**Day T+2**

SB checks the blocked fund with settlement obligation

NPF investors places a buy order

DM confirms the settlement capability

VSDC applies the cash settlement support mechanism

**Day T**

**Time**

**Clearing Settlement Process at VSDC under the Mechanism of No Pre-Funding Requirement for Foreign Institutional Investors (NPF Investor)**

DM allocates securities and cash to the NPF investors

**Day T+1**

- VSDC sends the transaction results and settlement obligation to Depository Member (DM)

- The Securities Company (SC) sends the list of NPF transactions to the Custodian Bank (CB)

Confirms insufficient fund

VSDC sends the settlement obligation to SB

- SB proceeds with cash settlement.

- VSDC proceeds with securities settlement.

Sufficient

Insufficient

DM transfers fund to SB

DM deposit additional fund according to VSDC updated settlement obligation. SB blocks fund and sends VSDC confirmation

**(1) In case SC does not has enough fund for blocking, the NPF investor’s funds shortage trades is handled in accordance with Clause 4, Article 40d of Circular 119/2020/TT-BTC amended at Clause 10, Article 1 Circular 18/2025/TT-BTC.**

VSDC carries out error trade handle, trade cancellation and notifies DM updated settlement obligation. **(1)**

- SC has sufficient fund at SC’s deposit account in the Settlement bank (SB) for blocking

- CB self-blocks at CB and sends blocking confirmation to VSDC

- SC sends VSDC the list of fund shortage trades;

- CB informs SC list of NPF investors with fund shortage. SC transfers its own fund to SC’s deposit account at SB for blocking.

SB blocks fund and sends confirmation to VSDC

SB informs fund shortage case

CB, SC, SB coordinate to unblock fund in SC’s deposit account and transfers funds to CB’s account at SB for settlement.

Insufficient

Sufficient

No later than 15h30

Confirms sufficient fund

No later than 16h00

No later than 15h45

No later than 15:00

10h30- 12h00

No later 10h15