

A. Outright Trade

For negotiating the bond trades between investors and participants or between participants traded over-the-counter, or between the buyers and sellers handle the payment by themselves, the settlement and book-entry transfer are carried out according to the following procedure:

a. For negotiated bond trades between participants or between investors and participants traded over-the-counter, the seller's participant notifies TDCC of the transfer data via computer linkage. TDCC checks the available balance in seller's account and then transfers the bonds from seller's account into buyer's account.

b. For the negotiated repo trades between investors and participants or between participants taken place over-the-counter, the seller participant applies to TDCC for issuance of bond passbook via computer linkage. TDCC checks the seller's account balance and make adjustment accordingly. Following, seller's participant prints out the passbook and deliver to the buyer. The passbook without buyer's depository account could be printed without TDCC's verification.