



Funding the Republic

REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
KAWANIHAN NG INGATANG-YAMAN
(BUREAU OF THE TREASURY)
Intramuros, Manila 1002

MEMORANDUM

TO : ALL NRoSS DIRECT PARTICIPANTS

SUBJECT : SETTLEMENT GUIDELINES ON THE NRoSS DvP MODULE

DATE : 27 November 2018

Further to Section 6.3 and Annex C of Treasury Circular No. 4, s. 2018, the following guidelines shall apply to the usage of the NRoSS DvP Module by qualified NRoSS Direct Participants.

A. Qualified NRoSS Direct Participants

Only NRoSS Direct Participants with the following qualifications (Qualified NRoSS Direct Participants) are allowed to use the NRoSS DvP Module:

1. SEC-licensed Dealer or Broker including GSEDs and GSBs or Qualified Buyers as defined under the Securities Regulation Code and its implementing rules and relevant SEC issuances; and,
2. With a Demand Deposit Account (DDA) with the BSP or with an Auto-debit Authority from its cash settlement bank which has a DDA with the BSP.


This supersedes Annex C of Treasury Circular No. 4, s. 2018, in terms of access to the NRoSS DvP Module.

B. Settlement Rules and Process

1. The NRoSS DvP Module shall only be used under the following instances:
 - a. Outright purchase and sale of government securities between qualified NRoSS Direct Participants if one or both parties are non-trading participants of a trading platform or trade quotation system connected to NRoSS.
 - b. Business continuity purposes such as when there is a temporary breakdown of the trading platform or trade quotation system connected to NRoSS or a temporary breakdown of the interface between the trading platform or trade quotation system and NRoSS. For this instance, a joint official announcement of the activation of a BCP scenario shall be made by the provider of the trading platform or trade quotation system and the BTr.

- c. Settlement of an auction award of a qualified NRoSS Direct Participant bidding through a GSED.
2. The trade transactions executed and settled in the NRoSS DvP Module shall be settled directly either in the NRoSS Own Account of the Qualified NRoSS Direct Participant or, if applicable, its sponsored or trustee/managed NRoSS Client Account while the cash leg thereof shall be settled directly in the DDA of the NRoSS Direct Participant or the DDA of its cash settlement bank provided it has an Auto-debit Authority from the cash settlement bank.
3. Qualified NRoSS Direct Participants shall enter and approve the details of the trade in accordance with the NRoSS Participant User Guide and Operating Guidelines and when matched the settlement of cash and securities shall follow.
4. Qualified NRoSS Direct Participants who are governed by a Self-Regulatory Organization (SRO) shall be responsible for reporting the trades executed and settled in NRoSS DvP Module in the manner prescribed by the SRO concerned.

For your guidance.


ROSALIA V. DE LEON
Treasurer of the Philippines