



DTCC

MONEY SETTLEMENT SYSTEM

DTCC's Insurance & Retirement Services offers the ability to centralize cash flow through our money settlement system, run by the National Securities Clearing Corporation (NSCC), a fully-owned subsidiary of DTCC.

KEY BENEFITS

While the money settlement service is optional, a key benefit you should be aware of is not only DTCC can, through its subsidiaries, move data through our centralized data hub, it also moves the money settlement information through a secure Fed wire, allowing firms to "net" dollars across product lines and providing easier reconciliation of your business transactions at the end of every day.

HOW THE SERVICE WORKS

This system provides a critical advantage in capital and time efficiency. Without utilizing the money settlement service, the payments being sent out or received are executed by a manual process, with checks being drawn on out-of-state banks. There can be one per firm, or hundreds, representing each new account or payment made by the individual customer. The checks must be manually reconciled and funds are not immediately available, since the monies have to be cleared. This all takes time, expense and effort.

With our money settlement system, all this time, expense and effort is minimized. All payment obligations to trading partners are aggregated. You receive details of each product or service that has a money settlement component in separate standardized reports. These reports are sent to you at specific times during the day, which assists you in the reconciliation process. An aggregated money settlement report, summarizing all payments and receipt obligations, is made available to each participant every day, providing an overall end-of-day settlement obligation.

If at the end of the business day, you are owed money based on the aggregated transaction, the payment is made to your bank from DTCC over the Fed wire, directly to the bank that you designate. There is no longer the need for check handling, manual reconciliation or manual labor. The money settlement process is the same for each customer, whether it has one trading partner or hundreds. In short, your relationship with your trading partner and payments to and from these trading partners become a whole lot easier- and, it is an advantage few, if any, distribution networks can offer.

**THE MONEY SETTLEMENT SYSTEM,
WHICH SERVED ALL TYPES OF FINANCIAL
INSTITUTIONS AND MARKET PARTICIPANTS
FOR YEARS, HANDLES BILLIONS OF
DOLLARS IN TRANSACTION EVERY DAY.**

FOR MORE INFORMATION

Email us at Insurance@DTCC.com, or contact your relationship manager.

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