specifying the reason and the date from which termination is requested, and accompanied by the notification of termination

of agreements entered into with the CSD;

- (b) Upon violation by the Depository Participant of this Rulebook or Operational Procedures, or agreements entered into with the CSD;
- (c) Where the Depository Participant has not resolved the violations that led to a suspension;
- (d) Upon the insolvency or liquidation of the Depository Participant.

(10) The termination of the Depository Participant's appointment leads to the termination of the agreements entered into with the CSD in accordance with the conditions established by rule 40(15).

Decision of Suspension or Termination

- (11) The decision of suspension or termination of the Depository Participant's appointment shall be signed by the Chief Executive Officer.
- (12) Not later than the next Business Day from the suspension or termination of a Depository Participant's appointment, the CSD shall:
 - (a) Inform the Depository Participant and the SEC in writing about the suspension or termination;
 - (b) Publish a notice regarding the suspension or termination on the CSD's official website and in a widely circulated newspaper.
- (13) The decision of suspension or termination of the Depository Participant's appointment shall contain the following information:
 - (a) The grounds for suspension or termination;
 - (b) The date when the suspension or termination shall apply;
 - (c) The period of suspension .

Responsibilities Following a Suspension or Termination

(14) The suspension or termination of a Depository Participant's appointment shall not preclude the Depository Participant from the obligation to:

- (a) deliver cash or securities to settle operations concluded by the Depository Participant until the suspension or termination;
- (b) pay outstanding fees and charges to the CSD, including those during the suspension period;
- (c) pay the cash penalties imposed by the CSD;
- (d) comply with the provisions of this Rulebook and the Operational Procedures;
- (e) deliver to its clients any payments or securities resulting from operations performed through the CSD System.

(15) Upon the termination of a Depository Participant's appointment, the Depository Participant in question shall comply with this Rulebook, the Operational Procedures, and agreements entered into with the CSD until the full fulfilment of its obligations towards the CSD and its clients.

External notification

(16) Not later than the next Business Day from the decision, the CSD shall notify the underlisted about the suspension or termination of its appointment:

- (a) the SEC – regarding all Depository Participants;
- (b) the Bank of Ghana – regarding a Depository Participant that is a bank;
- (c) the Securities Exchange – regarding a Depository Participant that is a member of the Securities Exchange.

41. Actions in the Event of Suspension or Termination

- (1) Upon determination by the CSD of the net cash obligation of a suspended Depository Participant, the Depository Participant shall ensure that sufficient funds are available in its Settlement Partner's account to settle the obligation. Any amount received by the CSD from the suspended Depository Participant shall be used to satisfy such obligation.
- (2) Upon determination of the final loss of a suspended Depository Participant, the CSD shall serve a loss notice on the suspended Depository Participant in accordance with this Rulebook demanding payment within five (5) Business Days.
- (3) On non-compliance of any such notice, the CSD shall declare such Depository Participant as a defaulter (hereinafter in this Part referred to as the "Defaulter Depository Participant") and the CSD shall terminate the Defaulter Depository Participant's admission to the CSD and its access to the services offered by the CSD.
- (4) A notice of the declaration by the CSD of a Depository Participant as a defaulter shall be sent by the CSD to the Defaulter Depository Participant, all Depository Participants, Settlement Partners, Settlement Bank, Securities Exchange, the SEC and all other relevant institutions that the CSD deems appropriate.
- (5) On termination of a Defaulter Depository Participant's access to the services offered by the CSD, the CSD shall take steps to recover any amount due from it.
- (6) Any costs or charges incurred by the CSD in arranging cash for settlement due to delay in payment by a Depository Participant shall be charged to such a Depository Participant.

42. Transfer of Securities Accounts Upon Suspension or Termination

- (1) Upon the suspension of a Depository Participant's appointment, the CSD shall, at the request of the account holder, transfer the securities accounts operated by the Depository Participant in question to another Depository Participant. The transfer of securities account shall be made by the CSD within five (5) Business Days, under the cumulative conditions provided by Rule 1(1).
- (2) Upon the termination of a Depository Participant's appointment, all active securities accounts

operated by the Depository Participant in question shall be transferred by the CSD to another Depository Participant. In this case, the transfer of all securities accounts shall be made by the CSD within three (3) Business Days, pursuant to the cumulative conditions provided by Rule 42(3).

- (3) The transfer of securities accounts from a Depository Participant to another Depository Participant shall be conducted under the following cumulative conditions:
 - (a) The transferred securities account is maintained in the name of the same person (Depositor);
 - (b) The securities from the transferred account remain in the ownership/possession of the same person (Depositor);
 - (c) All restrictions and encumbrances existing at the moment of initiating the transfer shall be maintained on the securities from the transferred securities account;
 - (d) The transfer shall be conducted only after the settlement of all ongoing operations involving the securities accounts in question.
- (4) The transfer of the securities account under the conditions set forth by Rule 42(3) shall be carried out by the CSD.
- (5) The Depository Participant is obliged to inform its clients about the transfer of securities accounts pursuant to Rule 42(3), within a maximum of three (3) Business Days from the moment of initiating the transfer.
- (6) If, upon the termination of a Depository Participant's appointment, a Depositor does not request the transfer of its securities accounts to a designated Depository Participant within the notice period, the CSD shall transfer the securities accounts to one or more Depository Participants appointed by the CSD.

43. Discipline of Depository Participants and Depository Participant Officers

- (1) The Board of the CSD may enquire into the conduct of a Depository Participant or Depository Participant Officer.
- (2) Subject to Rule 43(1), the Board of the CSD shall request the Chief Executive Officer to investigate and make recommendations to the Board of the CSD.
- (3) Where a Depository Participant or Depository Participant Officer is found by the Board of the CSD to have contravened any rule, regulation or requirement of the CSD or is found to be guilty of improper conduct or method of business, the Board of the CSD may impose one or more of the following sanctions:
 - (a) Reprimand a Depository Participant or Depository Participant Officer in writing;
 - (b) An administrative sanction as set forth in Rule 15;
 - (c) Suspension of the Depository Participant or Depository Participant Officer from the CSD System for a specified period not exceeding six months, pursuant to Rule 40. During the suspension period, the Depository Participant or Depository Participant Officer shall not perform CSD related functions;
 - (d) Expulsion of the Depository Participant Officer;

- (e) Termination of the Depository Participant's appointment pursuant to Rule 40.
- (4) Where the CSD establishes that a Depository Participant or Depository Participant Officer has contravened this Rulebook the Board of the CSD may permanently bar the Depository Participant or Depository Participant Officer from all activities of the CSD.
- (5) Where the CSD establishes that a Depository Participant or Depository Participant Officer has acted fraudulently or dishonestly in any matter relating to a transaction on the CSD System, the Board of the CSD shall permanently bar the Depository Participant or Depository Participant Officer from all activities of the CSD.
- (6) The CSD shall inform the SEC about any action taken against a Depository Participant or Depository Participant Officer under this Rulebook.

44. Appointment of a Temporary Custodian

- (1) Where the appointment of a Depository Participant is suspended or terminated pursuant to Rule 40, the CSD may appoint a Temporary Custodian who shall be authorised to clear, settle or fulfil all outstanding or pending contracts, transactions, transfers or other approved functions of such Depository Participant.
- (2) Where the suspended or terminated Depository Participant is a bank, custodian or a member of a Securities Exchange, the appointment of a Temporary Custodian shall be done in consultation with the SEC, the Bank of Ghana or the relevant Securities Exchange as the case may be.
- (3) The appointment of the Temporary Custodian shall be made within thirty (30) days after the suspension or termination.
- (4) A Temporary Custodian appointed under this Rulebook shall :
 - (a) Inspect, examine and operate the whole or any part of the computer system situated at the premises of the Depository Participant and which forms part of the CSD System;
 - (b) Give any direction to the Depository Participant, its employees or agents to produce any record or account required to be kept by such Depository Participant;
 - (c) Take over the control and management of the Securities Accounts of the Depositors (other than charged Securities Accounts) who have maintained their accounts with such Depository Participant;
 - (d) Recommend to the Depositor the transfer of any Securities Account together with all securities registered therein from such Depository Participant under suspension to another Depository Participant.
- (5) Any Temporary Custodian appointed under this Rule shall report to and be accountable or answerable for his actions to the CSD and shall be restricted to the role of the Depository Participant.
- (6) The appointment of the Temporary Custodian may be revoked by the CSD upon prior consultation with the SEC, the Bank of Ghana or the relevant Securities Exchange as the case may be.

45. Depository Participant's Insolvency

- (1) A Depository Participant shall immediately inform the CSD upon the initiation of the insolvency procedure against it.
- (2) The CSD shall apply the measures and procedures outlined in Rule 45(4) upon notification of the insolvency procedure by any of the following entities:
 - (a) A Depository Participant, in accordance with Rule 45(1).
 - (b) The SEC, the Bank of Ghana or a Securities Exchange;
 - (c) Any court or public agency empowered by law.
- (3) The CSD shall inform all Depository Participants upon the initiation of an insolvency procedure in respect of any Depository Participant no later than the next Business Day following the receipt of the information on the initiation of insolvency procedure.
- (4) Unless otherwise provided by law upon the initiation of the insolvency procedure for a Depository Participant, the CSD shall apply the following measures:
 - (a) Settle the transfer orders of the Depository Participant that have been matched (SF II) by the CSD System, provided that the transfer orders have been introduced in the CSD System before the insolvency proceedings;
 - (b) Settle the securities transactions of the Depository Participant that have been received by the CSD from Securities Exchanges or auction systems before the insolvency proceedings;
 - (c) Cancel the transfer orders of the Depository Participant that have been entered into the CSD System (SF I), but have not been matched (SF II) before the insolvency proceedings;
 - (d) Suspend the Depository Participant's right to enter transfer orders into the CSD System and refuse any new transfer orders from the Depository Participant;
 - (e) Terminate the appointment of the Depository Participant in question;
 - (f) Initiate the transfer procedure of the securities accounts managed by the Depository Participant in question, in accordance with Rule 42.
- (5) The CSD shall conduct regular tests to assess the effectiveness and practicality of insolvency rules and procedures and operate any improvements as deemed necessary.
- (6) At the request of the CSD, Depository Participants are obliged to participate in the tests and evaluations conducted by the CSD under Rule 45(5).
- (7) The application of the measures and procedures set out in this Part shall not preclude the CSD from applying other measures provided for in this Rulebook.



Accounts in the CSD System

46. Nature of Interest in Securities Accounts

- (1) Securities deposited into the CSD System shall be registered in the name of the CSD in the records of the Issuer's Registrar.
- (2) Securities Accounts belonging to Depositors shall be maintained by the CSD or Depository Participants in the names of the Depositors so as to reflect the title of the Depositors to the deposited securities.
- (3) A transfer of securities into the CSD System by a Depositor shall not convey any transferor's beneficial interests over the securities deposited.
- (4) A Depositor shall have all rights and benefits and be subjected to all liabilities in respect of his/her securities held in the CSD System.
- (5) Nominee name shall be allowed in the records of the CSD in accordance with the SEC's Guidelines on Nominee Accounts.

47. General Rules Regarding the Securities Accounts

- (1) The CSD shall record and maintain securities accounts in electronic form within the CSD System.
- (2) The securities account shall be used for depositing securities, carrying out securities transactions, registering rights to securities resulting from the crediting or debiting of the account, and reflecting other operations with securities within the CSD System.
- (3) The securities account shall be considered opened upon the completion of all registration and recording procedures within the CSD System.
- (4) Each securities account recorded in CSD System shall contain a unique identifier (identification code), allocated by the CSD System.
- (5) Securities accounts may be opened in the CSD System by the CSD or Depository Participants, as provided by this Rulebook.
- (6) No Securities Account shall be closed between the book closure date and the payment date in the event of rights or bonus issues.

48. Types of Securities Accounts

- (1) The following types of securities accounts can be opened in the CSD System:
 - (a) Issuer Account – refers to a securities account opened in the name of an Issuer, with the purpose of ensuring the integrity of the issuances of securities carried out by the respective Issuer;
 - (b) Own Account (old name: Proprietary Account) – refers to a securities account opened in the name of a Depository Participant or an Issuer, on which securities are held on behalf of the respective Depository Participant or Issuer;
 - (c) Individual Investor Account (old name: Depositor Securities Account) – refers to a securities account opened in the name of a Depositor, either an individual or a legal person, in which the record of the rights over the securities of this Depositor is kept;

- (d) Investor Service Account – refers to a type of an Individual Investor Account opened in the name of a Depositor in accordance with the conditions set forth in Rule 49 (10);
- (e) Omnibus Account – refers to a securities account, in which the records of securities held on behalf of the security holders are kept in an aggregated manner, without recording the identity of the security holders (omnibus client segregation);
- (f) External CSD Account – refers to a type of Omnibus Account opened in the name of a central securities depository other than the CSD (hereinafter referred to as the "External CSD"), in which the records of securities held on behalf of the External CSD's clients are kept in an aggregated manner, without recording the identity of the clients;
- (g) Nominee Account - means an Individual Investor Account where securities are registered in the name of the Depositor Participant acting as a nominee on behalf of the actual owner of securities.

(2) In addition to the types of accounts set out in Rule 48(1), the following types of technical securities accounts can be opened in the CSD System:

- (a) Allocation Account – refers to a technical securities account used for the allocation of securities traded on a Securities Exchange;
- (b) Other technical securities accounts – refers to any additional technical securities accounts opened in the CSD System as deemed necessary to ensure the accurate record of data and the effective functioning and management of securities operations.

49. Opening and Closing of Securities Accounts

Issuer Accounts

- (1) The opening and closing of an Issuer Account shall be carried out by the CSD in the name of an Issuer registered in the CSD System.
- (2) The CSD shall open only one Issuer Account for an Issuer within the CSD System.

Own Accounts

- (3) The opening and closing of Own Accounts shall be carried out by the CSD in the names of the Depository Participants and Issuers registered in the CSD System.
- (4) The CSD may open one or multiple Own Accounts for a single Depository Participant or Issuer as deemed necessary or as requested by the Depository Participant or Issuer.
- (5) The CSD shall open the first Own Account for a Depository Participant or Issuer at the time of their registration in the CSD System. An additional Own Account may be opened for Depository Participants or Issuers at their request.

Individual Investor Accounts

- (6) The opening of Individual Investor Accounts shall be carried out by the Depository Participant, in the names of its clients (Depositors).
- (7) An Individual Investor Account shall be opened in the name of a Depositor registered in the CSD System.

- (8) A Depository Participant may open one or multiple Individual Investor Accounts for a single client as deemed appropriate.
- (9) The Individual Investor Accounts shall be closed by the Depository Participant subject to approval by the CSD.

Investor Service Account

- (10) Unless otherwise provided by the SEC's Regulations, Investor Service Accounts shall be limited to Depositors who hold in any one listed company:
 - (a) a minimum of 5% of the issued shares; or
 - (b) a minimum value of GHS 5,000,000 of shares; or
 - (c) a percentage or number of shares as prescribed by the CSD.
- (11) The opening, maintaining, and closing of Investor Service Accounts shall be carried out by the CSD.
- (12) The Investor Service Account shall be opened by the CSD for such a Depositor at the office of the CSD upon payment of the prescribed fee.

Omnibus Account

- (13) The opening and closure of Omnibus Accounts shall be carried out by the CSD in the names of Registrars and External CSDs registered in the CSD System.
- (14) The CSD may open one Omnibus Account for a single Registrar or External CSD.
- (15) The CSD shall open the Omnibus Account belonging to a Registrar or External CSD at the time of its registration in the CSD System.

External CSD Account

- (16) The opening and closing of External CSD Account shall be carried out by the CSD in the names of the External CSD registered in the CSD System.
- (17) The CSD may open one or multiple External CSD Accounts for a single External CSD as deemed necessary or as requested by the External CSD.
- (18) The CSD shall open the first External CSD Account belonging to an External CSD at the time of its registration in the CSD System.

50. Depository Participants' Obligations Regarding Securities Accounts

Establishment of Securities Accounts by Depository Participants

- (1) For the recording of the deposit or withdrawal of securities and for dealing in such securities, every Depository Participant shall hold and maintain with the CSD one or multiple Securities Accounts of the following types:
 - (a) Own Account;
 - (b) Individual Investor Account;

- (2) A Depository Participant may establish the Securities Accounts provided by Rule 50(1) as deemed necessary or as requested by its clients (Depositors).

Changes, updates and corrections

- (3) An instruction to change, update or make a correction to an Individual Investor Account shall be submitted to the CSD through the Depository Participant for review and approval in accordance with the Operational Procedures.

Segregation of Accounts by Depository Participants

- (4) A Depository Participant shall be required to segregate its own securities from those of its clients (Depositors).

Record-keeping Responsibilities of Depository Participants

- (5) A Depository Participant shall be responsible for the accuracy of record-keeping for its own and its clients' securities .

51. Account Holder's Identity

- (1) A Depository Participant shall obtain full particulars of the Depositor's identity in accordance with the Operational Procedures prior to opening an Individual Investor Account,
- (2) An Individual Investor Account established by a Depository Participant shall bear such registration details or contain the Know Your Customer (KYC) details as prescribed by regulation and the Operational Procedures.
- (3) A Depository Participant shall ensure that the Depositor registration details of each Individual Investor Account specified by the Depository Participant in the opening transaction by it are correct and complete in every respect.
- (4) A Depository Participant shall be responsible for any and all inaccuracies and inadequacies in the registration details specified.
- (5) In the event that the registration details obtained by a Depository Participant are *prima facie* inaccurate or are otherwise incomplete, the Depository Participant shall not open the Individual Investor Account for transaction on the basis of such registration details.
- (6) Where a Depository Participant is notified by an Individual Investor Account holder of a change in the registration details of that Depositor, the Depository Participant shall ensure, in accordance with the Operational Procedures, that the Individual Investor Account details are amended accordingly.

52. Opening of Securities Accounts

- (1) Depositors shall open Individual Investor Accounts only through a Depository Participant, except as provided in Rule 52(2).
- (2) Depositors falling under criteria provided in Rule 49(10) shall open Investor Service Accounts only through the CSD.

53. Establishment of Securities Accounts by the CSD

- (1) The CSD may open Own Accounts, Investor Service Accounts, External CSD Accounts, Issuer Accounts and Omnibus Accounts only where it has obtained the full particulars of the identity of Depository Participants, Depositors and External CSDs in accordance with the Operational Procedures.
- (2) The CSD shall open Own Accounts, Investor Service Accounts, External CSD Accounts Issuer Accounts and Omnibus Accounts not later than two (2) Business Days after the application approval date.

54. Crediting and Debiting Securities Accounts

- (1) Transfers of securities shall be effected by making the appropriate debit or credit entry in the securities account as follows:
 - (a) At crediting, securities are registered in the account;
 - (b) At debiting, securities are withdrawn from the account.
- (2) Except for the case provided in Rule 54(3), the securities accounts shall be credited and debited:
 - (a) based on the transfer order entered into the CSD System by the Depository Participants and by the CSD;
 - (b) based on the data received from external settlement systems and Securities Exchanges.
- (3) Securities deposited into the CSD System shall be credited in securities accounts based on the document issued by the Registrars.

55. Records Regarding Rights and Restrictions in Securities Accounts

- (1) Unless otherwise provided by law, the following rules shall apply when establishing rights and restrictions in securities accounts as a result of carrying out an operation in the CSD System:
 - (a) The ownership of securities is created and effective by crediting a securities account;
 - (b) The ownership of securities is cancelled at the moment of debiting a securities account;
 - (c) A restriction over the securities or related rights is established by the application of the respective sub-account as set forth in Rule 134.
- (2) The transfer of ownership of securities and the application of restrictions over securities shall be carried out by means of transfer orders entered into the CSD System by the CSD and Depository Participant or received from external settlement systems and Securities Exchanges.

56. Record of Depositors and Securities Account Statement

- (1) The CSD shall produce and maintain accurate records on all Securities Accounts.
- (2) The records shall be in the form of a Securities Account Statement (hereinafter referred to as the "Account Statement"), which shall contain the following information:

- (a) The name of the Depositor or beneficial owner where applicable;
- (b) The name and quantity of securities held;
- (c) The portion of the Depositor's holdings that have been pledged or assigned; and
- (d) The balance of securities available for transfer or settlement.

(3) The Account Statement for the securities accounts opened in the CSD System can be issued by the following entities:

- (a) The CSD – for all securities accounts opened in the CSD System, in accordance with Rule 56(5);
- (b) A Depository Participant – for the Own Accounts belonging to the given Depository Participant and for the Individual Investor Accounts of its clients.

(4) The CSD and Depository Participants shall issue the Account Statement not later than the next Business Day after the application date.

(5) The CSD may present the Account Statement at the request of the following entities:

- (a) To a Depository Participant – in respect of the Own Accounts belonging to the given Depository Participant and for the Individual Investor Accounts of its clients;
- (b) To an Issuer – in respect of the Issuer Account belonging to the Issuer in question;
- (c) To a Depositor – in respect of the Individual Investor Account opened in the name of the Depositor in question;
- (d) To the SEC – in respect of the performance of SEC's duties and functions under any law or rules;
- (e) To the court – in respect of case under examination at the demand of the court;
- (f) To the legal representative of a deceased natural person – in respect of the securities held by the deceased natural person;
- (g) To a legal or enforcement agency backed by the appropriate authority – in respect of a specific criminal, investigation or legal case;
- (h) In any other cases as required by law.

(6) Unless otherwise specified by agreements between a Depository Participant and its clients, and as required by the Depository Participant, statement on Securities Account shall be issued and delivered as follows:

- (a) Depository Participants may send monthly statements to their most active Depositors, half yearly statements to all active account holders, and yearly statements to Dormant account holders
- (b) Depositors may, on payment of the relevant fee to the CSD, request for statements of their holdings in the CSD at any time;
- (c) CSD may provide quarterly statement to Depository Participants and to Depositors with Investor Service Accounts, and annual statements to other securities account holders.

(7) The CSD shall on payment of such fee as may be prescribed from time to time, confirm or verify on application made by the Depositor, a statement of holdings provided by their Depository Participants to their Depositors.

57. Securities Accounts Belonging to the CSD

- (1) The CSD may hold the following securities accounts in its CSD System:
 - (a) Issuer Account – as the Issuer issuing securities;
 - (b) Own Accounts – as the Issuer holding its own securities;
 - (c) Individual Investor Accounts – as a client of a Depository Participant, where the CSD holds securities issued by other Issuers.
- (2) The CSD shall not open External CSD Accounts in its own name in the CSD System, nor manage them as an account operator.

58. Nominee account

- (1) Depository Participants may open nominee accounts within the CSD System, subject to the conditions and requirements established by the SEC's regulations.
- (2) Nominee accounts in the CSD System are classified as Individual Investor Accounts, where securities are registered in the name of the Depository Participant acting as a nominee holding these securities on behalf of the actual Depositor.
- (3) Nominee Accounts may only be opened by Depository Participants who hold a valid license issued by the SEC.

vi

Admittance of Initial Record and Deposit of Securities

59. Admittance of Securities into the CSD

- (1) The CSD shall admit eligible securities into the CSD System.
- (2) The admittance of securities into the CSD shall be carried out at the request of the following entities:
 - (a) The Issuer or its agents;
 - (b) Any other entity permitted by law.
- (3) Upon the admittance of securities, the CSD shall carry out the following operations:
 - (a) The initial recording of securities in the CSD System in accordance with Rule 60;
 - (b) The registration of the Issuer in the CSD System in accordance with Rule 61.
- (4) The CSD shall ensure the admittance and the initial record of securities register in the CSD System not later than two (2) Business Days after the application approval date.
- (5) The eligible securities may be deposited with the CSD and may be settled or be the subject of any other operation in the CSD System upon their admittance into the CSD.

60. Initial Record of Securities

- (1) The initial record of securities shall be carried out in book-entry form in the CSD System upon their admission into the CSD System.
- (2) The CSD shall carry out the initial recording of securities provided that the following criteria is met:
 - (a) The Issuer is permitted to issue the eligible securities which shall correspond to the types of securities provided in Rule 12(3);
 - (b) The securities subject to recording shall be dematerialised or immobilised with the CSD;
 - (c) The securities subject to recording are transferable and fungible.
- (3) Upon the initial recording, the CSD shall assign to the securities in question, in accordance with the Operational Procedures:
 - (a) An International Securities Identification Number (ISIN) in accordance with ISO 6166;
 - (b) The Classification of Financial Instruments (CFI) in accordance with ISO 10962.
- (4) The ISIN and CFI allocated by the CSD may be used under the following conditions:
 - (a) The Issuer has the right to inform the public about the allocation of ISIN and CFI for its securities, use ISIN and CFI in its financial record-keeping activities and financial statements, submit and apply ISIN and CFI in the Securities Exchanges where the securities of the Issuer are admitted;
 - (b) The settlement systems, and the Securities Exchanges may use ISIN and CFI allocated by the CSD within their systems.

- (5) If securities admitted into the CSD have previously allocated ISIN and CFI codes, upon initial recording the CSD may either maintain the existing ISIN and CFI codes or allocate new ISIN and CFI codes.

61. Registration of Issuers and Rules Relating to Issuers

The Registration of Issuers in the CSD System

- (1) Where securities of an Issuer are to be admitted into the CSD for the first time, the Issuer shall be registered in the CSD System.
- (2) An Issuer or its agent shall submit an application in the Form prescribed by the CSD for the registration of the Issuer's securities in the CSD .
- (3) The CSD shall register the Issuer in the CSD System not later than two (2) Business Days after the application date.
- (4) Upon registration, the CSD shall allocate an identification code to every Issuer of admitted securities. The CSD may assign either an internal identification code or a SWIFT BIC or SWIFT BIC like code, or the Legal Entity Identifier (LEI) in accordance with ISO 17442.

Issuers' Obligations and Liability

- (5) An Issuer of eligible securities shall:
 - (a) Comply with this Rulebook, the Operational Procedures, the Securities Industry Act, 2016 (Act 929) , its amendments and Regulations, and the relevant provisions of the CSD Act, 2007 (Act 733);
 - (b) Submit truthful and complete data regarding the Issuer and its securities to the CSD;
 - (c) Inform the CSD of any changes to the data regarding the Issuer and its securities;
 - (d) Submit any notices regarding the Issuer's securities and its corporate actions to the CSD;
 - (e) Pay the CSD for the services provided, in accordance with the Fees and Charges Schedule.
- (6) The Issuer shall be liable to the CSD for losses caused by the following:
 - (a) Failure to comply with the applicable laws, this Rulebook, and the Operational Procedures;
 - (b) Providing erroneous or inaccurate information to the CSD;
 - (c) Fraud, unlawful acts, or negligence in respect of the securities or documents submitted to the CSD in relation to them.
- (7) The Issuer shall not be held liable to the CSD for losses caused by force majeure events.

Issuers with Corporate Actions

- (8) Non-Bank Issuers that carry out its corporate actions through the CSD (hereinafter referred to as the "Issuers with Corporate Actions") shall settle their financial operation through a Settlement Partner as set forth in Rule 92(2).

Agreements of Issuers

- (9) For the admittance of the Issuer's securities into the CSD and the subsequent provision of services to the Issuer by the CSD, the Issuer shall enter into an agreement with the CSD according to the template established and provided by the CSD.
- (10) In addition to the agreement provided by Rule 61(9), every Issuer with Corporate Actions is obliged to enter into a Settlement Partner Agreement in accordance with the provisions of this Rulebook.

Limitation of the CSD's Liability

- (11) The registration of an Issuer and the recording of securities by the CSD do not constitute a guarantee that the Issuer has complied with the requirements set out by law.
- (12) The CSD shall not be held liable for the Issuer's compliance with legal requirements or for any operations involving the Issuer's securities.

62. Processing of Deposits

- (1) A Depository Participant shall accept securities admitted in the CSD to be deposited with the CSD.
- (2) The deposit of securities shall be carried out in accordance with the following procedures:
 - (a) The CSD shall record the deposited securities in the Registrar's Omnibus Account upon receiving a formal request from the Registrar, accompanied by all necessary supporting documents;
 - (b) The Depository Participant shall initiate a securities deposit request in the CSD System, either in its own name or on behalf of its client, and submit the required supporting documents;
 - (c) Upon receipt of the securities deposit request, the Registrar shall review and verify the deposit request, ensuring that all details and supporting documentation are accurate and complete before providing approval;
 - (d) Upon the Registrar's approval, the securities shall be transferred from the Registrar's Omnibus Account to the Depository Participant's Own Account or to the Individual Investor Account of the Depository Participant's client.
- (3) Securities transferred from the Registrar's Omnibus Account to the Depository Participant's Own Account or to the Individual Investor Account of the Depository Participant's client, as specified in Rule 62(2), shall be considered duly deposited into the CSD System.
- (4) Eligible securities may be deposited with a Depository Participant after the admittance of securities into the CSD in accordance with Rule 59 and the notification date set by the Issuer in consultation with the SEC and a Securities Exchange.
- (5) Upon the deposit of securities, the CSD shall credit the securities account of the Depositor with the specified amount of the deposited securities.
- (6) Where any certificate or instrument of transfer is lost, destroyed or stolen while in the custody of a Registrar or a Depository Participant, the Registrar or the Depository Participant shall indemnify and hold the CSD indemnified in the event of any claims whatsoever brought

against the CSD by the Depositor or any other party by reason of the lost, destroyed, stolen or misplaced certificates or instruments.

(7) The CSD may charge a fee prescribed for any security deposited by the Issuer from such date as may be prescribed by the CSD, provided that such date is after the date of admission into the CSD.

63. Deposit of Securities during Primary Issues

(1) The CSD shall record securities in completely dematerialized form into its system where:

- (a) The Issuer's Constitution permit it to do so and the Issuer's Board of Directors pass a resolution to that effect; or
- (b) The dematerialization is conducted pursuant to Section 22 of the CSD Act.

(2) The CSD in consultation with the SEC and a Securities Exchange may prescribe for complete dematerialisation of a security proposed to be listed on a Securities Exchange pursuant to Section 22 of the CSD Act.

(3) The CSD shall keep records of book-entry securities and perform functions providing for the deposit and transfer of securities deposited therein.

64. Additional Issue of Securities

Obligation of the Issuer to Notify CSD

(1) An Issuer shall upon making an announcement of an additional issue of securities notify the CSD or the Issuer Agent in writing not later than three (3) Business Days before the Record Date.

(2) The CSD, or Issuer Agent shall on receiving the notification enter the details in the CSD System.

Provisional Letters of Allotment of Equities

(3) Where a security has been prescribed for admission, a provisional letter of allotment for corporate actions such as rights issue, bonus issue etc, submitted to the SEC or the relevant Securities Exchange for approval shall contain a statement that:

- (a) The principal security underlying the corporate action has already been prescribed as an eligible security;
- (b) For all Depositors, the acceptance of allotment for corporate action shall mean that the Depositor consents to receiving such securities in book-entry form ;
- (c) A person who intends to purchase such corporate action as renounced shall state the securities account number whereupon such corporate action shall be credited directly to the securities account in book-entry form;
- (d) A provisional letter of allotment has been issued to a Depositor who is entitled to the corporate action by virtue of the relevant book-entry security which is standing in the credit of the securities account.

(4) An Issuer shall, upon issuing any securities pursuant to additional issue of securities, determine the computation of entitlement based upon the appropriate allocation in proportion to the

amount of book-entry securities held by the CSD and deliver to the CSD a list of the allottees and the quantity of securities allotted to them.

- (5) Unless otherwise instructed directly by a Depositor to the contrary, the Issuer shall, where the Depositor has more than one Securities Account for the particular security, allocate such securities into the Depositor's Securities Accounts in such proportion as the security is distributed in the existing account.
- (6) On the record date, the CSD System will generate a record of holdings of Depositors in the security known as the Entitlement List.
- (7) Where the placement of securities and related payments are conducted outside the CSD System, after the due date for payment for the corporate action, the Issuer will prepare and submit a list of successful allottees as done in the case of Primary Issues.
- (8) An applicant for excess securities arising from an additional issue of securities shall open a Securities Account, if he does not already hold one.
- (9) To facilitate provision and settlement of such corporate actions, the CSD shall make provision in its system for immobilisation, recording and settlement of such rights.

65. Entries on the Issue of Securities

- (1) For the primary or additional issue of securities conducted outside of an auction/IPO system, the CSD shall, upon receipt of the list of allottees from the Issuer, credit the respective Securities Accounts with the allotted securities based on the list of allottees from the Issuer.
- (2) For the primary or additional issue of securities conducted on an auction/IPO system, the CSD shall credit the respective Securities Accounts with the allotted securities based on the data received from the auction/IPO system.

66. Withdrawal of Securities

Application for Withdrawals

- (1) Before complete dematerialization, Depositors may withdraw all or part of the securities held in their accounts.
- (2) A request for withdrawal shall be made through a Depository Participant.
- (3) The withdrawal of securities shall be carried out in accordance with the following procedure:
 - (a) The Depository Participant initiates a securities withdrawal request in the CSD System, either in its own name or on behalf of its client, and submit the required supporting documents;
 - (b) The CSD approves the securities withdrawal request;
 - (c) Upon the CSD's approval, the securities are transferred from the Depository Participant's Own Account or the Individual Investor Account of the Depository Participant's client to the Registrar's Omnibus Account or a materialized Investor Securities Account under the Registrar;
 - (d)

- (e) The Registrar is notified when the securities are credited to either the Registrar's Omnibus Account or the holder's account for materialized securities under the Registrar, in accordance with Rule 66(3)(c).
- (4) Where a withdrawal securities request has been initiated, no dealings in those securities shall take place unless the application is discarded.
- (5) Government of Ghana securities with the CSD are not subject to withdrawals.
- (6) The CSD may prescribe fees for withdrawals.

Exceptions

- (7) Before complete dematerialization, book-entry securities can be withdrawn from the CSD except in the following circumstances:
 - (a) where the securities are the subject of a transaction which has not been settled;
 - (b) where a prohibition for withdrawal of such securities is notified by a Securities Exchange under the CSD Act;
 - (c) where such securities are for the time being designated as securities in or under suspense for purposes of withdrawal pursuant to the CSD Act; and
 - (d) any other circumstances that may be prescribed by the CSD from time to time with the approval of SEC.

Rejection

- (8) In the event of a rejection of a request for withdrawal of securities, the rejection, together with the reason for the rejection, shall be notified to the respective Depository Participant within three (3) Business Days of the date of receipt of the request for withdrawal by the CSD from the Depository Participant.
- (9) Except in circumstances where the documents relating to any rejected withdrawal may be retained to aid investigations, such documents shall be returned to the respective Depository Participant.

Restriction

- (10) Where the SEC, a Securities Exchange or an Issuer restricts or prohibits the withdrawal of book entry securities, the SEC, a Securities Exchange or an Issuer shall:
 - (a) notify the CSD of the decision; and
 - (b) state the book entry securities restricted.

67. Removal of Securities in the CSD

- (1) Where securities which are admitted into the CSD cease to be listed on a Securities Exchange, the CSD shall continue holding the securities in book-entry form unless the Issuer requires the removal of securities admitted in the CSD.

(2) The removal of securities shall be carried out in accordance with the following procedure:

- (a) The Issuer, its Registrar or the Issuer Agent submits to the CSD a request for the removal of securities from the CSD System;
- (b) The Issuer who is listed on a Securities Exchange provides evidence of the de-listing to the CSD;
- (c) The CSD withdraws all securities issued by the Issuer from the CSD System by transferring securities from the Depository Participant's Own Accounts, Individual Investor Accounts or the Issuer Own Account to the Registrar's Omnibus Account or a materialized Investor Securities Account under the Registrar;
- (d) Upon the transfer of securities to the Registrar's Omnibus Account or a materialized Investor Securities Account, the securities are credited to the holders' accounts for materialized securities under the Registrar.;
- (e) The Issuer's Registrar is notified when the securities are credited to the holder's account for materialized securities under the Registrar, in accordance with 67(2)(d);
- (f) The Entitlement List of securities holders or securities certificates are delivered to the Issuer, its Registrar or the Issuer Agent;
- (g) The securities are debited from the holders' accounts for materialized securities under the Registrar in accordance with the Operational Procedures of the CSD System.

(3) All liabilities of the CSD and of Depository Participants towards such Depositors shall cease forthwith upon the Issuer's removal of securities from the CSD, save for any accrued liabilities.

CLEARING AND SETTLEMENT RULES

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**Settlement Processing
and Transfer Orders**

CLEARING AND SETTLEMENT RULES

Part VII. Settlement Processing and Transfer Orders

68. General Rules on Settlement Processing

- (1) The settlement of operations in the CSD System occurs through the processing of transfer orders introduced in or generated by the CSD System in accordance with Rule 71(1).
- (2) The settlement processing within the CSD System shall include the following steps:
 - (a) Transfer Order Entry;
 - (b) Transfer Order Irrevocability;
 - (c) Irrevocability of transfers in the books in the CSD accounts.
- (3) The steps of the settlement processing, as established in Rule 68(2), are executed automatically by the CSD System.

69. Settlement Processing Steps and Settlement Finality

Transfer Order Entry

- (1) A transfer order is considered to be entered into the CSD System when, according to the technical parameters of the CSD System, the order has been validated by the CSD System.
- (2) The CSD System keeps records and ensures the registration of the moment when the transfer order is validated by the CSD System, at which point it is considered to be a transfer order entry into the CSD System.

Irrevocability of Transfer Orders

- (3) The transfer order cannot be revoked once it has been matched in the CSD System according to the technical parameters of the CSD System.
- (4) From the moment of transfer order irrevocability, the transfer order may not be modified, revoked, or cancelled by the CSD and Depository Participants, except in the following cases:
 - (a) The cases established by Rule 73(3) and Rule 74(1);
 - (b) Other cases provided by law or the SEC's regulations.
- (5) The transfer orders based on data on securities transactions concluded at and sent by a Securities Exchange shall be considered as matched. Accordingly, the transfer orders for securities transactions concluded at a Securities Exchange become irrevocable at the time when the data sent by the Securities Exchange are entered and validated in the CSD System.
- (6) Unless otherwise provided by law or other regulations, the transfer orders based on data on securities transactions concluded in the auction system and sent by the auction system operator shall be considered as matched. Accordingly, the transfer orders for securities transactions concluded on the auctions system become irrevocable at the time when the data sent by the auction system operator, an Issuer, or an Issuer Agent are entered into the CSD System.

- (7) The CSD System shall keep records of the time when the transfer order is matched in the CSD System and is thus considered irrevocable. Accordingly, the CSD System shall keep records of the time when the data sent by the auction system operator and the Securities Exchange are entered into the CSD System as set forth in Rule 69(6) and Rule 69(5).
- (8) A transfer order received from a Securities Exchange can be reallocated to securities accounts managed by a Depository Participant before settlement finality (SF III).

Settlement Finality

- (9) Securities settlement is considered final, and the transfer order is considered executed from the moment the securities are credited to the account of the person receiving the securities and debited from the account of the person transmitting the securities.
- (10) In the case of operations involving a transfer of cash, the settlement of cash is considered executed at the time established in accordance with Rule 87(4).

70. Settlement in External CSD Accounts

- (1) The transfer of securities into and out of an External CSD Account shall be carried out by the CSD at the request of the Depository Participant and the External CSD as follows:
 - (a) As a bring-in operation by transferring securities from the Depository Participant's Own Accounts, Individual Investor Accounts or the Issuer Own Accounts to the External CSD Account;
 - (b) As a take-out operation by transferring securities from the External CSD Account to the Depository Participant's Own Accounts, Individual Investor Accounts or the Issuer Own Accounts.
- (2) The transfer of securities into and out of an External CSD Account shall be executed under the Free of Payment (FoP) mechanism, unless the CSD and the External CSD accept the settlement under the Delivery Versus Payment (DVP) mechanism.
- (3) Where securities are held in an External CSD Account, the External CSD shall process a settlement operation in accordance with its rules.

71. Transfer Order Entrance into the CSD System

- (1) The CSD shall process the transfer orders introduced in or initiated by the CSD System as follows:
 - (a) Transfer orders entered directly into the CSD System by Depository Participants or the CSD;
 - (b) Transfer orders initiated by the CSD based on data on securities transactions received from Securities Exchanges;
 - (c) Transfer orders initiated by the CSD based on data on securities transactions on the auction/IPO system received from the system operator;
 - (d) Transfer orders generated by the CSD System to perform a corporate action, or any operation based on data related to a security admitted in the CSD System.

- (2) The CSD initiates the processing of transfer orders entered directly into the CSD System by Depository Participants, provided that the transfer orders comply with the requirements set forth in this Rulebook applicable market rules and have been entered into the CSD System in accordance with the Operational Procedures.
- (3) Transfer orders can be entered into the CSD System and processed within the period established by the Designated Time Schedule, except as established in Rule 71(4).
- (4) Where there are interruptions or incidents caused by technical deficiencies including, malfunctions of the CSD System, communication networks, systems linked with the CSD, the CSD shall apply the following measures to ensure the securities settlement:
 - (a) Implementing necessary continuity measures to restore normal operation of the CSD System as soon as possible;
 - (b) Accepting and processing transfer orders outside the Designated Time Schedule;
 - (c) Authorising CSD employees to manually process transfer orders.

72. Validity and Legal Effect of Transfer Orders

- (1) Transfer orders shall be valid, have legal effect, and be effective toward counterparties of the operation and third parties from the time the transfer orders are entered and validated in the CSD System, including in the event of insolvency proceedings against a Depository Participant, provided that such transfer orders are entered into the CSD System before the initiation of the insolvency procedure.
- (2) Where the transfer order is entered into the CSD System after the initiation of the insolvency procedure against a counterparty of the operation, and where the order is executed according to this Rulebook on the working day when the insolvency procedure was initiated, this transfer order produces its legal effects and shall be effective toward third parties, provided that, at the time of transfer order irrevocability, the person who initiated a transfer order (Depository Participant entering a Transfer order) can prove that it did not know and could not have known that the insolvency proceedings had been initiated.
- (3) In the case established by Rule 72(2), it shall be deemed that the CSD did not know and could not have known that insolvency proceedings were initiated if, until the moment of transfer order irrevocability, the CSD was not informed about the initiation of insolvency proceedings according to Rule 45(2).

73. Modification and Cancellation of Transfer Orders

Modification of Transfer Orders

- (1) The transfer order cannot be modified once it has been entered into the CSD System (SF I).

Cancellation of Transfer Orders

- (2) A transfer order entered by a Depository Participant in the CSD System may be cancelled by the Depository Participant in question until the irrevocability (matching) of the order (SF II).
- (3) The transfer order that has been matched (SF II) may be cancelled by the CSD at the request of both Depository Participants who entered these orders, having the necessary approvals from a Securities Exchange, the Commission and any other relevant authority, until its execution (SF III).

74. Correction of Transfer Orders

- (1) The CSD may correct transfer orders or credit and debit operations in securities accounts if such operations have been executed due to an error in the CSD System or the CSD's operational malfunction.
- (2) To correct transfer orders or credit and debit operations in securities accounts, the CSD may issue the necessary instructions to correct the previously entered transfer order and the crediting or debiting operation in the CSD System.
- (3) The CSD shall inform the parties to the transaction, the Securities Exchange and the Commission about any corrections made to transfer orders and/or crediting or debiting operations in accordance with this Rule 74 by the next Business Day after the instructions are entered into the CSD System.
- (4) The CSD shall keep records of cases where transfer orders or credit and debit operations are corrected due to errors in the CSD System or the CSD's operational malfunction.

75. Recycling of Transfer Orders

- (1) The CSD System applies the recycling of transfer orders, whereby unsettled transfer orders are moved from one Business Day to another Business Day, in accordance with this Rule 75 and the Operational Procedures (hereinafter referred to as the "recycling").
- (2) All transfer orders settled in the CSD System are subject to recycling, except for:
 - (a) Pledges;
 - (b) Operations involving the Central Bank, which are automatically cancelled if settlement does not occur on the Settlement Date.

76. Transfer Order Priority

- (1) The Depository Participants may assign one of the following priority settings to a transfer order:
 - (a) High Priority;
 - (b) Normal Priority,whereby settlement instructions compete for using the same securities and cash resources during the recycling and settlement processes.
- (2) The Normal Priority is assigned automatically by the CSD System, if a Depository Participant does not assign manually a priority setting to its transfer orders.
- (3) The priority of a settlement will be determined by the highest priority level assigned by Depository Participants, in accordance with the following rules:
 - (a) If the same priority level is indicated in both the "buy side" and the "sell side" transfer orders, the CSD system will use that priority level for the settlement;
 - (b) If different priority levels are indicated in both the "buy side" and the "sell side" transfer orders, the system will apply the priority level assigned by the Depository Participant that has the role of the seller.

77. Non-execution and Prohibition from Entering Transfer Orders

Non-execution

- (1) A transfer order shall not be executed by the CSD System in the following cases:
 - (a) The securities account to be debited contains fewer securities than indicated in the transfer order;
 - (b) According to data from external payment systems, the cash balance of the cash account to be debited is less than the value indicated in the transfer order, in the case of operations involving the transfer of cash under the DVP1 mechanism;
 - (c) According to data from external payment systems, the cash balance of the cash account to be debited is less than the value indicated in the CSD's payment instruction containing the Net Settlement Position according to Rule 88, in the case of operations involving the transfer of cash under the DVP2 mechanism;
 - (d) Securities or related rights are restricted according to Part XV;
 - (e) The appointment of the Depository Participant is suspended or terminated in accordance with Rule 40.

Prohibition from Entering Transfer Orders

- (2) The CSD shall prevent the Depository Participant to enter transfer orders into the CSD System in the following cases:
 - (a) Upon the suspension and termination of the Depository Participant's appointment in accordance with Rule 40;
 - (b) If the Depository Participant has not honoured its settlement obligations;
 - (c) At the Securities Exchange or Commission's request.

78. Data for Settlements from Securities Exchanges

- (1) A Securities Exchange shall send to the CSD the data covering both the "buy side" and the "sell side" of any securities transaction concluded at the Securities Exchange for its clearing and settlement by the CSD in accordance with the agreement entered into between the CSD and a Securities Exchange.
- (2) The structure, format and content of data sent by the Securities Exchange to the CSD under Rule 78(1) shall be mutually agreed upon by the Securities Exchange and the CSD.
- (3) The CSD may accept data covering both the "buy side" and the "sell side" of any securities trade concluded at the Securities Exchange for its clearing and settlement from the Securities Exchanges only in the structure, format and content to be mutually agreed upon by the Securities Exchange and the CSD.
- (4) Trades provided by an approved Securities Exchange are considered as pre-compared or "locked in" or matched trades and require no additional action by either the seller or buyer Depository Participant.

- (5) A securities transaction concluded at the Securities Exchange shall be considered as a contract confirmed by the transaction counterparties. Accordingly, the Transfer orders for the settlement of securities transaction concluded at the Securities Exchange shall be considered irrevocable as set forth in Rule 69(5).

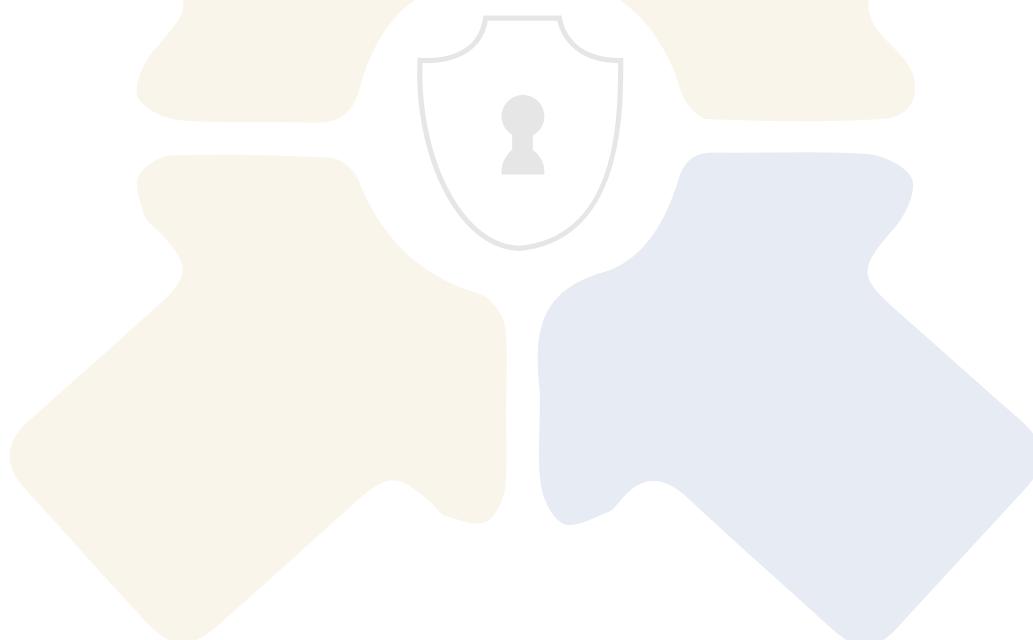
79. Data for Settlement from Issuers

- (1) Unless otherwise provided by law, Bank of Ghana's regulations, or the agreement between the Bank of Ghana and the CSD, the rules set forth in Rule 78 shall apply mutatis mutandis to data received from the Bank of Ghana for securities transactions concluded in the auction/ IPO system.

80. Settlement under the Power of Attorney Regime

- (1) The CSD shall offer the Depository Participants the facility to conduct and settle operations under the Power of Attorney Regime (herein referred to as the "Power of Attorney Regime"), whereby a Depository Participant (herein referred to as the "Grantor-Depository Participant") may grant another Depository Participant (herein referred to as the "Grantee-Depository Participant") full access to certain or all securities accounts or securities managed by the Grantor-Depository Participant within the CSD System.
- (2) The Power of Attorney Regime is established directly between the Grantor-Depository Participant and the Grantee-Depository Participant, based on a mutual agreement between counterparties, and without the involvement or approval of the CSD.
- (3) The Grantor-Depository Participant shall inform the CSD in writing when granting a Power of Attorney to the Grantee-Depository Participant, no later than the date when the Power of Attorney Regime between the Grantor and Grantee is applied in the CSD System.
- (4) The agreement related to the Power of Attorney Regime shall explicitly define the specific access rights over securities accounts or securities granted by the Grantor-Depository Participant to the Grantee-Depository Participant, including but not limited to the following:
 - (a) Securities accounts or securities under the Power of Attorney Regime;
 - (b) Validity period of the Power of Attorney Regime;
 - (c) Right of the Grantor-Depository Participant to cancel the Power of Attorney Regime at any time at its discretion.
- (5) The Grantee-Depository Participant shall have exclusive authority to conduct operations in the securities accounts to which it has been granted access.
- (6) Unless the agreement between counterparties provides otherwise, during the validity period of the Power of Attorney Regime, the Grantor-Depository Participant shall refrain from conducting any operations in the securities accounts that are under the control of the Grantee-Depository Participant.
- (7) During the validity period of the Power of Attorney Regime, the Grantee-Depository Participant shall not grant reciprocal access to its own securities accounts or securities to the Grantor-Depository Participant under a Power of Attorney Regime.

- (8) After the validity period of the Power of Attorney Regime, all access rights granted to the Grantee-Depository Participant shall be revoked immediately, and the Grantor-Depository Participant shall regain full operational control over the affected securities accounts or securities.
- (9) The Grantor-Depository Participant shall remain responsible toward the CSD and its clients for operations in the securities accounts or securities that it has granted access to under the Power of Attorney Regime, even though operational control is vested in the Grantee-Depository Participant during the validity period of the Power of Attorney Regime.
- (10) Notwithstanding Rule 80(9), the Grantee-Depository Participant shall remain responsible for ensuring compliance with all applicable provisions of this Rulebook and CSD Operational Procedures while exercising the rights and access granted under the Power of Attorney Regime.
- (11) The CSD shall not be held liable or responsible for any actions, operations, or outcomes that arise as a result of the Power of Attorney Regime relationship between the Grantor-Depository Participant and the Grantee-Depository Participant.
- (12) The CSD may request from the Grantor-Depository Participant and the Grantee-Depository Participant any document and information related to the Power of Attorney Regime relationship as deemed necessary.



viii

Clearing and Settlement Framework

Part VIII. Clearing and Settlement Framework

81. General Rules on Clearing and Settlement

Mandatory Settlement

- (1) All transactions involving securities admitted into the CSD System shall be cleared and settled through the CSD.
- (2) The CSD shall provide clearing and settlement services to an approved Securities Exchange in relation to admitted securities traded on that Securities Exchange.
- (3) The settlement of transactions provided by Rule 83(1) and Rule 83(2), including Securities Exchange trades, over-the-counter transactions, and placements from the auction/IPO system, shall be conducted through the CSD.
- (4) The CSD shall ensure the settlement finality of securities operations carried out through the CSD system provided that securities and cash are delivered by the transaction parties on the Settlement Date.
- (5) The CSD shall conduct clearing and settlement of securities in accordance with the CSD Act, the Securities Industries Act as amended, its Regulations, market rules, this Rulebook and the Operational Procedures.
- (6) Depository Participants shall be responsible for their own settlement obligations as well as those of their clients.

Effect of Settlement

- (7) Upon settlement of the eligible securities and payment thereof, title to the securities shall transfer on the Settlement Date, and such transfer shall be final and irrevocable according to Rule 69.

Settlement to be Unconditional

- (8) A Depository Participant shall not attach any condition or restriction to the settlement of transactions.

Designated Time Schedule

- (9) Clearing and Settlement shall be carried out in line with the provisions of the Designated Time Schedule.

Custodian Trade Affirmation

- (10) Trade affirmation by Custodian Banks shall be done in accordance with this Rulebook and Operational Procedures.

Good Title

- (11) A transferee holder of an account under the Depository Participant's management acquires good title to eligible securities obtained by means of a transaction settled through the CSD.

Transaction Report

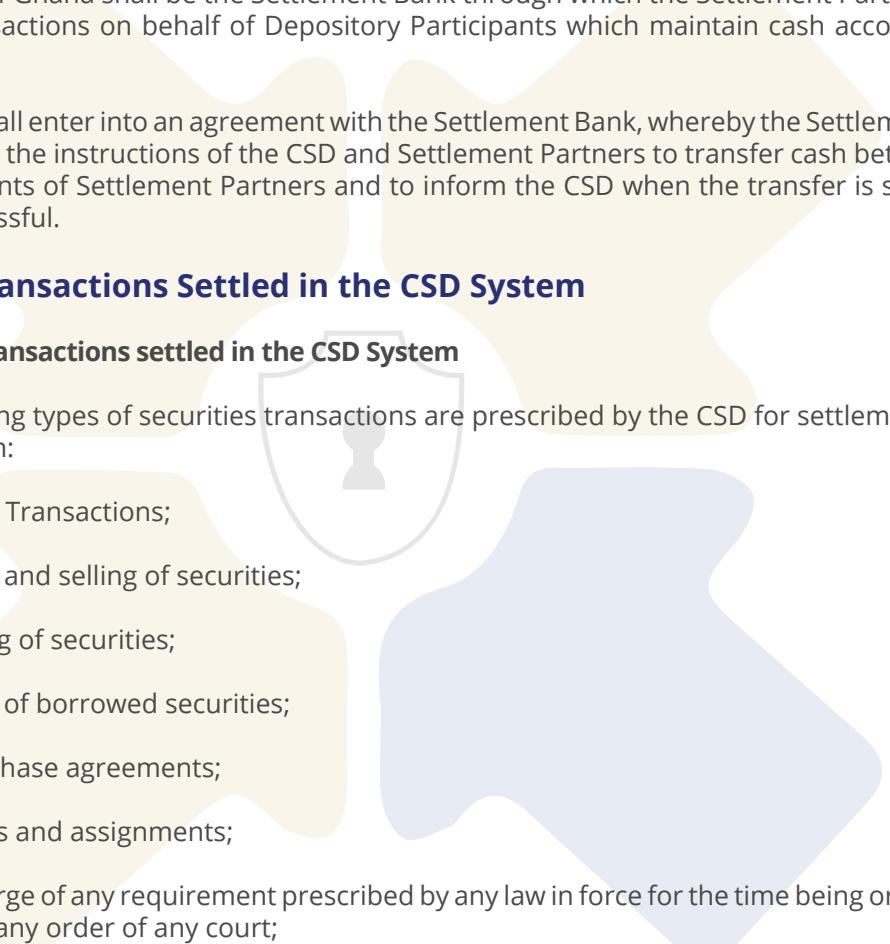
(12) On every Business Day, where one or more transactions are recorded in a Depository Participant's Account, the CSD shall combine the transactions and provide such Depository Participant as well as Settlement Partners and the Settlement Bank with the reports at such time as are set forth in the Operational Procedures.

82. Settlement Bank

- (1) The settlement bank for the settlement of cash in respect of transactions cleared through the CSD shall be the Bank of Ghana (hereinafter referred to as the "Settlement Bank").
- (2) The Bank of Ghana shall be the Settlement Bank through which the Settlement Partners shall settle transactions on behalf of Depository Participants which maintain cash accounts with them.
- (3) The CSD shall enter into an agreement with the Settlement Bank, whereby the Settlement Bank shall act on the instructions of the CSD and Settlement Partners to transfer cash between the cash accounts of Settlement Partners and to inform the CSD when the transfer is successful or unsuccessful.

83. Securities Transactions Settled in the CSD System

Types of transactions settled in the CSD System



- (1) The following types of securities transactions are prescribed by the CSD for settlement in the CSD System:
 - (a) Private Transactions;
 - (b) Buying and selling of securities;
 - (c) Lending of securities;
 - (d) Return of borrowed securities;
 - (e) Repurchase agreements;
 - (f) Pledges and assignments;
 - (g) Discharge of any requirement prescribed by any law in force for the time being or imposed under any order of any court;
 - (h) Deposit of securities into or a withdrawal of securities from the CSD system;
 - (i) Transfer of any book-entry securities in connection with the issuance of any depository receipts or transfer of any book-entry securities resulting from the cancellation of any depository receipts;
 - (j) Any other transactions approved by the Commission.

Private Transactions

- (2) The following transactions shall be deemed as private transactions:
 - (a) Inheritance of securities;
 - (b) Donations of securities;
 - (c) Gifts of securities;
 - (d) Other applicable private transactions set forth by the Commission.
- (3) The private transactions shall be executed under the FoP mechanism and settled with the prior approval of the CSD.
- (4) The Depository Participants shall operate entries relating to private transactions in accordance with the requirements stated in the Operational Procedures and with the prior approval of the CSD.

84. Settlement Date

- (1) Securities transactions carried out through the CSD System shall be settled on the Settlement Date.
- (2) The Settlement Date shall be established in accordance with this Rulebook and shall be indicated in one of the following documents:
 - (a) Data delivered by any approved Securities Exchange regarding the securities transactions concluded (matched) thereby;
 - (b) Data regarding securities transactions executed in the auction/IPO system as specified in the issuance calendar;
 - (c) Transfer orders introduced into the CSD System by the Depository Participants for over-the-counter securities transactions.
- (3) The official date of the comparison of positions, the clearing of transactions and the settlement of contracts is the Settlement Date for such contracts, and all correspondence and documents relating thereto shall bear that date.
- (4) Where a trade settlement falls on a known public holiday, the Settlement Date shall be moved to the next Business Day.
- (5) Where a holiday falls between the trade date and the Settlement Date and the holiday becomes known only after the trade has taken place, the Settlement Date for that trade shall be merged with the trade settlement for the next Business Day.

85. Settlement Cycle

- (1) For securities transactions executed on any approved Securities Exchange, the Settlement Date shall be up to the third Business Day (T+3) after the trading takes place.
- (2) For debt securities transactions executed in the auction/IPO system, the Settlement Date shall be the next Business Day after the trading takes place (T+1), if the issuance calendar does not set forth another Settlement Date.

(3) For securities transactions other than those provided by Rule 85(1) and Rule 85(2), the Settlement Date shall be the Business Day established by the Depository Participants that constitute the counterparties of the transactions or as the CSD may from time to time prescribe.

86. Settlement Mechanisms

- (1) The settlement of securities transactions carried out through the CSD System may be done on a Delivery versus Payment (DVP) basis or Free of Payment (FoP) basis where FoP is allowed/ permitted.
- (2) The securities transactions involving a transfer of cash shall be carried out through the DVP1 or DVP2 mechanisms, as follows:
 - (a) The settlement of securities transactions executed on any approved Securities Exchange shall be carried out through the DVP2 mechanism;
 - (b) The settlement of securities transactions executed in the auction/IPO system shall be carried out through the DVP1 or DVP2 mechanism;
 - (c) The settlement of securities operations with instruments of the Bank of Ghana shall be carried out either through the DVP1 or DVP2 mechanism, as deemed necessary by the Bank of Ghana.
- (3) Over-the-counter transactions shall be settled either through the DVP1, DVP2, or on FoP basis.
- (4) Notwithstanding the rule mentioned in Rule 86(2) and Rule 86(3), the CSD may use the Delivery versus Delivery (DVD) mechanism, the Payment Free of Delivery (PFoD), Delivery with Payment (DWP), Receive with Payment (RWP) instructions and any other relevant settlement mechanisms and instructions as deemed necessary to settle a corporate action, a collateral operation or any other operations executed through the CSD System.

87. Settlement Operations Involving Transfer of Cash

- (1) The settlement of operations involving a transfer of cash shall be carried out through the Settlement Bank.
- (2) To carry out the transfer of cash for operations performed in the CSD System, the CSD shall order the debiting of the cash accounts of Settlement Partners in the Settlement Bank for the operations set out in Rule 87(3).
- (3) The CSD shall order the debiting of the cash accounts of a Settlement Partner in the Settlement Bank for the following operations conducted through the CSD System:
 - (a) operations carried out by the Settlement Partner that is a Depository Participant in its own name;
 - (b) operations carried out by a Non-Bank Depository Participant which is the client of the Settlement Partner in question;
 - (c) corporate actions related to the securities issued by a Non-Bank Issuer that is the client of the Settlement Partner in question.

- (4) The transfer of cash for securities operations through the CSD System is considered executed at the time when the cash account of the payer Settlement Partner is duly debited and the cash account of the payee Settlement Partner is duly credited.

88. Net Cash Settlement

- (1) The net cash payment obligations arising on the Settlement Date shall be carried out and settled through the Settlement Bank at the time set forth in the Operational Procedures or as prescribed by the CSD from time to time.
- (2) The net cash settlement is carried out by the Settlement Bank according to the CSD's payment instructions, by crediting and debiting the respective cash accounts of the Settlement Partners for the operations set out in Rule 86(2).
- (3) The net cash settlement shall be based on the Net Settlement Position of each Depository Participant and Issuer, as determined by the clearing and netting conducted by the CSD.

89. Measures to Prevent Settlement Fails

- (1) The Depository Participants shall, take measures to limit the number of settlement fails.
- (2) For securities transactions carried out by a Depository Participant or its clients, the Depository Participant shall ensure that:
- (3) The Depository Participant shall ensure the availability of securities and cash as required by Rule 89(2) not later than on the Settlement Date at the time set forth in the Operational Procedures or as prescribed by the CSD from time to time.
- (4) For the settlement of corporate actions with the securities issued by an Issuer, the Issuer is obliged to ensure:
 - (a) A sufficient number of securities in the Issuer's Account opened in the CSD System;
 - (b) A sufficient amount of cash in the cash account of the Issuer's Settlement Partner.
- (5) The Issuer is obliged to ensure the availability of securities and cash as required by Rule 89(4) not later than on the Settlement Date or the payment day, at the time set forth in the Operational Procedures or as prescribed by the CSD from time to time.
- (6) Depository Participants and Issuers are required to apply the necessary credit and liquidity risk management mechanisms to ensure the settlement of their operations. Accordingly, Depository Participants and Issuers are obligated to:
 - (a) Establish funding facilities as required by Rule 96(1);
 - (b) Establish and apply a settlement limit with the Settlement Partner.
- (7) If on the Settlement Date, the Depository Participants or Issuers do not have the necessary amount of cash or securities to ensure the settlement of operations carried out through the CSD System, they may:
 - (a) Borrow the necessary amount of cash or securities in line with market rules;
 - (b) Undertake any other measures necessary to ensure the settlement.

(8) The Settlement Partners are required to inform the CSD if the Depository Participants or Issuers have not delivered the necessary amount of cash for the execution of their settlement obligations not later than on the Settlement Date at the time set forth in the Operational Procedures or as prescribed by the CSD from time to time.

90. Measures to Address Settlement Fails

- (1) In the event of a settlement fail of a transaction other than a corporate action:
 - (a) the Settlement Guarantee Fund shall be applied as set out in the Guidelines on Settlement Guarantee Fund ;
 - (b) buy-in procedure shall be initiated, in accordance with the trading rules of the Securities Exchange – for securities admitted at the Securities Exchange.
- (2) The settlement fail shall be subject to such cash penalty as provided in the Fees and Charges Schedule approved by the Commission.
- (3) In addition to the cash penalty as set forth in Rule 90(2), the CSD may apply one or more of following sanctions:
 - (a) Suspend or terminate the appointment of the Depository Participant that fails consistently and systematically to deliver securities or cash on the Settlement Date;
 - (b) Disclose to the public the identity of the Depository Participant that fails consistently and systematically to deliver securities or cash on the Settlement Date, after giving that Depository Participant the opportunity to submit its observations regarding the settlement fail.
- (4) The CSD shall:
 - (a) Monitor the settlement fails of transactions in securities and/or cash; and
 - (b) Provide periodic reports to the Commission and the Securities Exchange as to the number and details of settlement fails and any other relevant information, including the measures envisaged by the CSD and the Depository Participants to improve settlement efficiency.

91. Disclosure of Clearing and Settlement Data

- (1) The CSD, a Director or an Officer of the CSD whether during his tenure of office or during his employment or thereafter, and any other person who has by any means knowledge of any Clearing and Settlement Data shall not give, divulge, reveal or otherwise disclose such Clearing and Settlement Data to any other person except in the following circumstances:
 - (a) Disclosure by a Depository Participant to any other persons regarding own operations conducted by the Depository Participant in question;
 - (b) Disclosure by a Depository Participant to its Settlement Partner and Settlement Bank, as deemed adequate for cash settlement;
 - (c) Disclosure by a Depository Participant one or more pre-defined persons regarding the operations conducted by its client, when the Depository Participant has authorised the disclosure in writing by the client in question;

- (d) Disclosure in the case where the Depository Participant is being or has been wound up within or outside Ghana to the person who has a right to receive the Clearing and Settlement Data relating to the Depository Participant arising from a wound up;
- (e) Disclosure in the case of any litigation or other legal proceedings, subject to a court order;
- (f) Disclosure to any person duly authorised by a competent court, or the Commission or any other competent authority holding any inquiry or investigating any offence under any law for the time being in force;
- (g) Disclosure for the purpose of enabling or assisting the Commission, the Bank of Ghana, a Securities Exchange or any other competent authority to exercise any power conferred on it by any law for the time being in force;
- (h) Disclosure for the purpose of enabling or assisting any competent authority to exercise any power conferred on it by any law for the time being in force;
- (i) Disclosure for the purpose of enabling or assisting auditors of the CSD, or auditors of the Depository Participant to discharge their functions;
- (j) Disclosure to the Bank of Ghana, the Commission, a Securities Exchange or any other competent authority if the disclosure is required in the interest of investors or in the public interest.

- (2) A person who has any Clearing and Settlement Data which to his knowledge has been disclosed to him in contravention of this Rulebook shall not in any manner howsoever disclose it to any other person.
- (3) Except as regards the release of any Clearing and Settlement Data pursuant to an order of a Court, the Commission, or other competent authority, the release of any Clearing and Settlement Data to a person shall be conditional upon either:
 - (a) a written request, or
 - (b) the execution of a written agreement with the CSD,

whichever is appropriate in the discretion of the CSD, and the CSD, in its discretion, shall establish the conditions under which such data shall be released and the fees, if any, to be paid for such data.



Part IX. Settlement Partners

92. Obligation to Designate a Settlement Partner

- (1) Every Non-Bank Depository Participant shall:
 - (a) designate a Settlement Partner from the list of acceptable Settlement Partners to the CSD for settlement purposes;
 - (b) settle their own financial obligations and those of their clients through the designated Settlement Partner;
 - (c) enter into a settlement partner agreement with the Settlement Partner for the purpose of settling transactions through the CSD System (hereinafter referred to as the "Settlement Partner Agreement").
- (2) The Issuers with Corporate Actions shall:
 - (a) designate a Settlement Partner from the list of acceptable Settlement Partners to the CSD for settlement purposes;
 - (b) settle their own financial obligations through the designated Settlement Partner;
 - (c) enter into a Settlement Partner Agreement.
- (3) Depository Participants and Issuers with Corporate Actions that are banks may act as Settlement Partners or may appoint another bank as the Settlement Partner from the list of acceptable Settlement Partners for the settlement of their own operations and those of their clients.
- (4) A Depository Participant and Issuer with Corporate Actions may designate one or more Settlement Partners as deemed necessary.
- (5) The Depository Participants and Issuers with Corporate Actions shall communicate in writing to the CSD details of their designated Settlement Partners.
- (6) The CSD shall keep records regarding Settlement Partners designated by the Depository Participants and Issuers with Corporate Actions.

93. Eligibility Criteria for Admission as a Settlement Partner

- (1) The CSD may accept a bank as a Settlement Partner if the bank complies with the following eligibility conditions:
 - (a) is duly licensed to carry on banking business by the Bank of Ghana;
 - (b) has designated a branch located in Accra and acceptable to the CSD as its main contact branch;
 - (c) is capable of maintaining real time services and online linkage with the CSD System and the Real Time Gross Settlement (RTGS) system of the Bank of Ghana.
 - (d) meets the capital requirement of the Bank of Ghana for Universal Banks;
 - (e) any other condition that the CSD shall prescribe.

- (2) The CSD shall maintain and publish on its official website a list of banks that satisfy the eligibility criteria and have agreed to act as Settlement Partners to the Depository Participants and Issuers with Corporate Actions.

94. Change of Settlement Partner

- (1) A Depository Participant and Issuer with Corporate Actions may change its Settlement Partner as deemed necessary or in accordance with Rule 94(2).
- (2) A Depository Participant and its Settlement Partner shall notify the CSD of the termination of the Settlement Partner Agreement.
- (3) The CSD shall request a Depository Participant and Issuer with Corporate Actions to change their Settlement Partner where it no longer satisfies the eligibility criteria set out in Rule 93(1).
- (4) The Depository Participants and Issuers with Corporate Actions must not be indebted to its existing Settlement Partner when changing its Settlement Partner.
- (5) The Depository Participants and Issuers with Corporate Actions shall inform the CSD about any change of the designated Settlement Partner at least five (5) Business Days in advance of the change.
- (6) The CSD shall proceed in the CSD System with the request of a change in Settlement Partner as contained in the information provided by the Depository Participants and Issuers with Corporate Actions.

95. The Role of a Settlement Partner

- (1) A Settlement Partner shall facilitate clearing and settlement of securities transactions.
- (2) The Settlement Partners shall maintain cash accounts of their Depository Participants and Issuers with Corporate Actions for the settlement of cash obligations in securities transactions under this Rulebook.
- (3) The Settlement Partner shall:
 - (a) abide by the settlement process, timelines and any other services as determined by the CSD from time to time;
 - (b) provide information on its settlement operations to the CSD as requested by the CSD from time to time;
 - (c) comply with guidelines, directions and orders issued by the CSD in respect thereof from time to time.
- (4) The Settlement Partner undertakes to keep strictly confidential any and every technical and business information including, but not limited to that which may be disclosed or confided to it by the CSD or which it may obtain from the CSD and which it shall, but not disclose to any unauthorised or unlawful party.
- (5) The designated Settlement Partner shall disclose any such information upon the CSD's consent to regulatory or other statutory authorities other than the SEC and Bank of Ghana, if the authorities so require.

- (6) Settlement Partners shall make cash available at the Settlement Bank for settlement instructions sent to the Settlement Bank by the CSD.
- (7) Designated Settlement Partners shall ensure that cash earmarked for CSD'S settlement activities are not encumbered, utilised or transferred before completion of settlement cycle as set out by the CSD.
- (8) In the process of cash settlement at the Settlement Bank, if there is any cash shortage arising out of settlement instructions received from the CSD, the designated Settlement Partner shall advise the same to the CSD and act in accordance with the instructions given by the CSD to meet such shortages.
- (9) The designated Settlement Partner shall meet the shortage by utilising the committed funding facilities extended by it to the Depository Participants and Issuers with Corporate Actions as provided by Rule 96(1). Accordingly, the designated Settlement Partner would transmit advice to the CSD.
- (10) It shall be the responsibility of the designated Settlement Partner to make available cash in its settlement account with the Settlement Bank to enable the Settlement Bank to process cash settlement as per the CSD's instructions.
- (11) Proceeds received on behalf of Depository Participants and Issuers with Corporate Actions shall be transferred by the Settlement Partners to the Depository Participants and Issuers with Corporate Actions account within 24 hours upon receipt of such cash.
- (12) Designated Settlement Partners shall immediately inform the CSD about action if any, initiated by Bank of Ghana, or any irregularity observed in the Depository Participant's settlement account or any deviation from Know Your Customer (KYC) norms.

96. Funding Facilities Provided by Settlement Partners

Establishment of Funding Facilities

- (1) For the purpose of meeting shortfalls that may arise with its settlement obligations, every Non-Bank Depository Participant and Issuer with Corporate Actions shall establish with its Settlement Partner at least one of the following funding facilities (hereinafter referred to as "funding facilities"):
 - (a) bank guarantee;
 - (b) funded settlement account; or
 - (c) committed line of credit facility.
- (2) Every Depository Participant shall establish the funding facilities and deliver to the CSD the documents provided by Rule 96(4) upon its admission as a Depository Participant.
- (3) Every Issuer with Corporate Actions shall establish the funding facilities and deliver to the CSD the documents provided by Rule 96(4) before initiating its corporate actions through the CSD System.

Documents Delivered to the CSD

- (4) For the funding facilities established with a Settlement Partner, the Non-Bank Depository Participants and Issuers with Corporate Actions shall deliver to the CSD, at the time set up by Rule 96(2) or Rule 96(3), a copy of the following documents:

- (a) the credit agreement with the Settlement Partner; and/or
- (b) A letter issued by the Settlement Partner confirming the establishment of the Bank guarantee or committed line of credit facility.

(5) It shall be the responsibility of every Depository Participant to continuously update the CSD with information on their most active committed lines of credit facilities.

Committed Line of Funding Facilities

- (6) The level of the committed line of funding facilities shall be determined by the CSD based on the recent trading history of the Depository Participants and corporate actions of the Issuer. Where no such history exists, the CSD may determine the appropriate value of the committed line of credit facility for such Depository Participants.
- (7) Every Depository Participant acting as a broker is required to ensure that the cumulative value of transactions to be settled on a Settlement Date does not exceed their committed line of funding facilities as set forth by the CSD.

Sanctions for Non-compliance

- (8) The CSD shall suspend the appointment of a Depository Participant and the execution of an Issuer's corporate actions if they do not establish funding facilities or do not comply with the other requirements of this Rule 96.



Clearing and Settlement Processing of Securities Transactions

Part X. Clearing and Settlement Processing of Securities Transactions

97. Settlement Report

- (1) The CSD shall make available to Depository Participants details of daily purchases and sales report in real time on the CSD system (hereinafter referred to as the "Daily Purchases and Sales Report"), which shall contain the following information:
 - (a) trades involving debt securities; and
 - (b) trades involving equity securities.
- (2) The Daily Purchases and Sales Report shall provide details of each specific trade or contract, including the settlement cycle when it will be processed in the CSD System.
- (3) The Daily Purchases and Sales Report shall be called the "Settlement Schedule" for settlements on the Settlement Day.
- (4) A Depository Participant shall review the Daily Purchases and Sales Report and notify the CSD of any discrepancy or omission requiring correction or amendment of the existing information, including the elimination of a trade or the addition of any other trade.
- (5) Notifications made after the designated time set forth in Rule 27 shall not be valid.

98. Trade Confirmation by Custodian Banks

- (1) Trades performed on behalf of Custodians by Depository Participants acting as a broker (hereinafter referred to as the "Dealer") shall be confirmed by Custodian Banks by:
 - (a) 3:00 pm on T+0 for operations whose Settlement Date is T+0;
 - (b) 10:00 am on T+1 for operations whose Settlement Date is T+1;
 - (c) 2:00 pm on T+1 for operations whose Settlement Date is T+2;
 - (d) 2:00 pm on T+2 for operations whose Settlement Date is T+3.
- (2) Custodian Banks may reject trades referred to in Rule 98(1) in the following cases:
 - (a) When the traded data mismatches with the specific instructions given by the Client; or
 - (b) Where the trade is not recognisable by the Client or the Client did not issue such instruction.
- (3) Trades rejected by Custodian Banks in accordance with Rule 98(2) shall be automatically assigned to the Own Account of the affected Dealer for settlement.
- (4) For any valid trade which is rejected, Custodians shall:
 - (a) Pay the penalties imposed by the CSD according to the Fees and Charges Schedule;
 - (b) Pay the Broker compensation; and

- (c) Buy back the securities involved in the trade in question.

99. Securities and Cash Settlement Procedures

- (1) Non-Bank Depository Participants shall fund their bank accounts with their Settlement Partners by:
 - (a) 3:00 pm on T+0 for operations whose Settlement Date is T+0;
 - (b) 10:00 am on T+1 for operations whose Settlement Date is T+1;
 - (c) 10:00 am on T+2 for operations whose Settlement Date is T+2;
- (2) Securities and cash shall be settled under DVP mechanism in an ordinary settlement session at:
 - (a) 4:00 pm on T+0 for operations whose Settlement Date is T+0;
 - (b) 11:00 am on T+1 for operations whose Settlement Date is T+1;
 - (c) 11:00 am on T+2 for operations whose Settlement Date is T+2;
- (3) If the settlement does not occur due to the fact that Non-Bank Depository Participants are unable to satisfy the requirement in Rule 99(1), the Non-Bank Depository Participants shall supplement their cash settlement obligations by means of funding facilities in the manner prescribed under Rule 96 by:
 - (a) 4:30 pm on T+0 for operations whose Settlement Date is T+0;
 - (b) 11:30 am on T+1 for operations whose Settlement Date is T+1;
 - (c) 11:30 am on T+2 for operations whose Settlement Date is T+2;
- (4) Securities and cash shall be settled under DVP mechanism in an additional settlement session at:
 - (a) 4:45 pm on T+0 for operations whose Settlement Date is T+0;
 - (b) 12:00 pm on T+1 for operations whose Settlement Date is T+1;
 - (c) 12:00 pm on T+2 for operations whose Settlement Date is T+2;
- (5) The settlement of securities transactions under DVP1 mechanism shall be conducted as follows:
 - (a) Securities shall be settled or delivered on gross basis;
 - (b) Delivery of securities to Depositors will be carried out by way of book entry system in the CSD System;
 - (c) Delivery of securities will be made on the Settlement Day as determined by this Rulebook;
 - (d) Cash shall be settled or paid on gross basis.

- (6) The settlement of securities transactions under DVP2 mechanism shall be conducted as follows:
 - (a) Securities shall be settled or delivered on gross basis;
 - (b) Delivery of securities to Depositors will be carried out by way of book entry system in the CSD System;
 - (c) Delivery of securities will be made on the Settlement Day as determined by this Rulebook;
 - (d) Cash shall be settled or paid on net basis.
- (7) Settlement of cash payments with respect to transactions covered by this Rulebook shall be made as provided in this Rulebook and the Operational Procedures.
- (8) For transactions settled under the DVP2 mechanism, at the Designated Time on the Settlement Date, the CSD shall transmit to the Settlement Bank, payment instructions regarding the net cash obligations payable by Depository Participants through their Settlement Partner.
- (9) For transactions settled under the DVP1 mechanism, at the Designated Time on the Settlement Date, the CSD shall transmit to the Settlement Bank, payment instructions regarding the gross cash obligations payable by Depository Participants through their Settlement Partner.
- (10) The transfer of cash between the Settlement Partners' cash acting in the interest of Depository Participants shall be carried out by the Settlement Bank in accordance with the instructions sent by the CSD.
- (11) A Depository Participant is deemed to have failed settlement when the Settlement Bank is unable to pay by the Designated Time on Settlement Date, the net amount due to the inability of the Depository Participant to provide cash via its Settlement Partner for final settlement at the Settlement Bank.
- (12) Securities that are matched during transactions on any approved Securities Exchange shall be under "pending buy/ pending sell" status until the settlement finality.

CORPORATE ACTIONS PROCESSING

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General Framework on Corporate Actions

Part XI. General Framework on Corporate Actions

100. Services Related to Corporate Actions

(1) The CSD shall provide the following corporate action processing services:

Related to Debt Instruments:

- (a) Coupon / interest payment;
- (b) Redemption at maturity;
- (c) Call of debt instruments;
- (d) Maturity extension;
- (e) Partial redemption;
- (f) Conversion of bonds to shares;
- (g) Debt Restructuring

Related to Equities:

- (h) Dividends reinvestment;
- (i) Bonus issue;
- (j) Reduction of face value;
- (k) Worthless Securities Withdrawal;
- (l) Securities conversion;
- (m) Stock split;
- (n) Reverse stock split;
- (o) Merger;
- (p) Spin-off;
- (q) Distribution of subscription rights;
- (r) Conversion of subscription rights.

- (2) For the provision of corporate actions, the Issuer shall enter into an agreement with the CSD according to the model established and provided by the CSD.
- (3) The CSD may provide processing services related to any other corporate actions, in addition to those outlined under Rule 100(1), as required by the Commission's Regulation or the CSD's board.

101. Creation of Corporate Actions

- (1) Corporate actions are created as follows:
 - (a) automatically by the CSD System according to the characteristics and parameters of the securities admitted into the CSD (hereinafter referred to as "scheduled corporate actions");
 - (b) manually in the CSD System at the request of Issuers or Offerors (hereinafter referred to as "demanded corporate actions").
- (2) Demanded corporate actions shall be created in the CSD System by the following entities:
 - (a) By an Issuer, for the corporate actions requested by the Issuer;
 - (b) By a Depository Participant or the CSD, for offers initiated by an Offeror that is a client of the Depository Participant.
- (3) A corporate action shall, upon its creation, require approval by the following entities to initiate its processing within the CSD System:
 - (a) By the CSD, for scheduled corporate actions;
 - (b) By an authorised employee of an Issuer, for demanded corporate actions initiated by the Issuer;
 - (c) By the CSD or an authorised employee of a Depository Participant, for demanded corporate actions initiated by the Offeror that is a client of the Depository Participant.

102. Corporate Action Announcements

- (1) The Issuer shall inform the CSD, Depository Participants and Depositors via announcements placed in the CSD System regarding the parameters of its corporate actions, including the key dates and related prices, as soon as the Issuer is required to publicly announce the corporate action according to applicable law.
- (2) Unless otherwise provided by law or this Rulebook, the corporate action announcement set forth in Rule 102(1) shall be introduced in the CSD System by the Issuer at least two (2) Business Days before the Ex Date.
- (3) The CSD shall dispatch announcements regarding any corporate action processed through the CSD System (hereinafter referred to as the "corporate action announcement") to all Depository Participants that, either on their behalf or on behalf of their clients, hold securities of the Issuer in question or obtain such securities inside the corporate action announcement period as set forth in Rule 102(4).
- (4) The corporate action announcement period shall commence from the time of its approval in accordance with Rule 101(3) and continue until one Business Day prior to the Record Date of the corporate action (hereinafter referred to as the "corporate action announcement period").
- (5) The CSD shall dispatch corporate action announcements to the Depository Participants electronically through the CSD System and via their established connections with the CSD System.

103. Modification, Withdrawal and Cancellation of Corporate Actions

- (1) Corporate Actions initiated in the CSD System may be modified, withdrawn and cancelled in accordance with this Rulebook.

Corporate Actions Modification

- (2) A demanded corporate action may be modified by the entities specified in Rule 101(3) during the corporate action announcement period.
- (3) A scheduled corporate action involving a cash distribution may be modified at any time until the point at which the entitlements payment instructions have been generated and processed for settlement.
- (4) A modification to a corporate action, shall require approval by the entities specified in Rule 101(3) in order to initiate its processing within the CSD System.
- (5) Where a corporate action is modified, the CSD System shall dispatch updated corporate action announcements to all Depository Participants that hold securities of the Issuer in question, either on their own behalf or on behalf of their clients, or that acquire such securities during the notification period.

Corporate Actions Withdrawal and Removal

- (6) Corporate actions can be withdrawn and cancelled by the following entities:
 - (a) The CSD, for scheduled corporate actions;
 - (b) An authorised employee of an Issuer, for demanded corporate actions initiated by the Issuer;
 - (c) The CSD or an authorised employee of a Depository Participant, for demanded corporate actions initiated by the Offeror that is a client of the Depository Participant.
- (7) Corporate actions may be withdrawn and cancelled no later than the End of Day on the Record Date.
- (8) In the case of debt instruments, the following rules shall apply upon withdrawal and removal:
 - (a) where a corporate action involving a cash distribution is withdrawn, the accrued interest for the period of the withdrawn corporate action shall be discarded, and the next coupon calculation interval shall commence from the Reference Date of the withdrawn corporate action;
 - (b) where a corporate action involving a cash distribution is cancelled, the accrued interest for the period of the withdrawn corporate action shall not be discarded and shall be included in the interest period of the next corporate action involving a cash distribution.
- (9) Maturity redemptions cannot be cancelled.

104. Cash and Securities Settlement Related to Corporate Actions

- (1) Payments related to corporate actions shall be made through the CSD System, from Issuers to Depository Participants or Depositors.

- (2) Unless otherwise provided in the contract between CSD and the Issuer, any corporate action involving payments from an Issuer shall be made by the CSD by debiting the cash account of the Issuer's Settlement Partner in the Settlement Bank.
- (3) where a corporate action involves a distribution of securities, the Issuer is required to ensure that, on the Payment Date at the Designated Time, securities to be distributed to securities holders are held on the Issuer's Account.

105. Settlement and Manual Cancellation of Corporate Actions

- (1) Settlements resulting from a corporate action shall be recycled continuously until they are:
 - (a) Settled; or
 - (b) Manually cancelled by entities that created the corporate action according to Rule 101(2) or by the CSD, except for maturity redemptions as set forth in Rule 103(9).

106. Last Trading Date

- (1) The Last Trading Date shall be designated for corporate actions that may affect the trading of securities on the Securities Exchange, as prescribed by this Rulebook.
- (2) The CSD shall notify, via electronic means, an approved Securities Exchange of the Last Trading Date associated with a corporate action.
- (3) For certain types of corporate actions, the approved Securities Exchange may suspend the trading of the affected securities at the Last Trading Date until the execution of the corporate action.

107. Ex Date applied by the CSD

- (1) Where a corporate action processed in the CSD System requires an Ex Date, it shall precede the Record Date by one (1) Business Day.

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**Corporate Action
Services Related to
Debt Instruments**

Part XII. Corporate Action Services Related to Debt Instruments

108. Coupon / Interest Payment

- (1) The CSD shall process coupon or interest payments (hereinafter referred to as the "coupon payment") for debt instruments admitted into the CSD System, representing the distribution of cash entitlements by an Issuer to the holders of debt instruments issued by the Issuer.
- (2) The coupon payment is a scheduled corporate action, processed according to the debt instrument's properties upon its initial recording in the CSD System in accordance with Rule 60.
- (3) The CSD shall distribute the net cash amount per unit, which is calculated as the gross coupon amount minus the applicable tax amount.
- (4) The coupon payment shall be made to the debt instrument holders who are registered on the Record Date.
- (5) The distribution of cash pursuant to a coupon payment to debt instrument holders shall be settled on the Payment Date.
- (6) The CSD shall process interest payments separately from redemptions related to the same debt instrument, even where their Payment Dates coincide.

109. Redemption at Maturity

- (1) The CSD shall process the redemption at maturity for debt instruments admitted into the CSD System, consisting in the withdrawal of the debt instruments and the repayment of the principal face value (redemption price) of the debt instrument(s) holder at the maturity date.
- (2) The redemption at maturity is a scheduled corporate action, processed pursuant to the debt instrument properties upon the initial recording in the CSD System in accordance with Rule 60.
- (3) The redemption price is paid to the debt instrument holder registered on the Record Date.
- (4) The payment of the redemption price to debt instruments holder shall be carried out on the Payment Date.
- (5) The CSD shall process redemption at maturity separately from any interest payments related to the same debt instrument even where their Payment Dates coincide.

110. Call of debt instruments

- (1) The CSD shall process the call of debt instruments admitted into the CSD System, which involves the redemption of the debt instruments and the payment of the redemption price before the maturity date at the Issuer's request.
- (2) The call of a debt instrument is processed as a demanded corporate action, created by the Issuer and carried out pursuant to the instrument properties provided by the Issuer.

- (3) Upon the call of a debt instrument, the redemption price is defined by the Issuer and may be equal to the market value of the instruments in question, the face value, or the offered price, according to the properties set forth in the CSD System by the Issuer.
- (4) The redemption price is paid to the debt instrument holders registered on the Record Date.
- (5) The payment of the redemption price to the debt instrument holders shall be settled on the Payment Date.
- (6) Upon a call of debt instruments, any further scheduled corporate actions related to the debt instruments in question are disabled in the CSD System and shall not be processed further.
- (7) The CSD shall process calls of debt instrument separately from any interest payments related to the same debt instrument even where their Payment Dates coincide.

111. Maturity Extension

- (1) The CSD shall process the maturity extension of a debt instrument at the Issuer's request.
- (2) A maturity extension is processed as a demanded corporate action, created by the Issuer.
- (3) A new maturity date and any revised instrument properties are recorded in the CSD System by the Issuer upon the creation of the maturity extension.
- (4) A maturity extension shall apply to the debt instrument holders registered on the Record Date.
- (5) A maturity extension shall be settled on the new Payment Date.
- (6) Upon the maturity extension, trading of affected debt instruments shall be suspended at the Last Trading Date, which shall precede the Record Date by at least one settlement cycle, as set forth in Rule 85(1).
- (7) If upon the maturity extension, the new parameters of the debt securities require a new ISIN, the CSD shall allocate a new ISIN to the resulting debt instruments at the Record Date. The new ISIN shall be reflected in all securities accounts in the CSD System where the debt instruments in question are held and notified to the Securities Exchange.

112. Partial Redemption

- (1) The CSD shall process the partial redemption of a debt instrument, which represents the proportional reduction of the outstanding principal amount and the payment of the redemption price before the maturity date.
- (2) The CSD System shall allow the following types of partial redemption:
 - (a) with the reduction of the instruments face value;
 - (b) without the reduction of the instruments face value.
- (3) A partial redemption is a scheduled corporate action, proceeded pursuant to the debt instrument properties upon the initial recording in the CSD System in accordance with Rule 60.

- (4) A redemption price is paid to the debt instrument holders registered on the Record Date.
- (5) A payment of the redemption price to the debt instrument holders shall be settled on the Payment Date.
- (6) Prior to the partial redemption, trading of affected debt instruments shall be suspended at the Last Trading Date, which shall precede the Record Date by at least one settlement cycle, as set forth in Rule 85(1).
- (7) Where after a partial redemption, the new parameters of the debt securities require a new ISIN, the CSD System shall allocate a new ISIN to the resulting debt instruments at the Record Date. The new ISIN shall be reflected in all securities accounts in the CSD System where the debt instruments in question are held and notified to the Securities Exchange.
- (8) The CSD shall process a partial redemption separately from any interest payments related to the same debt instrument even where their Payment Dates coincide.

113. Conversion of Bond to Shares

- (1) The CSD shall process conversions of bonds to shares, which represents the procedure by which a bondholder exercises the right to exchange a bond issued by an Issuer for a predetermined number of shares of the same Issuer, at a conversion ratio.
- (2) The conversion of bonds to shares is a demanded corporate action created in the CSD System by the Issuer, in accordance with the parameters set forth by the Issuer upon the creation.
- (3) The rules regarding securities conversion as set forth in Rule 120(3) through Rule 120(8) shall apply mutatis mutandis to the conversion of bonds into shares.

114. Debt Restructuring

- (1) The CSD shall process the debt restructuring of securities admitted into the CSD, whereby multiple debt instruments issued by an Issuer are converted into one or more resulting securities of the same Issuer.
- (2) The debt restructuring is a demanded corporate action created in the CSD System by the Issuer, in accordance with the parameters set forth by the Issuer upon the creation.
- (3) The rules regarding securities conversion as set forth in 120(3) through 120(8) shall apply mutatis mutandis to the debt restructuring.

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**Corporate Action
Services Related to
Equities**

Part XIII. Corporate Action Services Related to Equities

115. Cash Dividend Payments

- (1) The CSD shall facilitate the cash dividend payments for shares admitted into the CSD System, representing a distribution of funds by an Issuer to its share holders .
- (2) The cash dividend payment is a demanded corporate action created in the CSD System by the Issuer, in accordance with the parameters set forth by the Issuer upon the creation.
- (3) The CSD shall distribute the net cash amount per share, which is calculated as the gross dividend amount minus the applicable tax amount.
- (4) Upon dividend payment, the gross dividend amount per share is defined by the Issuer, according to properties set forth in the CSD System by the Issuer.
- (5) The cash dividend payment shall apply to the shareholders who are registered on the Record Date.
- (6) The distribution of cash pursuant to a dividend/cash payment to equity instrument holders shall be settled on the Payment Date.

116. Dividend Option/Reinvestment

- (1) The CSD shall facilitate the dividend reinvestment of shares admitted into the CSD System, representing a corporate action whereby the Issuer distributes cash to shareholders, by providing the shareholders with the functionality to exercise the option to either retain the cash or have it reinvested in additional shares of the Issuer.
- (2) The dividend reinvestment is a demanded corporate action created in the CSD System by the Issuer, in accordance with the parameters set forth by the Issuer upon the creation.
- (3) The additional Issuer's shares distributed to shareholders may, according to parameters provided by the Issuer, be either own shares bought by the Issuer on market, or the new shares issued by the Issuer.
- (4) Where dividend reinvestment results in the distribution of funds to shareholders, the CSD shall distribute the net cash amount per share, which is calculated as the gross dividend amount minus the applicable tax amount.
- (5) Upon a dividend investment, the gross dividend amount per share and the price per additional share is defined by the Issuer, according to properties set forth in the CSD System by the Issuer.
- (6) Any cash payment and distribution of additional shares of the Issuer shall apply to the shareholders who are registered on the Record Date.
- (7) Cash payments and distributions of additional shares of the Issuer shall be settled on the Payment Date.

117. Bonus Issue

- (1) The CSD shall facilitate the bonus issue for shares admitted into the CSD System, representing a corporate action whereby existing shareholders receive additional shares from the Issuer at no cost, in proportion to their current holdings, with any fractional entitlements arising from the bonus issue being compensated in cash or other securities.
- (2) A bonus issue is a demanded corporate action created in the CSD System by the Issuer, in accordance with parameters set forth in the CSD System by the Issuer upon the creation.
- (3) An additional shares of the Issuer distributed to shareholders may, according to parameters provided by the Issuer, be either own shares bought by the Issuer on market, or the new shares issued by the Issuer.
- (4) In the event that fractional entitlements arise from a bonus issue, according to parameters set forth in the CSD System by the Issuer, the fractional shares are either rounded down, natural rounding or compensated in cash.
- (5) Upon a bonus issue, the price per additional share and the cash compensation for fractional shares are defined by the Issuer, according to properties set forth in the CSD System by the Issuer.
- (6) The distribution of additional shares and cash compensation payments shall apply to the shareholders who are registered on the Record Date.
- (7) The distribution of additional shares and cash compensation payments shall be settled on the Payment Date.

118. Reduction of Face Value

- (1) The CSD shall facilitate the reduction of face value for shares admitted into the CSD System, whereby the face value of each individual share is decreased, while the total number of shares in circulation remains unchanged.
- (2) The reduction of face value is a demanded corporate action created in the CSD System by the Issuer, in accordance with parameters set forth in the CSD System by the Issuer upon the creation.
- (3) In the event that fractional entitlements arise from a reduction of face value, according to parameters set forth in the CSD System by the Issuer, the fractional shares are either rounded down, natural rounding or compensated in cash.
- (4) The value of cash compensation for fractions under Rule 118(3) is defined by the Issuer, according to properties set forth in the CSD System by the Issuer.
- (5) Upon the reduction of face value, trading of affected securities shall be suspended at the Last Trading Date, which shall precede the Record Date by at least one settlement cycle, as set forth in Rule 85(1).
- (6) If upon the reduction of face value, the new parameters of shares require a new ISIN, the CSD system shall allocate a new ISIN to the resulting shares at the Record Date. The new ISIN shall be reflected in all securities accounts in the CSD System where the shares in question are held and notified to the Securities Exchange.

- (7) The reduction of face value shall apply to the shareholders who are registered on the Record Date.
- (8) The reduction of face value and cash compensation payments shall be settled on the Payment Date.

119. Worthless Securities Withdrawal

- (1) The CSD shall facilitate the withdrawal of worthless securities admitted into the CSD System, involving the closure and removal of securities deemed to have no value from the securities accounts within the CSD System, thereby withdrawing them from circulation and precluding any further transactions.
- (2) The worthless securities withdrawal is a demanded corporate action created in the CSD System by the Issuer, in accordance with parameters set forth in the CSD System by the Issuer upon the creation.
- (3) The worthless securities withdrawal shall apply to the shareholders who are registered on the Record Date and shall be settled on the Payment Date.

120. Securities Conversion

- (1) The CSD shall facilitate the conversion of securities admitted into the CSD System, whereby securities of one ISIN are exchanged for another type of securities at a pre-determined ratio.
- (2) The conversion is a demanded corporate action created in the CSD System by the Issuer, in accordance with parameters set forth in the CSD System by the Issuer upon the creation.
- (3) In the event that fractional entitlements arise from a conversion, according to parameters set forth in the CSD System by the Issuer, the fractional shares are either rounded down, natural rounding or compensated in cash.
- (4) The value of cash compensation for fractional shares, the criteria for rounding under Rule 120(3) and the type of new securities allocated in place of converted securities are determined by the Issuer, in accordance with the properties and parameters set forth in the CSD System by the Issuer.
- (5) Upon the conversion, trading of converted securities shall be suspended at the Last Trading Date, which shall precede the Record Date by at least one settlement cycle, as set forth in Rule 85(1).
- (6) Upon the conversion, the CSD system shall allocate a new ISIN to the resulting shares at the Record Date.
- (7) The new securities allocated in place of converted securities shall be reflected in all securities accounts in the CSD System where the converted securities have been held as of the Record Date.
- (8) The conversion shall apply to the shareholders who are registered on the Record Date and shall be settled on the Payment Date.

121. Stock Split

- (1) The CSD shall facilitate the stock split of stocks admitted into the CSD System, whereby existing stocks of one ISIN are divided into multiple stocks of the same type, at a pre-determined split ratio, with the equity price and face value being reduced accordingly.
- (2) The stock split is a demanded corporate action initiated by the Issuer and created in the CSD System, in accordance with the parameters set forth by the Issuer at the time of creation.
- (3) Where fractional entitlements arise from the stock split, these fractions shall be either rounded down, natural rounding or compensated in cash, in accordance with the parameters set forth by the Issuer in the CSD System.
- (4) The value of cash compensation for fractional shares, the criteria for rounding, and the split ratio are determined by the Issuer, based on the properties and parameters defined in the CSD System.
- (5) Upon the initiation of the stock split, trading of the original securities shall be suspended on the Last Trading Date, which must precede the Record Date by at least one settlement cycle, as set forth in Rule 85(1).
- (6) Where applicable, the CSD System shall allocate a new ISIN to the resulting securities from the stock split on the Record Date.
- (7) The newly split securities shall be reflected in all securities accounts within the CSD System where the original stocks were held as of the Record Date.
- (8) The stock split shall apply to the shareholders who are registered on the Record Date, and the new securities resulting from the split shall be settled on the Payment Date.

122. Reverse Stock Split

- (1) The CSD shall facilitate the reverse stock split of stocks admitted into the CSD System, whereby multiple existing stocks of one ISIN are consolidated into a smaller number of stocks of the same type at a pre-determined reverse split ratio, with the equity price and face value being increased accordingly.
- (2) The rules regarding stock split as set forth in Rule 121(2) through Rule 121(8) shall apply mutatis mutandis to the reverse stock split.

123. Merger

- (1) The CSD shall facilitate the merger of Issuers whose securities are admitted into the CSD System, wherein the securities of the merging Issuers are exchanged for securities of the newly formed or surviving Issuer (hereinafter referred to as the "Principal Issuer") at a pre-determined ratio, as agreed upon by the merging Issuers.

The CSD System supports the merger of two or more Issuers.

- (2) The merger is a demanded corporate action created in the CSD System by the Principal Issuer, in accordance with the parameters set forth in the CSD System by the Principal Issuer at the time of the corporate action's creation.

- (3) Upon the creation of a merger as a corporate action in the CSD System, the merger operation shall require the CSD's approval, which shall be granted only after the confirmation and consent of all affected merging Issuers.
- (4) The rules applicable to a stock split, as set forth in Rule 121(2) through Rule 121(8) shall apply mutatis mutandis to mergers.

124. Spin-Off

- (1) The CSD shall facilitate the spin-off of an Issuer whose securities are admitted into the CSD System (hereinafter referred to as the "Parent Issuer"), by executing the replacement of the Parent Issuer's securities with the securities of one or more newly established Issuers (hereinafter referred to as "Spin-off Issuers"), at a pre-determined ratio.
- (2) The spin-off is a demanded corporate action created in the CSD System by the Parent Issuer, in accordance with the parameters set forth in the CSD System by the Parent Issuer at the time of the corporate action's creation.
- (3) Upon the creation of a spin-off operation as a corporate action in the CSD System, the operation shall require the CSD's approval, which shall be granted only after the confirmation and consent of all affected Spin-off Issuers.
- (4) The securities of the Spin-off Issuers are issued to the shareholders of the Principal Issuer as of the Record Date.
- (5) The rules applicable to a stock split, as set forth in Rule 121(2) through Rule 121(8) shall apply mutatis mutandis to spin-off.

125. Distribution of Subscription Rights

- (1) The CSD shall facilitate the distribution of subscription rights whose securities are admitted into the CSD, in connection with a capital increase by the Issuer, whereby existing Issuer's shareholders receive additional rights free of payment, in proportion to their holdings, to subscribe to new securities issued by the Issuer.
- (2) The subscription rights distribution is a demanded corporate action created in the CSD System by the Issuer, in accordance with parameters set forth in the CSD System by the Issuer upon the creation.
- (3) The CSD shall issue an interim security identified by a distinct ISIN, representing the subscription rights associated with the capital increase, as defined by the parameters set forth in the CSD System by the Issuer in accordance with Rule 125(2).
- (4) The distribution of subscription rights shall apply to the shareholders who are registered on the Record Date, and the subscription rights shall be settled on the Payment Date.

126. Conversion of Subscription Rights

- (1) The CSD shall facilitate the conversion of subscription rights into target securities of an Issuer, whereby the subscription rights (interim securities) previously distributed to shareholders are converted into target securities at a predetermined conversion ratio.
- (2) The conversion of subscription rights occurs as part of a capital increase by subscription carried out by the Issuer and shall be anticipated by a distribution of subscription rights in accordance with Rule 125.

- (3) The conversion of subscription rights is a corporate action initiated by the Issuer and created in the CSD System, in accordance with the parameters set forth by the Issuer at the time of creation.
- (4) Where fractional entitlements arise from the conversion of subscription rights, these fractions shall be either rounded down, natural rounding or compensated in cash, in accordance with the parameters set forth by the Issuer in the CSD System.
- (5) The value of cash compensation for fractions, the criteria for rounding, and the conversion ratio are determined by the Issuer, based on the properties and parameters defined in the CSD System.
- (6) The conversion of subscription rights shall apply to the holders of subscription rights who are registered on the Record Date and take up the rights, and the subscription rights shall be settled on the Payment Date.



RULES RELATED TO OTHER SERVICES AND OPERATIONS

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**Other Services and
Operations**

127. General Provisions on Other Services and Operations

- (1) The CSD may provide any other services set forth in Rule 12(2), in accordance with this Rulebook or the Operational Procedures, at the request of Depository Participants, Issuers, Depositors and other persons.

128. Register of Depositors

- (1) The CSD shall maintain and update in real time a register of existing Depositors segregated in terms of the security and the net balance of their holdings in the CSD System.
- (2) The CSD shall send updated records of Depositors to Issuers within one (1) Business Day from the date of a request by an Issuer subject to prior payment of a prescribed fee.
- (3) The Register of Depositors shall be in the form of an Entitlement List as set out in Rule 129.
- (4) Nothing in Rule 128(1) and Rule 128(2) shall constitute the CSD as the Registrar of an Issuer.

129. Entitlement List

- (1) An Issuer may request the CSD for an Entitlement List of such Issuer's securities on such date as may be specified in the request.
- (2) Pursuant to Rule 129(1), an Entitlement List containing the particulars of Depositors shall be issued by the CSD to the Issuer at the End of Day on the date so specified upon payment of the applicable fee by the Issuer.
- (3) The Entitlement List shall be accompanied by a report specifying particulars of any securities which are in or under suspense.
- (4) The Entitlement List shall be issued in electronic form, hard copy, or both, as may be agreed upon between the CSD and Issuer and shall include any information that may be required by the Issuer.
- (5) In the event of any discrepancies in the content of data in a hard copy and the electronic form delivered to the Issuer, the discrepancy shall be referred to the CSD for investigation and rectification.

Release of data on holders of Securities

- (6) The CSD shall issue and send an excerpt with the Entitlement List of the members of the company from the CSD register, with the information referred to in Section 35 of the Companies Act, 2019 on written request:
 - (a) without charge, to the following entities:
 - Issuer of Securities for Securities holders, subject to Securities, issued by such Issuer,
 - The Commission,
 - The Bank of Ghana,
 - Depository Participants

- The Court or any other judicial or administrative authority, subject to the authorisation, stipulated in the law;
- Any member of the Issuer;

(b) upon payment of a fee prescribed by the CSD, to any other entities except for those set forth in 129(6)(a).

130. Repurchase Agreements

- (1) The CSD shall process repurchase agreements entered into between the Depository Participants through the CSD System in accordance with this Rule 130 and the Guidelines for Repurchase Agreements in Ghana issued by the Bank of Ghana.
- (2) The CSD system executes a repurchase agreement based on the records introduced and accepted by the Depository Participants that are part of the agreement.
- (3) The CSD system calculates and applies the initial margin ratio upon each registration of a repurchase agreement. The CSD system recalculates and overwrites the initial margin ratio after any substitutions or changes of the initial records.
- (4) The CSD System shall process the following types of repurchase agreements:
 - (a) Intraday repurchase agreements, with the second leg in the same day as first leg;
 - (b) Long-term repurchase agreements, with the second leg in another future Business Day.
- (5) The CSD shall not accept repurchase agreements involving securities that are Scheduled to Mature.
- (6) The CSD shall not accept the registration of repurchase agreements involving securities that
 - (a) Are Scheduled to Mature;
 - (b) Have corporate actions involving the reorganization of the securities.
- (7) Where there is change to collateral substitutions or maturity agreed by the counterparties, the CSD System shall modify accordingly the second leg of the repurchase agreement.
- (8) If the second leg of a repurchase agreement is not settled by the end of the Settlement Date, the following rules shall apply:
 - (a) The second leg shall be recycled for the next Business Day, if the repurchase agreement has a recycling period; or
 - (b) The second leg shall be automatically cancelled, if the repurchase agreement has no recycling period.
- (9) The CSD shall apply the following rules for corporate actions affected by repurchase agreements:
 - (a) The first leg seller retains all rights to the entitlements arising from corporate actions.

- (b) Any entitlements obtained from corporate actions executed during the term of a repurchase agreement shall be automatically transferred by the CSD System to the first leg seller.
- (10) The maturity date of the repurchase agreement and the face value referred to in the agreement may be modified upon mutual approval by the Depository Participants involved in the agreement.
- (11) The Depository Participants involved in a repurchase agreement may execute the following operations in the CSD System upon their mutual approval:
 - (a) Modify the maturity date for the second leg;
 - (b) Adjust the face value specified in the repurchase agreement;
 - (c) Cancel the second leg of the repurchase agreement.
- (12) Failure to settle either leg of a repurchase agreement constitutes a settlement fail and incurs a cash penalty as specified in the Fees and Charges Schedule.

131. Margin Calls for Repurchase Agreements

- (1) A creditor Depository Participant may request additional collateral (hereinafter referred to as the "margin call") from the counterparty through the CSD System, in connection with Repurchase Agreement and reverse Repurchase Agreement involving securities admitted into the CSD System.
- (2) The additional collateral provided in response to a margin call may consist of cash or securities that meet the eligibility criteria established by law.
- (3) The margin call operations shall be executed by delivering additional cash or securities in accordance with the instructions of the Repurchase Agreement entered into between the Depository Participants in the CSD System.

132. Buy-back Operation

- (1) The CSD shall process the buy-back operation over securities admitted into the CSD System, in accordance with the provisions of this Rule 132 and applicable law.
- (2) A buy-back operation in relation to an Issuer's securities can be initiated in the CSD System as follows:
 - (a) As a put operation, at the Depository Participant's request on its own behalf or on behalf of Depositors;
 - (b) As a call operation, at the Issuer's request.
- (3) The buy-back operations shall be settled, upon the agreement of Depository Participant and Issuer, on the FoP or DVP basis.



Restrictions on Securities Account

Part XV. Restrictions on Securities Account

133. General Provisions of Restrictions on Securities Account

- (1) The CSD shall apply restrictions on securities rights, including the suspension of securities, charging of securities, technical restrictions, and seizure of securities (hereinafter referred to as "restrictions"), in cases established by law and this Rulebook.
- (2) Restrictions may be applied to:
 - (a) A specific number of securities with the same ISIN code in one or more securities accounts;
 - (b) All securities with the same ISIN across all securities accounts in the CSD System;
 - (c) All securities with different ISINs within a single securities account.
- (3) To facilitate the settlement of a securities transaction, the CSD System may automatically apply and remove restrictions on a specified number of securities at certain stages of the transaction.
- (4) Modifications to data regarding restrictions on a securities account shall be made at the request of the person who initially requested the application of the restriction, unless otherwise provided by legislation.
- (5) A restriction on a securities account shall be removed under the following circumstances:
 - (a) At the request of the person or persons who requested the restriction;
 - (b) Upon the request of a court;
 - (c) Upon the expiration of the restriction period;
 - (d) Upon the realization of the financial guarantee for which the restriction was established.

134. Technical Rules for Applying Restrictions

- (1) A restriction over the securities or related rights is established at the time when the respective securities are applied to the following sub-accounts:
 - (a) Pledged;
 - (b) Banned;
 - (c) Frozen;
 - (d) Disputed.
- (2) The restriction over securities is removed at the time when the respective securities are applied to the sub-accounts "Available".

135. Suspension of Securities

Securities in Suspense

- (1) The CSD may specify that a Depositor's Securities Account is in suspense in any of the following circumstances:
 - (a) Where the transfer of the security in the name of the CSD or its nominee company is not registrable by the Issuer
 - (b) Where an application for withdrawal of such security (with the exception of Government of Ghana securities) has been made by a Depositor; or
 - (c) In such other circumstances as may be prescribed by the CSD or the Commission.

Securities under Suspense

- (2) The CSD may specify a book-entry security held in any particular Securities Account as under suspense, whether on a temporary basis or otherwise, in any of the following circumstances:
 - (a) Where a Securities Exchange or the Bank of Ghana or the Issuer's regulator or the Issuer if not traded on a regulated market has suspended trading of the entire issue in respect of such security;
 - (b) In the case of an individual Depositor, where the CSD has been notified that the Depositor has died;
 - (c) Where a request for suspension of such security has been received from the Depositor;
 - (d) Where in compliance with the powers of the Commission to inspect, examine and operate the whole or any part of the computer system, the Commission has decided that it is necessary to place such security under suspense;
 - (e) Where the book-entry security is reasonably believed to have been entered illegally or wrongfully into the account or is a security in respect of which the underlying certificate has been reported lost or stolen;
 - (f) Where, pursuant to an objection made in accordance with this Rulebook, the CSD is of the opinion that there is a need to place under suspense a security pending further investigations by the relevant authorities;
 - (g) Where, subject to an indemnity given by a Depository Participant, a request for suspension has been received from such Depository Participant;
 - (h) Where the CSD has been served with an order of a court of competent jurisdiction prohibiting any dealing in that book-entry security;
 - (i) Where the security has been charged as collateral.

Discretion

- (3) Subject to section 42 of the CSD Act, the CSD may decide whether a book-entry security is to be placed under suspension under Rule 135(2).

136. Freeze of Securities

- (1) The CSD shall manage the freeze of securities admitted into the CSD System, at the request of the court or any other agency empowered by law.
- (2) Upon a freeze of securities, the CSD System shall perform the following operations:
 - (a) blocking the securities in the Depositor's securities account by applying the Freeze sub-account;
 - (b) restricting any operations or circulation of securities.
- (3) Unless otherwise required by court or agency empowered by law, the CSD shall freeze the securities for an undefined time.
- (4) Unless otherwise required by a court or agency empowered by law, any cash entitlements on the freeze securities shall be accumulated by the CSD on a separate cash account of the CSD.
- (5) The CSD shall release the freeze of securities as follows:
 - (a) At the expiration date, if according to the court's or empowered agency's request, the freeze of securities had been established for a definite period of time;
 - (b) At the demand of the court or the empowered agency.

137. Charging of Securities

- (1) Securities deposited in the CSD System may be charged by a Depositor referred to as "the chargor" in favour of a person referred to as "the chargee".
- (2) All charges of book entry securities shall be effected through entries in the CSD System.
- (3) Securities in the CSD System that have been charged shall not be traded until the charge is discharged and the security redeemed provided however that a charged security may be released for trading with the prior written consent of the chargee.
- (4) All proceeds and entitlements of charged securities are for the benefit of the chargor.
- (5) Upon the termination of the charge for reasons of payment and performance of the principal obligation (or other reason or consideration), the chargee's Depository Participant shall inform the CSD to release the charge on the securities.
- (6) Where a chargor defaults in the performance of the principal obligation, the chargor's Depository Participant or chargee's Depository Participant shall inform the CSD to initiate the process for a foreclosure to release the securities and record them in the chargee's Securities Account.
- (7) A request for the creation of a charge shall be in the format prescribed by the CSD.
- (8) To secure payments due or the performance of any obligation of the Depository Participant, the Depository Participant may charge to the CSD, as collateral for its obligations under the Participation Agreement:
 - (a) all Depository Participant contributions made by Depository Participant to any guarantee fund established in accordance with the CSD Act;

- (b) all eligible securities of the Depository Participant; and
- (c) all eligible securities in the Securities Accounts under its management for which final and irrevocable payment has not been made by the Depository Participant.

(9) The CSD shall exercise its right as chargee only after it has suspended, terminated or withdrawn any of its services to the Depository Participant.

(10) The CSD shall appropriately mark in the CSD System, securities which are the subject of any charge.

(11) The Depository Participant shall indemnify the CSD in the event that the information given in accordance with Rule 61(5) is false and leads to a claim by the Depositor.

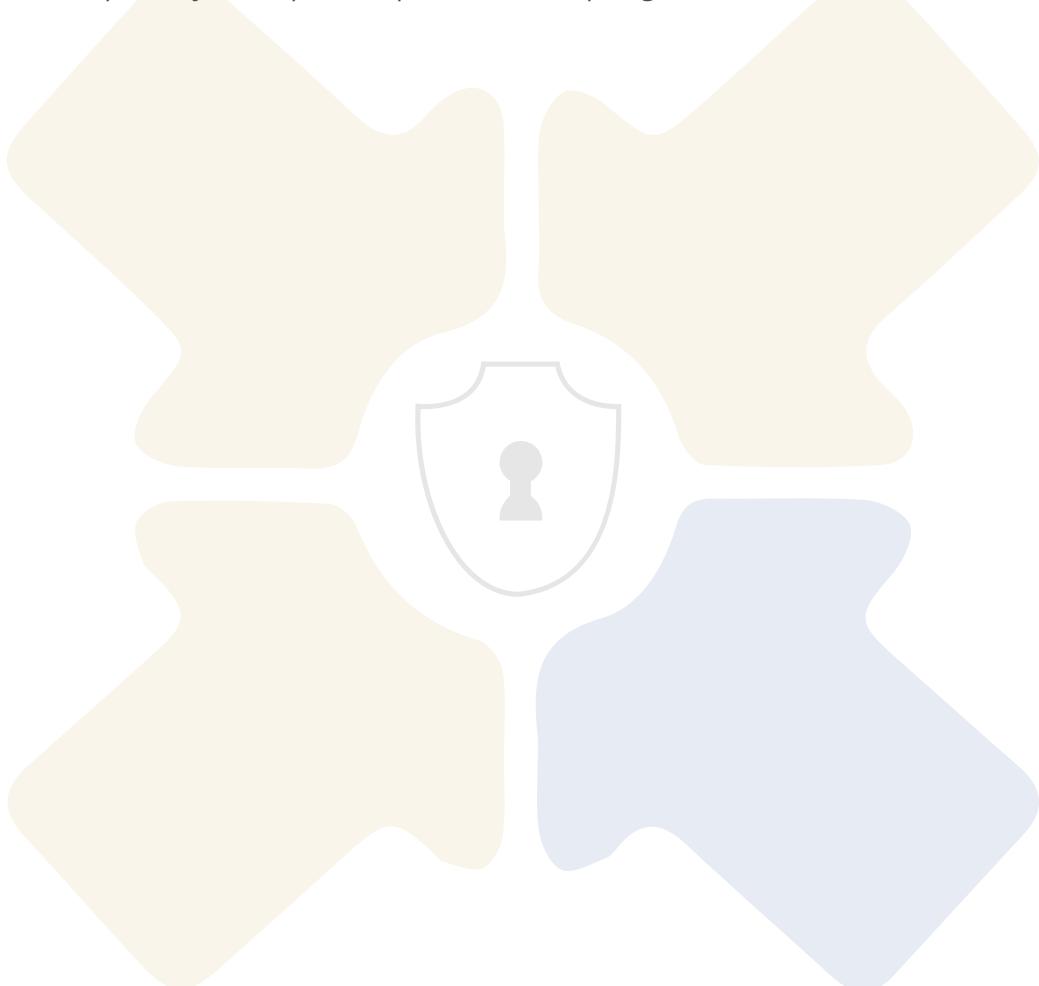
(12) All Depository Participants are under a duty to inform their Depositors of the nature, implications and risks of charging their securities held in the CSD System.

138. Pledge of Securities

- (1) The CSD shall facilitate the management of pledges over securities held by Depository Participants, either on their own behalf or on behalf of their clients, in accordance with the provisions of this Rule 138.
- (2) The CSD System shall execute a securities pledge based on the records introduced and accepted by the Depository Participants that are part of the agreement.
- (3) Upon a pledge, the CSD System shall perform the following operations:
 - (a) block the securities in the Pledgor's securities account by applying the Pledged sub-account;
 - (b) restrict any operations or circulation of securities.
- (4) The CSD shall not accept the registration of a pledge involving securities that meet the following conditions, if before the release of the pledge:
 - (a) The securities are scheduled to mature;
 - (b) There are scheduled corporate actions involving the reorganization of the securities.
- (5) The Pledgor retains all rights to the entitlements arising from corporate actions related to the pledged securities. Any such entitlements obtained from corporate actions during the pledge period shall be automatically transferred by the CSD System to the Pledgor.
- (6) The Depository Participants involved in a pledge agreement may execute the following operations in the CSD System upon their mutual approval:
 - (a) Modify the pledge maturity date;
 - (b) Substitute the pledged securities;
 - (c) Adjust the face value specified in the pledge agreement;
 - (d) Release the pledge prior to the agreed pledge maturity date.

(7) The CSD System shall apply the following measures if the Pledgee has not released the pledge upon the pledge maturity:

- (a) The CSD System will automatically release the pledged securities by removing any restrictions or blocking of the securities in the Pledgor's securities accounts, provided that the conditions agreed upon by the Depository Participants stipulate that the pledge shall be released on a FoP basis;
- (b) The CSD System will automatically release the pledged securities by removing any restrictions or blocking of the securities in the Pledgor's securities accounts and compensating the Pledgee in cash, provided that the conditions agreed upon by the Depository Participants stipulate that the pledge shall be released on a DVP basis.



MISCELLANEOUS RULES

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Fees and Charges

Part XVI. Fees and Charges

139. Fees and Charges Schedule

- (1) The CSD shall prescribe fees and charges payable for facilities and services provided by it subject to the approval of the Commission.
- (2) In consideration of the facilities and services provided to it by the CSD, Depository Participants and Issuers shall pay fees and charges to the CSD in accordance with the Fees and Charges Schedule.
- (3) The Fees and Charges Schedule shall also include fees and charges imposed to recover costs, damages and expenses incurred by the CSD by reason of a failure by Depository Participants and Issuers to comply with this Rulebook.
- (4) The CSD may, subject to the approval of the Commission , revise the Fees and Charges Schedule.
- (5) The CSD shall notify Depository Participants and Issuers of the Fees and Charges Schedule and any revisions thereof not less than ten (10) Business Days prior to its implementation.

140. Fees and Charges from Depository Participants and Issuers with Corporate Actions

- (1) The payment of fees and charges as provided herein shall apply to the following entities (hereinafter referred to as the "Payers"):
 - (a) Depository Participants;
 - (b) Issuers with Corporate Actions;
 - (c) Any other person(s) as set forth in Rule 142.
- (2) The CSD shall collect fees and charges from Payers as established by the Fees and Charges Schedule.
- (3) The payment invoice shall include all fees and charges for the operations conducted by the Payer and other services received by the Payer from the CSD over the previous month.
- (4) The CSD shall charge the amount of fees and charges by debiting the cash account of the Payer in the Settlement Bank.
- (5) In the event of errors in the payment invoice, the following procedure shall apply:
 - (a) The Payer shall inform the CSD of any errors in the payment invoice;
 - (b) The Payer and the CSD shall reconcile the errors in the payment invoice;
 - (c) The CSD shall issue a new payment invoice that includes all fees and charges after reconciling errors;
 - (d) The Payer shall pay in full the amounts indicated in the revised payment invoice following the reconciliation of errors, in accordance with Rule140(3).

- (6) If an overpayment by the Payer to the CSD occurs as a result of an error in a payment invoice, the CSD shall issue a corrected invoice and refund the overpaid amount to the Payer within five (5) Business Days from the date the error is confirmed. Refunds shall be made to the same account from which the payment was originally received unless the parties have agreed otherwise.
- (7) The CSD and Payers may agree on a different way of collecting fees and charges, other than set forth by this Rule 140, which will be provided in the agreement entered between the CSD and the Payer.

141. Payment Obligation of Depository Participants and Issuers with Corporate Actions

- (1) The Payer shall ensure that the necessary amount of cash, as set out in the payment invoice, is available in the cash account of the Payer's Settlement Partner no later than 10:00 am on the payday.
- (2) Where, by the date and time established by Rule 141(1), the cash account of the Payer's Settlement Partner does not contain sufficient funds to cover the fees and charges due, the CSD shall apply penalty fees to the outstanding fees and charges for each outstanding calendar day, from the day of payment until the date of full payment of arrears, in the amount set forth in the Fees and Charges Schedule.
- (3) Where the Payer fails to ensure the full payment of fees and charges within a maximum of five (5) Business Days from the payday, upon the expiration of this period, and in addition to applying penalties in accordance with Rule 141(2), the CSD may:
 - (a) Suspend the appointment of the Depository Participant;
 - (b) Suspend any corporate actions of and services to the Issuer.
- (4) The suspension measures applied by the CSD in accordance with Rule 141(3) shall not discontinue the application of penalties to the outstanding fees and charges in accordance with Rule 141(2).
- (5) The application of the measures established by the rules above shall not exclude the right of the CSD to pursue legal action for the collection of outstanding fees and charges owed by the Payer to the CSD.

142. Payment Obligation of Other Persons

- (1) The fees for the services provided by CSD to any other person, except for the Depository Participants and Issuers with Corporate Actions, shall be paid by the person in question, as follows:
 - (a) in the amount of cash provided by the Fees and Charges Schedule;
 - (b) in the manner established by the agreement between the CSD and the person in question.

Kvii

**Integrity, Security and
Continuity**

Part XVII. Integrity, Security and Continuity

143. Reconciliation Rules

- (1) The CSD shall reconcile the balance of securities registered in its name that have been confirmed by the Issuer with the balance recorded in the CSD System on a daily basis. The reconciliation shall ensure that the total number of securities constituting a securities issue, or part of a securities issue, submitted to the CSD is equal to the sum of securities recorded on the securities accounts in the CSD System.
- (2) Where, as a result of the reconciliation process, discrepancies in the number of securities are identified, the CSD may apply one or both of the following measures until the discrepancies are resolved:
 - (a) Suspend operations involving securities on the account(s) where discrepancies were found;
 - (b) Suspend securities settlements involving securities in which discrepancies were found.
- (3) Any suspension imposed pursuant to Rule 143(2) shall not exceed three (3) Business Days unless it is extended for justifiable reasons, including ongoing investigations or regulatory requirements.
- (4) By way of derogation from Rule 143(2), if a discrepancy affects securities involved in an ongoing corporate action, trading, or other operation, the CSD may liaise with the affected Depository Participant, Issuer or the Regulator as the case may be, to determine a mechanism that ensures the settlement of the operation in question.
- (5) On the date of applying the suspension measures under Rule 143(2), the CSD shall inform the Depository Participant managing the account where discrepancies were identified.
- (6) At the request of the CSD, Depository Participants and Issuers are required to:
 - (a) Participate in the reconciliation measures carried out by the CSD in accordance with this Rulebook and the Operational Procedures;
 - (b) Collaborate and ensure the mutual exchange of information to eliminate discrepancies in the number of securities and to maintain the integrity of the securities issue;
 - (c) promptly recover any shortfall identified in the securities held within the Depository Participant's account at the CSD.
- (7) Upon identification of a shortfall and following the CSD's request according to Rule 143(6)(c), the Depository Participant shall, without delay, acquire the necessary securities to cover the shortfall at its own expense and credit the relevant account with the acquired securities to rectify the shortfall.
- (8) In addition to Rule 143(7), unless otherwise provided by law or the Commission's regulations, the Depository Participant shall promptly undertake one or more of the following measures:
 - (a) Reverse any erroneous bookings that caused the shortfall in the account;
 - (b) Acquire the missing securities through a buy-in process to cover the shortfall;
 - (c) Transfer the missing securities from the Depository Participant's own account to the

account(s) of the affected client(s).

- (9) In the event of the insolvency of the Depository Participant, in accordance with the applicable bankruptcy laws, the losses represented by the missing securities in a nominee account shall be allocated to the Depositor whose securities are held in the nominee account.
- (10) The Depository Participant shall maintain accurate records of all actions taken to recover shortfalls or address discrepancies, including any acquisitions, transfers, or reversals, and make these records available to the CSD upon request.
- (11) The CSD shall inform the SEC of any reconciliation discrepancies identified by the CSD, whether internal or in relation to Depository Participants, external CSDs, or other entities.
- (12) The CSD shall not be liable for any losses, costs, or damages incurred by a Depository Participant, Depositor, or any other person as a result of the suspension of operations or settlements pursuant to Rule 143(2).

144. Availability of Computer System and Continuity

- (1) The CSD shall ensure that there is adequate back up facilities to enable operations to continue without undue delay in the event of a computer system failure or other disruption of any kind.
- (2) The CSD shall implement continuity measures to ensure the restoration of the CSD System's operation in accordance with the CSD Business Continuity Plan, except in cases of force majeure.
- (3) The CSD shall immediately notify any Depository Participant which may be affected by a failure of any computer system of which the CSD is aware.
- (4) In case of interruptions and incidents in the CSD's activity, caused by technical deficiencies (such as, but not limited to malfunctions of the CSD System, communication networks, systems that have CSD links etc.), CSD shall undertake the necessary actions to remove these interruptions as soon as possible, and may apply one or more of the following measures:
 - (a) modification of the Designated Time Schedule, including the designated time for accepting and processing transfer orders from Depository Participants or receiving data from external systems;
 - (b) temporary suspension of operations in the CSD System;
 - (c) temporary suspension of the external access to the CSD System;
 - (d) introduction, in the CSD System, of the transfer orders or carrying out other operations on behalf of the Depository Participants, at their request.
- (5) The CSD shall inform Depository Participants, a Securities Exchange, the SEC the Bank of Ghana, and relevant stakeholders about any interruptions or incidents in its activity and about the change of the Designated Time Schedule within two (2) hours of becoming aware of such interruption, incident or change.
- (6) Notwithstanding anything under this Rulebook, in the event that a computer terminal at any Depository Participants' premises is down or disconnected or where any part of the computer system of any Depository Participant has failed for any reason, it shall be the responsibility of the Depository Participant to notify the CSD immediately by telephone and in writing or by such other means. The CSD shall not, in this case, be held liable for any effect as a result of the computer failure.

- (7) At the request of the CSD, the Depository Participants and the external systems linked to the CSD System shall participate in the tests performed by CSD, as measures to prevent and address any interruptions or incidents in the CSD's activity.

145. Other Integrity and Security Requirements

Record-Keeping

- (1) The CSD shall maintain records of all operations carried out in the CSD System for the period outlined by the CSD Act or any applicable legislation, complying with the following requirements:
 - (a) Records shall contain comprehensive data on all operations conducted within the CSD System;
 - (b) In case of modifications to the records, traceability of the data shall be ensured, allowing identification of the initial data.

Protection of Personally Identifiable Information

- (2) The CSD shall ensure the processing of personal data in accordance with applicable legislation on the protection of personal data.

Security Measures

- (3) The CSD shall implement security measures that include, but are not limited to, the following:
 - (a) Control of access to the CSD premises and workstations of CSD employees;
 - (b) Storage of work documentation in areas with restricted access;
 - (c) Information and cyber security;
 - (d) Fire protection systems;
 - (e) Implementation of anti-fraud measures, measures to address conflicts of interest, and measures to ensure information security and confidentiality;
 - (f) Compliance with international standards on information and cyber security.

Xviii

**Amendments, Definitions
and Transitory Rules**

Part XVIII. Amendments, Definitions and Transitory Rules

146. Amendment of this Rulebook

(1)	The CSD may make amendments and/or substitute any Rule under this Rulebook, or waive the application of some of this Rulebook as it deems fit in any circumstance, and upon sufficient justification being provided to the Commission.
(2)	Any amendment of this Rulebook and the grant of waivers shall be made with the prior approval of the Commission.

147. Definitions or Interpretations

(1)	When used in this Rulebook and, where applicable, in the Operational Procedures, the following expressions shall, unless the context otherwise requires, have the meanings herein below specified:
Access	in relation to a computer system, means the placing of information on that system and the retrieval of information from that system;
Account	means a securities account on which Securities may be credited or debited;
Account Statement	means a document issued by the CSD or Depository Participants that contains information on the balance of securities in the securities account and other information as deemed appropriate. The account statement does not constitute a security, and its delivery does not result in the transfer of the securities indicated therein;
Admittance of security	means a security in which the underlying certificate has been deposited with and is held by the CSD;
Application date	in relation to any application under this Rulebook, means the date on which the application is lodged with the CSD or a Depository Participant;
Approved functions	in relation to any Depository Participant, means those functions which have been authorised or approved, from time to time, by the CSD under this Rulebook to be performed by that Depository Participant;
Available	means a sub-account applied to securities, indicating the quantity of securities that are not subject to any restrictions, encumbrances, or obligations, and are fully accessible for trading, transfer, or other corporate actions within the CSD System;

Bank	means a body corporate which is issued with a license in the Banks and Specialized Deposit Taking Institution Act, 2016 (Act 930) or as amended;
Banned	means a sub-account applied to securities, indicating the quantity of securities involved in pledge contracts that have defaulted at the maturity of the pledge contract;
Board of the CSD	means the Board of Directors of the Central Securities Depository (GH) LTD or a Committee thereof duly mandated;
Book closure date	means a date announced by an Issuer as the date from which the book closure period in relation to any registered-form securities of the Issuer will commence;
Book closure period	means the period announced by an Issuer as the period during which the register of transfers maintained by such Issuer in relation to any registered-form securities of the Issuer shall remain closed;
Business Continuity Plan	TBD
Business Day	means any day on which the CSD is open for business activities;
Buy-in	means the buying effected by a security exchange, according to the rules of the Securities Exchange of securities which a seller has failed to deliver on a day fixed for settlement;
Buying depositor	means a depositor who places an order to purchase a book-entry security;
Buy-in	means the buying effected by a security exchange, according to the rules of the Securities Exchange of securities which a seller has failed to deliver on a day fixed for settlement;
Certificate	means a document that is evidence of title to a security;
Clearing	means the process of establishing positions, including the calculation of net obligations, and ensuring that Securities and other instruments, cash, or both, are available to secure the obligations arising from those positions;
Clearing and Settlement Data	means trade and/or transaction data with the CSD for inclusion in the clearance and/or settlement process of the CSD, or such data, reports or summaries thereof which may be produced as a result of processing such trade and/or transaction;
Client	means a client of a Depository Participant and the Depository Participant itself if it trades on its own account;
Computer system	in relation to a central depository, means a computer system established by a central securities depository which forms part of the system for the central handling of securities and which consists of:

(a)	the central equipment comprising hardware and software associated with that hardware and network infrastructure, located at the premises of the central depository, and the computer terminals located at the premises of the users;
Corporate action	means an action initiated by a company or an offeror that result in a change to the securities issued by that company or specific actions of the securities holders;
CSD	means the Central Securities Depository (GH) LTD;
this Rulebook	means the Rulebook of the Central Securities Depository (GH) LTD, including any amendment, modification, revision and/or substitution thereof;
CSD System	means the securities settlement system established and operated by the CSD for depositing, clearing and settling securities and providing other related services;
Custodian bank	means an entity licensed by the Commission to provide custodial services ;
Dealer	shall have the same meaning as Broker-Dealer as defined in the Securities Industry Act 2016 (Act 929) as amended;
Delivery	means a transfer of book-entry securities from one securities account to another securities account;
Delivery versus Delivery (DVD)	means a securities settlement mechanism which links two securities transfers in such a way as to ensure that the delivery of one security occurs if – and only if – the other security in the other transfer is delivered.
Delivery versus Payment (DVP)	means a securities settlement mechanism which links a transfer of securities with a transfer of cash in a way that the delivery of securities occurs if and only if the corresponding transfer of cash occurs;
Dematerialization	means the elimination of physical certificates or documents of title that represent ownership of securities so that securities exist only as accounting records;
Dematerialized	means a security by which the underlying physical certificate is no longer recognized as <i>prima facie</i> evidence of ownership by the CSD;
Deposited security	includes a security standing to the credit of a Security Account which is transferable by way of a book-entry in the record of Depositors and a security in a Securities Account that is in suspense;
Depositor	in relation to any book entry securities, means a holder of securities in accounts created in the CSD System, other than the Depository Participant;

Depository Participant	A body corporate or entity admitted by the CSD to act as an intermediary between the CSD and investors in the securities market by providing depository services and include:
(a)	a licensed dealing member of a Securities Exchange,
(b)	a Registrar, custodian, stockbroker,
(c)	or a person licensed by the Commission as a Dealer in securities,
(d)	a unit trust scheme or mutual fund licensed by the Commission,
(e)	a person licensed by the Bank of Ghana under the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930);
(f)	an Institutional Investor, or a body corporate of a type prescribed by the Commission;
Depository Participant Officer	means any person who has the actual authority of the Depository Participant to cause transactions to be transmitted by that Depository Participant and includes, in the case of a Depository Participant which is an Issuer of Eligible securities, any Registrar appointed by the Issuer;
Designated Time	means the time on a Business Day as specified in the Designated Time Schedule, within or by which a requirement under this Rulebook or the Operational Procedures must be complied with;
Designated Time Schedule	means the document approved by the Chief Executive Officer, which specifies the designated times for accessing or delivering data, initiating or executing transactions, requesting reports, and performing any other operations within the CSD System;
Disputed	(b) means a sub-account applied to securities, indicating the quantity of securities involved in pledge contracts that have reached a banned status or in freeze contracts where the collateral has reached maturity;
Dormant account	means a securities account that registered no activity in two (2) years;
DVP1	means a delivery against payment mechanism, in which both the securities settlement and the settlement of cash, are carried out on a gross basis;
DVP2	means a delivery against payment mechanism, in which the securities settlement is carried out on a gross basis, and the settlement of cash is carried out on a net basis;
DWP	means a delivery with payment settlement instruction;
Eligible Securities	means any type of securities as defined in Rule 12 (4), including publicly or privately issued securities, including those issued publicly or privately, which are or will be admitted by the CSD ;

End of Day	means on any Business Day, 5 p.m. or such other time as the CSD may from time to time determine;
Entitlement List	means a record of holdings of Depositors of the security;
Ex Date	means the date from which securities are traded without the benefit or right attached to it;
Exchange trade	means a trade which is effected on a Securities Exchange and is received in the CSD System as a locked-in trade contract for clearing and settlement;
External CSD	means a legal entity, other than the Central Securities Depository (GH) Ltd, which operates a securities settlement system and provides at least one other service listed in 12(2)(a)-12(2)(d);
Face value	means the stated value of a security as determined by its issuer;
Fees and Charges Schedule	means such Fees and Charges Schedule as put out by the CSD under this Rulebook, and any amendment, or revision thereof made with the prior approval of the Commission;
Force Majeure	means any:
(a)	fire, explosion, earthquake, lightning, floods, storm or cyclone failure or restriction, communication breakdown, accident, war, armed conflict, riot, insurrection, civil commotion, act of terrorism, strike, labour dispute or action, unavailability of data processing or any other computer system or facility, act of God or any other similar event; or other event beyond the control of CSD which prevents or significantly hinders the operations of the CSD;
Fractions	means:
-	the number of securities remaining after the calculation of the entitlement to the proceeds (cash or securities) of a corporate action; or the decimal part of the balance of outturn securities resulting from the calculation of the proceeds (cash or securities) of a corporate action;
Free of Payment (FoP)	means a delivery of securities which is not linked to a corresponding transfer of funds;
Frozen	means a sub-account applied to securities, indicating the quantity of securities that are subject to freeze operations in compliance with court orders or other legal directives;
Funded settlement account	(g) means a service provided by the Settlement Partner to facilitate the completion of financial transactions, ensuring that sufficient funds are available to meet payment obligations;
Government securities	means any Securities issued by the Government of Ghana;
Immobilisation	means placement of securities in a central securities depository so that subsequent transfers can be made by book entry at CSD;

Information	includes data recorded in a form which can be processed by equipment operating automatically in response to instructions given for a particular purpose;
Interim Security	means a short term transferable operational security, issued in the CSD System for processing purposes only, which is not representative of the Issuer's capital;
Investor Service Account	is the Account opened directly by investors with the CSD subject to fulfilling certain requirements;
Issuer	in relation to a security, includes the company, corporation, government or body corporate which issued that security and any person performing the functions of a Registrar for the Issuer in respect of the security;
Issuers with Corporate Actions	Non-Bank Issuers that carry out its corporate actions through the CSD and settle their financial operation through a Settlement Partner
Last Trading Date	in respect to a corporate action, means the last date to qualify for an entitlement; the final day on which a security can be traded on a securities exchange before a specific corporate action takes effect;
Listed security	means an eligible security listed on an approved Securities Exchange;
Locked-in	means the status of a contract in the CSD System which require no additional action either by a selling or buying Depository Participant;
Market day	means any day during on which a Securities Exchange is open for business;
Match / matched	means two opposed settlement orders that have been paired together within a settlement system based on identical terms such as price, quantity, and other conditions. When orders are matched, a binding contract is formed between the parties of the transaction, allowing the transaction to proceed to the settlement phase;
Matching	means the process of comparing the two settlement orders as provided by the two counterparties to ensure that they match;
Maturity Date	in respect to a security, means the date on which the security becomes due and payable; in respect to an obligation means the date on which the obligation becomes due;
Maturity Extension	means the prolongation of a security's maturity date as stipulated in its terms and conditions;
Net Settlement Position	the sum of the total debit amounts netted off against the sum of the total credit amounts for the relevant settlement day per Depository Participant;

Nominee account	(b) means an Individual Investor Account where securities are registered in the name of the Depositor Participant acting as a nominee on behalf of the actual owner of securities;
Offeror	- in respect to a corporate action, means a person, other than the Issuer, including its agent, offering or initiating a corporate action;
Officer	means any individual who holds or is appointed to a position of authority within a legal entity and who is duly authorized or otherwise empowered to represent that entity before the CSD or to carry out specific functions or activities in relation to the CSD;
Operational Procedures	means any manual containing guidelines and operating procedures for Depository Participants, Issuers and Depositors as well as other natural and any other persons issued by the CSD from time to time in accordance with 7, including any amendment, modification, revision and/or substitution thereof;
Over-the-counter transaction	means any transaction entered into and conducted outside an approved Securities Exchange;
Participation Agreement	means the agreement between a Depository Participant and the CSD by which the CSD appoints a Depository Participant. It also means the agreement between an Issuer and the CSD by which the CSD admits an Issuer.
Payment Date	means the date on which the payment is due in relation to a corporate action;
Person	shall include a natural or legal person;
PFoD	means a payment free of delivery settlement instruction;
Pledged	means a sub-account applied to securities, indicating the quantity of securities that are subject to a pledge;
Position	means the net of a Depository Participant's open commitment in a security
Power of Attorney	means a technical facility provided by the CSD System, according to which a Depository Participant (Grantor-Depository Participant) provides another Depository Participant (Grantee-Depository Participant) full access to certain or all securities accounts or securities managed by the Grantor-Depository Participant within the CSD System to conduct and settle operations with securities in question;
Primary Market	means the market in which new securities are issued by the Government of Ghana, Bank of Ghana or any other authorised corporate institutions in order to raise funds;
Private transaction	is a bilateral transactions which involve the transfer of securities from one Securities Account to another Securities Account without trading on an approved Securities Exchange;

Recognisable	a trade is said to be recognisable if the investor or its representative agent acknowledges or admits that the trade done by a Dealer or Bank is valid. In other words, a trade is recognisable if the trade executed by the Dealer or Bank was originated based on the instruction of the investor or its representative;
Record	includes, in addition to a record in writing:
(a)	a passport size photograph;
(b)	any disc, tape, soundtrack or other device in which sounds or
(c)	other data (not being visual images) are embodied so as to be capable (with or without the aid of some other instrument) of being reproduced therefrom; and
(d)	any film, tape or other device in which visual images are being embodied so as to be capable (with or without the aid of some other instrument) of being reproduced therefrom, and any reference to a copy of a record includes-
(e)	in the case of a record falling within paragraph (b) but not paragraph (c) of this definition, a transcript of the sounds or other data embodied therein.
(i)	in the case of a record falling within paragraph (c) but not paragraph (b) of this definition, a still reproduction of the images embodied therein, whether enlarged or not; and in the case of a record falling within both paragraph (b) and paragraph (c) of this definition, the transcript of the sounds or other data embodied therein together with the still reproduction of the images embodied therein;
Record date	means a date on which settled positions are recorded in the Securities Accounts maintained by the CSD at the close of business to determine the entitlement to a Corporate Action.
Recycling	means the movement of a settlement instruction from one Business Day to the next Business Day;
Registered-form	means securities, the legal title to which is transferred upon the registration of the transfer of such securities by the Issuer of such Securities;
Registrar	means a person appointed by an Issuer to perform the functions of a Registrar of its Securities;
Registration details	means in respect of an individual or body corporate, the name, address, and securities account and includes other registration details as may be required by the CSD;
Regulator	means a person recognised or established to control or supervise an industry or sector;

Repurchase Agreement	means a transaction with a commitment by the seller of a security to buy it back from the purchaser at a specified price at a designated future date. It represents a collateralized short- term loan;
Report	means any of the reports whose parameters are prescribed in the Operational Procedures from time to time;
Rules of the Securities Exchange	shall have the same meaning as assigned to it under Securities Industry Act, 2016 (Act 929) as amended;
RWP	means a Receive with Payment settlement instruction;
Securities	means in respect of all securities including Government of Ghana Securities, Corporate Securities, Equities etc., as provided by 0;
Securities account	means an account established by the CSD in the CSD System for the recording of securities, in which the securities can be credited or debited;
Securities Exchange	means an exchange or approved trading facility such as a stock exchange, commodity exchange, metal exchange, petroleum exchange, options exchange, futures exchange, over the counter market and other derivatives exchanges that use financial instruments for trading;
Securities in Suspense	means a security that is in suspense when it is used for a transaction which is in an uncompleted state;
Securities under Suspense	means a security that has been suspended by the CSD or any other authority;
Selling Depositor	means a Depositor who places an order to sell a book-entry security;
Services	means any of the depository, clearing, settlement, registration and other related services provided by the CSD;
Settlement Account	means a bank account maintained by a Depository Participant at the Settlement Partner which shall be debited with cash due from the Depository Participant and credited with cash due to the Depository Participant on the day of settlement on account of all its trades;
Settlement Bank	is the bank which provides services to clear cash between Settlement Partners;
Settlement Date	means the date that is entered into the CSD System as the Settlement Date and on which the parties to a securities transaction agree that settlement is to take place;
Settlement Fail	(ii) means the non-occurrence of settlement, or partial settlement of a securities transaction on the intended settlement date, due to a lack of securities or cash and regardless of the underlying cause;

Settlement Guarantee Fund	is established by the CSD pursuant to the CSD Act by which the Settlement Guarantee Fund is vested for the purpose of payment of the required amount(s) from time to time for satisfying Depository Participant(s) settlement obligations in case of default of such Depository Participants;
Settlement Instruction	means an electronic instruction generated by the CSD to the Settlement Bank to effect cash settlement in accordance with the settlement schedule;
Settlement Partner	means a bank acceptable to the CSD which meets the eligible criteria set out in this Rulebook and is a party to an agreement whereby such bank undertakes to perform cash settlement services for Depository Participants through its Designated Branch;
Scheduled to Mature	with the reference to a corporate action, means a security that have a specified Maturity Date on which the issuer is obligated to repay the principal and pay the interest to the security holders;
Start of day	means on any Business Day at 9 a.m. or such other time as the CSD may from time to time determine;
Statement of Account	is a statement showing transactions effected and balance of securities on securities accounts;
Stockbroker	means a licensed dealing member of a Securities Exchange;
SFTP	means the Secure File Transfer Protocol, which is allocated by the CSD to Depository Participants, Registrars, companies, and other corporate bodies for data transfer;
T	means a Business Day on which a transaction takes place;
Temporary Custodian	means a Person with an in-depth knowledge appointed by the CSD in consultation with the Commission, the Bank of Ghana and the relevant Securities Exchange as the case may be to temporarily take over the management of a suspended or prohibited Depository Participant's operations;
Trade Date	means the date on which a trade was entered into between a buying and a selling Depository Participant;
Trading day	means any day during which a Securities Exchange is open for transactions;
Transaction	means any activity specified in the Operational Procedures for use in the CSD System;
Transfer order	means an instruction to transfer the title to, or interest in, a security or securities recorded in the CSD System;
Transferee holder	means a security holder whose securities are withdrawn from the CSD;
Transmit	means to cause a message, document or other information to be sent through electronic or any other suitable means;

User	means a CSD Participant, an Issuer/Registrar, a Securities Exchange or such other person as may be prescribed by the CSD who may be given access to the CSD System;
Start of day	means on any Business Day at 9 a.m. or such other time as the CSD may from time to time determine;
Statement of Account	is a statement showing transactions effected and balance of securities on securities accounts;
Stockbroker	means a licensed dealing member of a Securities Exchange;
SFTP	means the Secure File Transfer Protocol, which is allocated by the CSD to Depository Participants, Registrars, companies, and other corporate bodies for data transfer;
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Temporary Custodian	means a Person with an in-depth knowledge appointed by the CSD in consultation with the Commission the Bank of Ghana and the relevant Securities Exchange as the case may be to temporarily take over the management of a suspended or prohibited Depository Participant's operations;
Trade Date	means the date on which a trade was entered into between a buying and a selling Depository Participant;
Trading day	means any day during which a Securities Exchange is open for transactions;
Transaction	means any activity specified in the Operational Procedures for use in the CSD System;
Transfer order	means an instruction to transfer the title to, or interest in, a security or securities recorded in the CSD System;
Transferee holder	means a security holder whose securities are withdrawn from the CSD;
Transmit	means to cause a message, document or other information to be sent through electronic or any other suitable means;
User	means a CSD Participant, an Issuer/Registrar, a Securities Exchange or such other person as may be prescribed by the CSD who may be given access to the CSD System;
(2)	In the absence of specific definitions and abbreviations provided within this Rulebook, such terms shall be interpreted in accordance with the meanings assigned to them by the regulatory acts referenced in Rule 147(1);
(3)	The definitions and abbreviations utilized in the CSD Procedures, contracts entered into by the CSD, and any documents issued by the CSD shall be construed as defined in Rule 147(1), except where otherwise specified within these documents.

148. Transitory Rules

(1)	The provisions of this Rulebook shall not apply to operations that were initiated before the Rulebook's effective date and are scheduled to be settled after its entry into force.
(2)	Operations initiated before the effective date of this Rulebook shall be governed and settled according to the rules, standards, and procedures applicable before this Rulebook came into force.
(3)	Any amendments, corrections, or cancellations related to operations initiated before the effective date of this Rulebook shall be handled according to the rules and procedures that were in effect at the time of the original operation initiation.
(4)	In cases where the ongoing implementation of corporate actions, such as mergers, spin-offs, or rights distributions, was initiated under the previous rulebook, the actions shall proceed under the rules and conditions established at the time of initiation.
(5)	Where an operation initiated under the old rules requires the application of any Rule under this Rulebook, it shall be reviewed and approved by the CSD on a case-by-case basis subject to regulatory approval.
(6)	The CSD shall provide guidance and clarification to Depository Participants and other affected person regarding any transitional issues that arise due to the new rules set forth by this Rulebook.
(7)	All Depository Participants and other affected persons are required to cooperate fully with the CSD in the implementation of the transitory rules provided hereby, including providing any information or documentation required to facilitate the transition of operations initiated under the previous rules.
(8)	Where there is ambiguity or uncertainty regarding the application of old rules to operations in transition, the CSD shall have the discretion to interpret and apply the most appropriate rule in line with best practices, provided such interpretation does not conflict with applicable laws or regulations.
(9)	All acts, transactions, and agreements undertaken by the CSD before the official commencement of its operations, to the extent that they are consistent with the applicable legal and regulatory framework, shall be deemed valid and enforceable.
(10)	Any rights, obligations, or commitments lawfully assumed by the CSD prior to the commencement of its operations shall continue in full force and effect and shall be recognized as binding upon the CSD and relevant counterparties.
(11)	Any contracts, arrangements, or agreements entered into by the CSD before the date of approval shall remain valid, provided they are not inconsistent with the CSD Act, this Rulebook, or any applicable laws and regulations.

(12)

The CSD shall not be held liable for any acts undertaken in good faith before the date of approval, provided that such acts were performed with due care and in anticipation of regulatory approval. Where necessary, the CSD may take corrective actions to regularize any pre-approval acts to ensure compliance with this Rulebook and relevant legislation.