In the previous article, it was stated that JamClear-CSD is the new electronic central securities depository, which serves as the registrar for securities issued by the Government of Jamaica and the Bank of Jamaica. With the implementation of JamClear-CSD, paper certificates are no longer required, because ownership, and transfer of ownership, of all securities is recorded electronically in the depository.

All investors in Government of Jamaica Securities and Bank of Jamaica Certificates of Deposit are required to open JamClear-CSD Accounts, so as to register the ownership of their securities in JamClear-CSD. Stockholders who have not yet opened an account are required to contact their preferred securities dealer for assistance.

Opening your JamClear-CSD Account

Commercial Banks and Securities Dealers are registered as Participants in JamClear-CSD, and are authorized to create accounts on behalf of their clients. The information that will be required for setting up a JamClear-CSD Account for both individuals and companies is as follows:

1. Taxpayer Registration Number (TRN);
2. TRN Validation information, i.e. Date of Birth/Start date for Companies; and
3. Payment Instructions.

Electronic Payment of Settlement Proceeds

The investing public is being advised to provide their securities dealers with the specific payment instructions, to allow for principal and interest to be automatically transmitted to their bank accounts on the due dates. JamClear-CSD provides for the electronic disbursement of interest payments and maturity proceeds directly into the commercial bank account of the investor/stockholder.

Where no payment instructions are defined, entitlement proceeds will be paid into the account of the named Securities Dealer on behalf of the investor. Investors/stockholders need only to advise their securities dealer of the preferred settlement option.

Clear payment instructions, ensures the timely receipt of investors’ entitlement proceeds on interest and maturity payment dates.

Payment instructions include the following information:
1. Name of Commercial Bank
2. Account Number
3. Branch Number or Branch Name
4. Currency of your bank account, that is, JMD or USD

It should be noted that payment instructions apply to both Jamaica Dollar and US dollar holdings of securities. Also, investors can have different payment instructions for interest and principal payments in relation to the same security holding.

The next article in the series will focus on the JamClear-RTGS, inclusive of its features and the benefits generated by this new real time gross settlement system.