[DRAFT]

Investors' Claim Settlement Booklet

Bangladesh Securities and Exchange Commission
(Capital Market Stabilization Fund) Rules, 2021

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Operation Management Committee (OMC)

Name	Organization
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Mr. Mohammed Humayan Kabir FCA Former President of ICAB	Member
Mr. Mohammad Habibus Samad FCA Director, CCBL Former Managing Director, CDBL	Member
Mr. AKM Ashraful Haque Ex-Director, BBS, Ministry of Planning	Member
Mr. Md. Shaheen Sarwar Hossain DGM, ICT Division, DSE	Member

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Brigadier General M.A Mohy psc, Eng (LPR).	Member
Ms. Shaheda Khanam, Sr.Finance Controller, Bangladesh Navy (Retired), Grade-3, BCS Audit and Accounts Cadre.	Member
Mr. Muhammad Tajdiqul Islam FCMA, Director, CCBL.	Member

Risk Management Committee (RMC)

Name	Organization
Mr. Dr. Syed Md. Aminul Karim Ex Member (Grade-1), NBR, IRD, Ministry of Finance	Chairman
Mr. Nurul Fazal Bulbul Vice Chairman, CDBL & Member, BOG, CMSF	Member
Dr. Sheikh Tanzila Deepty Associate Professor, Department of Finance, Dhaka University & Member, BOG CMSF	Member
Mr. Mahbub Hossain Ex Additional IGP (SB)	Member
Mr. Barrister Shafiqul Kabir Khan Advocate, Supreme Court	Member

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1. Background

Capital Market Stabilization Fund (CMSF) was established by the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 by the Bangladesh Securities and Exchange Commission (BSEC) in the exercise of the powers conferred by section 33(1) of the Securities and Exchange Ordinance, 1969. CMSF acts as a custodian of undistributed cash and stock dividend, non-refunded public subscription money, and un-allotted rights shares from the issuer of listed securities. Cash and stocks in the fund will be returned to the shareholders or investors on the due claim made by them at any time in the indefinite perpetuity. The CMSF will be utilized to stabilize the capital market ensuring liquidity to the market by buying and selling listed securities, making investments in other securities, providing loans to the market intermediaries, lending and borrowing of listed securities, and settlement of investors' claims.

A maximum of forty percent (40 %) of the cash balance of the CMSF may be used for direct buying and selling of listed securities, and at least 50% of the cash balance of the fund shall be used for providing loans to the market intermediaries for refinancing as margin loans, and a maximum 10% of cash balance of the fund may be used for investment in other securities i.e. in fixed deposits, government securities, fixed income securities, and mutual funds and so on. The ratio of use of cash balance of the fund may be varied by the Board of Governors (BOG) with prior approval of the Commission.

The fund is run by the BOG constituted of 11 members. For smooth operation of the Fund, the BOG formed management committees – Operation Management Committee, Audit and Accounts Management Committee, and Risk Management Committee. The Operation Management Committee (OMC) shall be responsible and accountable for the operation of the Fund and the Chief of Operation shall also be responsible and accountable for all operational activities (i.e., buying and selling listed securities, making investments in securities, providing loan/support to market intermediary and market maker, lending and borrowing of listed securities and settlement of investors' claims, etc.). The Audit and Accounts Management Committee (AAMC) and The Risk Management Committee (RMC) comprise five members as per CMSF Rules, 2021. The AAMC and RMC also shall be responsible and accountable to the BOG. Cash and stocks in the fund will be returned to the owners on due claim. If any shareholder or securities holder claims his/her cash dividend after transfer of such dividend to the bank account of the CMSF, the issuer shall do proper verification of the claim within 15 (Fifteen) days of receiving such claim, recommend detailed information as mentioned in the proviso of rule 9 (1) of the CMSF Rules, 2021 to the Chief of Operation to pay off such dividend. Similarly, if any shareholder claims his/her stock dividend after transfer of the dividend to the BO Account of the CMSF, the issuer shall do proper verification of the claim within 15 (Fifteen) days of receiving such claim, recommend detailed information as mentioned in the proviso of rule 9 (2) of CMSF Rules, 2021 to the Chief of Operation to transfer the stock dividend from the BO Account of the CMSF. Provided that the Chief of Operation shall, after due scrutiny with the information recommendation and approval of the Board or the Operation Management Committee for settlement of investors' claims as the case may be, pay off or transfer the cash and/or stock dividend to the claimant's bank account through EFT and/or BO Account within 15(fifteen) working days of receiving of such recommendation with intimation to the concerned issuer as mentioned in the proviso of rule 10 of CMSF Rules, 2021

The existing procedure of the claim settlement service is provided in this document. The procedure will be converted into a digital service platform as "Claim Settlement Software". The flow chart of the existing procedure has been shown in section 2 and "A narrative case study" has been presented on these documents in section 3.

2. Review of Service Providing Procedure

The investors must submit a form (Form-1) to the issuer containing the authentic details of the shareholder. The details must be the same that have been used before (as per CDBL records). The details include Investors / shareholder's name, E-mail address, phone number, present/ permanent address, year(s) of dividend, NID, bank Account details (including a photocopy of the cheque), nominee/successor information (if any). The investor shall submit it to the issuer. The issuer has to verify the claim by cross-checking the investors` details provided with their data. The issuer shall be responsible for submitting the accurate name, BO ID, dividend year(s), NID number/photocopy, and bank account detail of the investors. The issuer must prepare a forwarding document with appropriate information of investors and claim, and forward it to CMSF **within 15 days of the claim.**

The CMSF shall have two different approaches for the settlement of the claim. One will be cash/ public subscription money claim settlement; another will be stock/right or bonus shares claim settlement.

In case of cash/ public subscription money claim settlement, the CMSF shall request the CDBL for detailed information on the investors' BO accounts. The CMSF shall inquire about the state of the BO Account. If it is terminated by the BSEC, the CMSF shall send a letter to them regarding the issue. Depending on the accurate BO Account, the CMSF will check the Bank account, whether it is in the name of same person holding the BO account or a valid successor. If bank account cross-checking is valid, then the claim must be settled by transferring the concerned cash amount to the given account number through EFT.

In case of Stock, Right, or Bonus shares settlement, the CMSF shall check the CDBL database for detailed information on the investor's BO Account and BO statement of the CMSF. After that the CMSF will cross-check all the documents such as acknowledgement from the CDBL, BO statement of CMSF, and BO ID of the investor so that it can conclude whether the claim is authentic or not. If the claim is proved to be authentic, the claim-related data and BO account data shall be presented to the Operation Management Committee (OMC) or the Board of Governors (BOG) of CMSF for seeking approval.
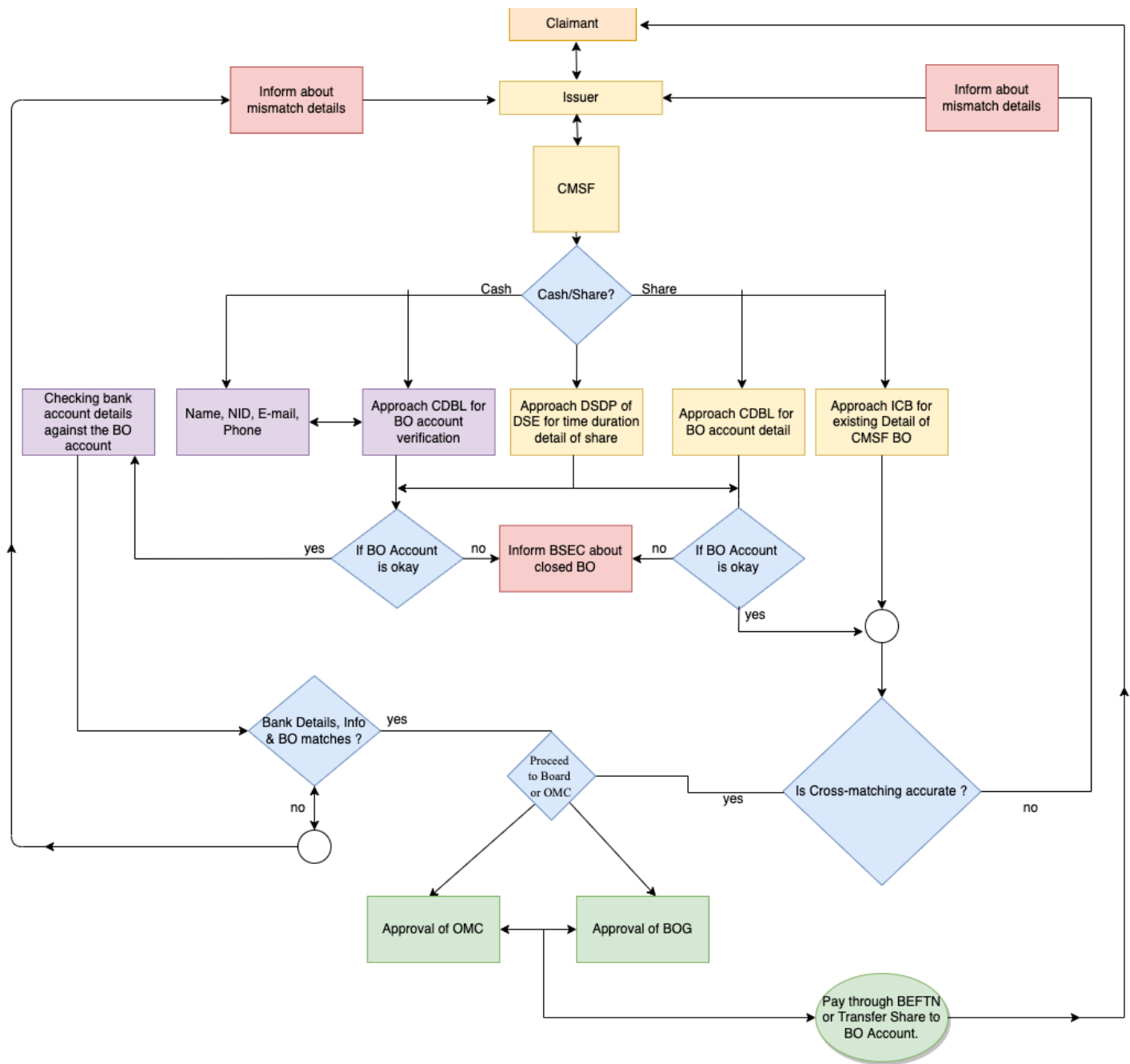
Fig-1: Claim Settlement Procedure

All the verifications from CMSF 's end must be done within 15 working days.

2.1 Investors' Application

The investor shall collect an **'Application Form ' (Form-1)** from the issuer. The investor needs to fill up this form with appropriate information based on the nature of the claim. In case of not holding a 16-digit BO ID, the investor may provide a folio number/share certificate. The required information is as follows:

Required document of Cash Claim:

In case of a **Shareholder** claiming for his cash dividends, the required documents are
- Application to the issuer

- Updated BO setup / Folio number / Share Certificate

- Bank Cheque Leaf [MICR]

- Signature verification as per CDBL by the issuer.

- Original NID of shareholder

In the case of an **Authorized Person** claiming dividends, the required documents are
- Application to the issuer

- Updated BO setup / Folio number / Share Certificate

- Bank Cheque Leaf [MICR]

- Signature verification from CDBL

- Duly signed authorization letter

- Copy of NID of shareholder and original NID of the authorized person

In the case of **Successor/Nominee** (Death case), the required documents are
- Application of successor/nominee

- Original Death Certificate

- Notarized Original Certificate of Inheritance with a Photograph of Successor

- Original Court Succession (To whom issue the DW)

- NID copy of Shareholder & Successor

In the case of **Power of Attorney** (Non-residential Bangladeshi), the required documents are
- Application to the issuer

- Updated BO Setup

- Bank Cheque Leaf [MICR]

- Signature Verification from CDBL

- Original NID of shareholder

- Duly Signed Authorization Letter

- NID/ Passport copy of Shareholder

- Original NID of Authorized Person

Required Document of Stock Claim:

In case of a **Shareholder** claiming for his own cash dividends, the required documents are
- Application to the issuer

- Updated BO setup / Folio number / Share Certificate

- Signature verification as per CDBL by the issuer.

- Original NID of shareholder

In the case of an **Authorized Person** claiming dividends, the required documents are
- Application to the issuer

- Updated BO setup / Folio number / Share Certificate

- Signature verification from CDBL

- Duly signed authorization letter

- Copy of NID of shareholder and original NID of the authorized person

In case of **Successor/Nominee** (Death case), the required documents are
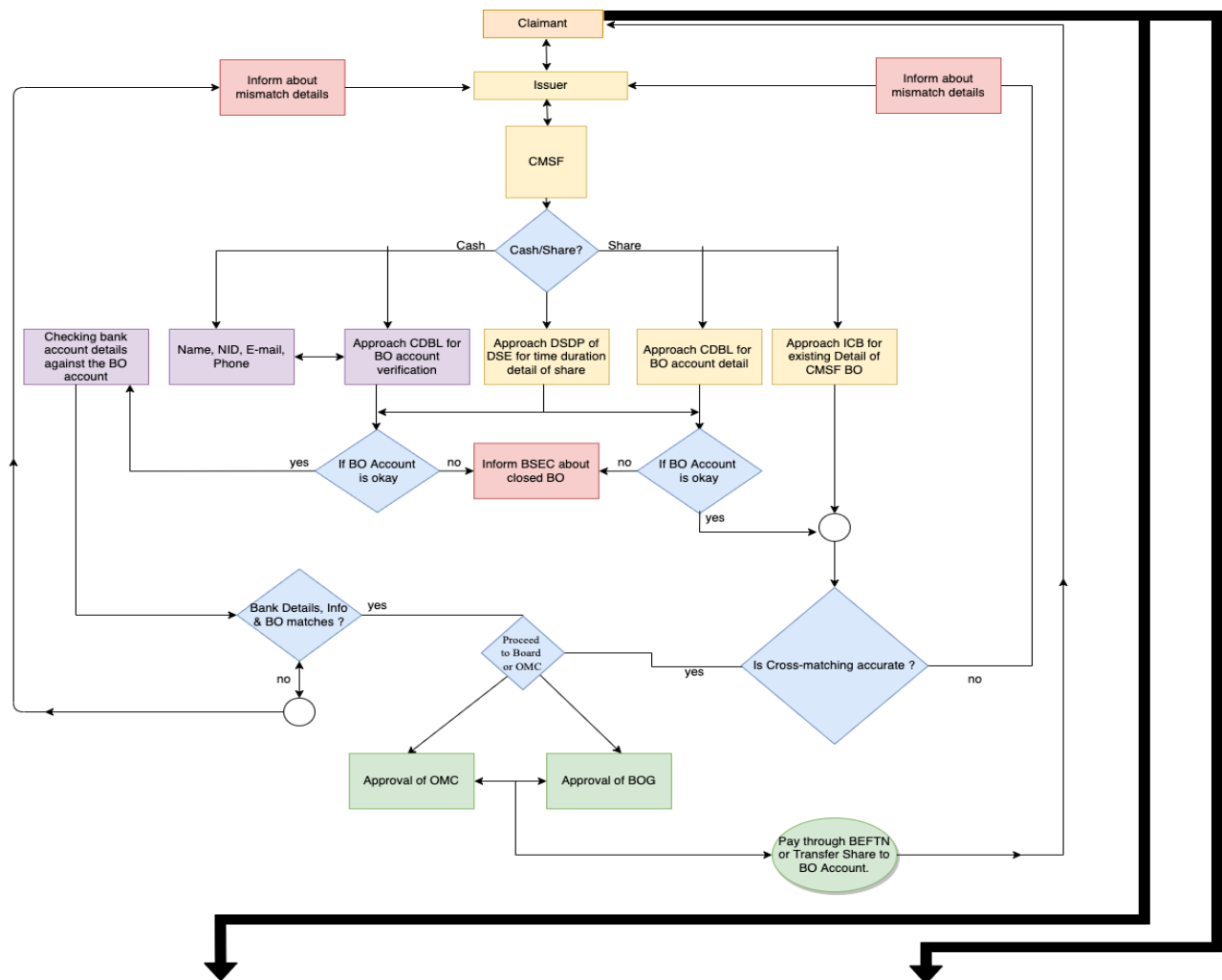- Application to the issuer

- Updated BO setup / Folio number / Share Certificate

- Original Death Certificate

- Application of Successor/Nominee

- Notarized Original Certificate of Inheritance with a Photograph of Successor

- Original Court Succession (To whom issue the DW)

- NID copy of Shareholder & Successor

In the case of **Power of Attorney** (Non-residential Bangladeshi), the required documents are
- Application to the issuer

- Updated BO setup / Folio number / Share Certificate

- Signature Verification from CDBL

- Original NID of shareholder

- Duly Signed Authorization Letter

- NID/ Passport copy of Shareholder

- Original NID of Authorized Person

AS PER RULE 9 of Bangladesh Securities and Exchange Commission(Capital Market Stabilization Fund)Rule, 2021, the form along with the attachments must be submitted to the issuer to the issuer.

The claimant will collect an **'Application Form'** from the issuer. The claimant has to fill up with appropriate information. Some Information is not required for all. The information is generally needed as follows: **Claimant Name, BO ID / Folio ID, NID, Contact Information, Mobile Number (As per CDBL records), E-mail, Dividend year, Type of Claim, Address, Warrant no (If any), Nominee information (If any), the Authorized person (If any), Succession Certificate (If any), Bank details, Bank Account Name, Bank Account Number, Bank Routing Number, Bank Name, Branch Name** and other details which should be attached with the claim form **AS PER RULES 9 (1), 2021**. The form along with the attachments must be submitted to the Issuer.

Test Case A	Test Case B	Test Case C
The claimant lodged a claim to the Issuer 1. Application 2. BO Acknowledgement 3. Bank Information	The claimant lodged a claim to the Issuer. 1. Application 2. BO Acknowledgement 3. Bank Information 4. Dividend Warrant	The claimant lodged a claim to the Issuer 1. Application 2. BO Acknowledgement 3. Bank Information

Application for Unpaid Dividend (Form-1)

Date:

The Company Secretary
Company Name:………………………………..
Address:………………………………………………….

Dear Sir/Madam,

I/We ………………………………………………………………. Shareholder(s) of the company request you to pay my/our unpaid dividend for the period mentioned below.

Type of Claim	Self / Authorized / Nominee / Succession
BO ID/ Folio*	
Number of Shares/Amount	
Email (As per CDBL records)	
Mobile Number (As per CDBL records) *****	
National Identification Number (NID)*	
Bank account Number (As per CDBL records) *****	
Name of the Bank*	
Branch Name*	
Routing Number*	
Bank Account Beneficiary Name*	
Year of unpaid dividend with details*	
Warrant Number (If any)	
Nominee (If any)	
Authorized Person (If any)	
Succession Certificate (If any)	

Yours faithfully,

Signature of the Shareholder(s) (As per NID)
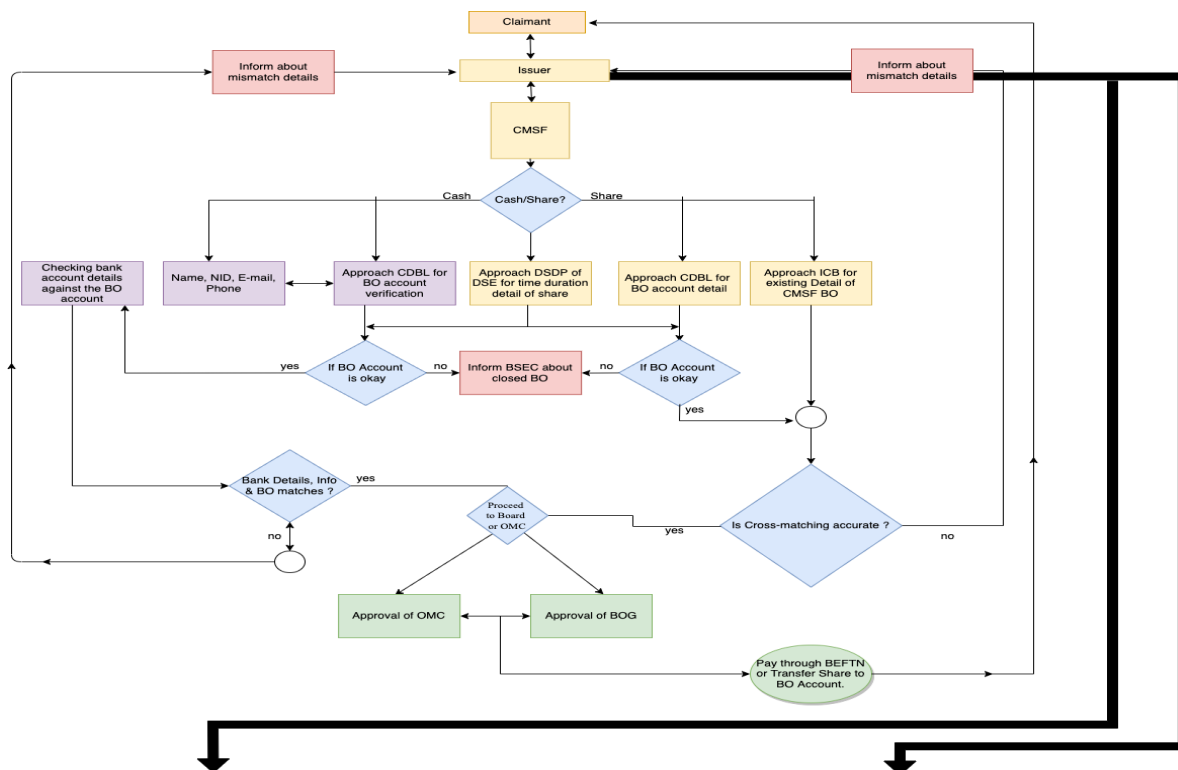Address:

Notes:

   a)   (*) must be filled
   b)   The shareholder must enclose NID and relevant documents evidencing BO ID, Number of shares, and Bank Information.
   c)   The payment of dividends shall be subject to verification.

2.2 Verification of Claim & Forwarding

The issuer shall receive the duly filled claim form from the investor and immediately forward a copy of the claim to CMSF's email address (claim@cmsfbd.org). Then, the issuer shall verify the details of the investor to check whether the investor is an actual shareholder and crosscheck the detail affiliated with the given BO ID / Folio No. The issuer shall send the prescribed forwarding letter along with the claim application and attachment from the investor. **Note that, the** issuer is obliged to send verified application details (hard copy) **within 15 (fifteen) days AS PER RULE-9 of CMSF Rules, 2021 to CMSF. In case of not providing BO setup (investor holds Folio number/share certificate), the issuer must verify the Folio number/share certificate.**

The issuer will receive the duly filled claim form from the claimant and immediately forward a copy of the claim to CMSF's email address (claim@cmsfbd.org). Next, The issuer shall verify the details of the claimant to check whether the claimant is an actual shareholder and crosscheck the detail affiliated with the given BO ID / Folio No. The issuer shall send the prescribed forwarding letter along with the claim application and attachment from the claimant. **Note that**, Issuer is obliged to send verified application details (hard copy) within **15 (fifteen) days AS PER RULES 9 (1), 2021.**

Test Case A	Test Case B	Test Case C
Issuer 'A' received the claim and found the claimant's dividend information in their list. The Issuer checked the BO ID in the dividend list, After proper scrutiny of the claim application form, the Issuer forwarded a letter to CMSF for further action/disbursement. The claimant had given the bank details (bank name, branch, account no, routing no) as it was cash divined claim.	Issuer 'B' received the claim and found the claimant's dividend information in their list. They also checked the attachment and forwarded it to CMSF with a forwarding letter. The claimant had given the bank details information (bank name, branch, account no, routing no) as it was a cash dividend claim.	Issuer 'C' received the claim and found claimant's dividend information in their list. They also checked the attachment and forwarded it to CMSF with a forwarding letter. The claimant had given the bank details (bank name, branch, account no, routing no) as it was cash dividend claim.

Forwarding Letter of Issuer (Form-2)

Reference: Date:

Chief of Operation

Capital Market Stabilization Fund

Temporary Office: 5th Floor, 9/G, Motijheel C/A,

Dhaka 1000

Subject: Request to pay unclaimed Cash/Stock Dividend from Capital Market Stabilization Fund (CMSF)

Dear Sir,

We refer to the "Clause no. 10(1) Claims Settlement Procedures" of the Capital Market Stabilization Fund (CMSF) Rules, 2021 dated 01 June 2021, the shareholder, who is required to pay off his/her unclaimed Cash/Stock Dividend to his/her respective bank account from Capital Market Stabilization Fund (CMSF) is listed with details. We have properly verified the details and found them correct and herewith are furnishing for your kind perusal -

Serial No:	BO ID/Fo lio ID:	Investor's Name:	Bank Details					Year of Dividend	Amount of Dividen d (BDT)	Fraction Dividend (BDT)	Tax (BDT)	Net Dividend (BDT)
			A/C	A/C Name	Bank	Branch	Routing No					
Total												

Thanking you in advance for your effort to pay the said unclaimed Cash Dividend to our respective shareholder(s).

Sincerely yours,

…………………………………..

…………………………………..

Enclosure:

1. Investors' Application
2. Required attachments of investor (NID, BO ID, Bank details)

A/C: Account No

A/C name: Account name

B.N: Bank name

R.N: Routing No

2.3 Claim Settlement Procedure of CMSF

CMSF shall receive claims from the issuer. After due verification, CMSF shall proceed for settling the claim. The settlement has to be done within **15 working days.**

Task	Duration
Receiving Claim Application	1 Day
Claim Application Scrutiny	5 Days
Share (BO ID) or Bank Account deposit Verification	3 Days
The Approval Process	3 Days
Final Disbursement & Settlement	3 Days

2.3.1 Receiving Claim Application (1 Day)

The investor shall apply to their issuer Company for unclaimed dividend in the prescribed application form (attachment: NID, BO/Folio No, Bank Cheque) which is developed by CMSF. As per CMSF rules, **2021, Chapter 4, Rule- (10),** within 15 (fifteen) days of receiving such claims, the issuer shall provide detailed information with proper verification of the claim and will send a forwarding letter to CMSF. After receiving that application, CMSF shall scrutinize the claim application.
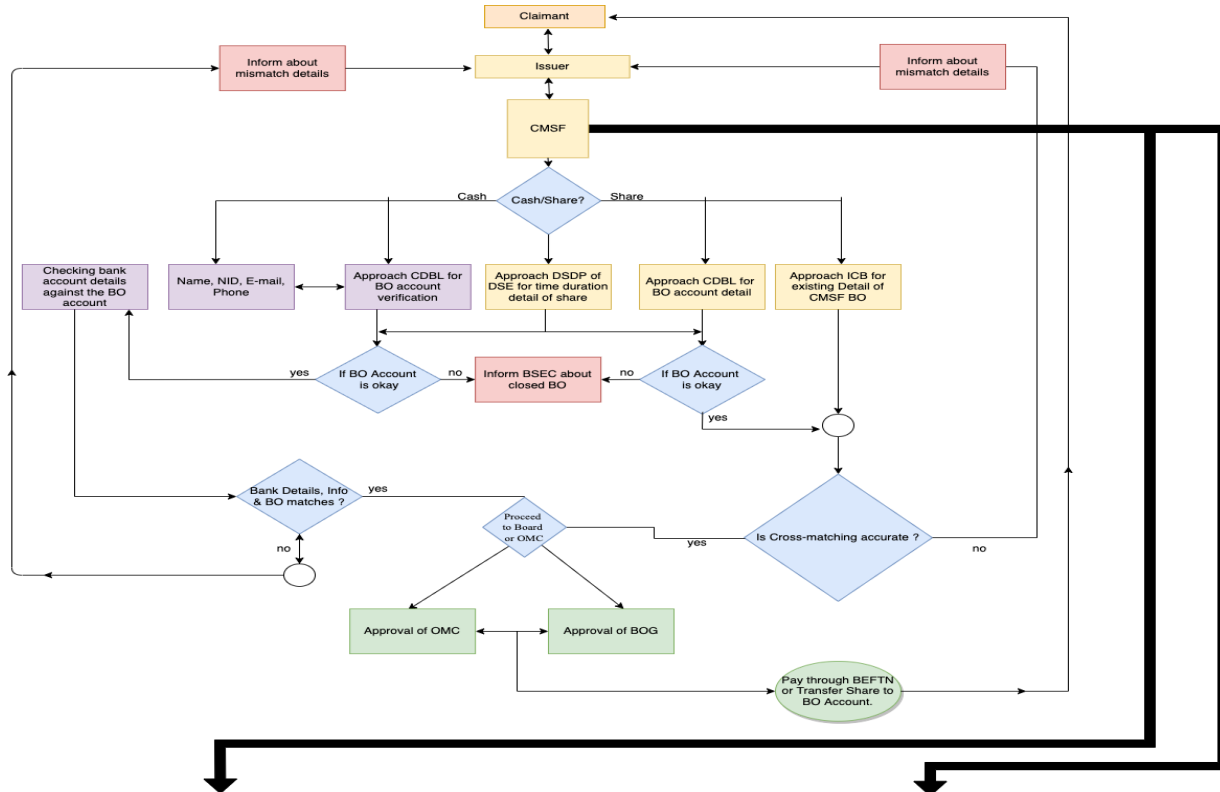

The Claimant will apply to their Issuer Company for unclaimed dividend in the prescribed application form (attachment: NID, BO/Folio No, Bank Cheque) which is developed by CMSF. As per CMSF rules, **2021, Chapter 4, Rule- (10)**, within 15 (fifteen) days of receiving such claims, the issuer shall provide detailed information to CMSF with proper verification of the claim and send a forwarding letter to CMSF. After receiving that application, CMSF will scrutinize the claim application.

Test Case A	Test Case B	Test Case C
CMSF checked the claim application and found that the issuer sent the forwarding letter to CMSF without proper verification. More specifically, the issuer provided a 15-digit BO ID instead of a 16-digit.	CMSF received the claim application along with issuer verification with sufficient information.	CMSF checked the claim application form and found that the issuer sent forwarding with sufficient details.

2.3.2 Claim Application Scrutiny (5 Days)

After receiving the investors' application from the issuer, CMSF shall check the information and verify it. CMSF will review the consistency of the information, NID, BO details, and Bank Details of CDBL Records. CMSF shall check the information of dividend (Year of dividend, amount of dividend, tax deducted at source, the net amount of dividend) which is provided by the issuer. If any mismatch is found, CMSF will send a query to the issuer. The CMSF will crosscheck the received data with the softcopy provided by the issuer earlier. After completing the scrutiny, CMSF shall verify the share or cash deposit details on its corresponding accounts.
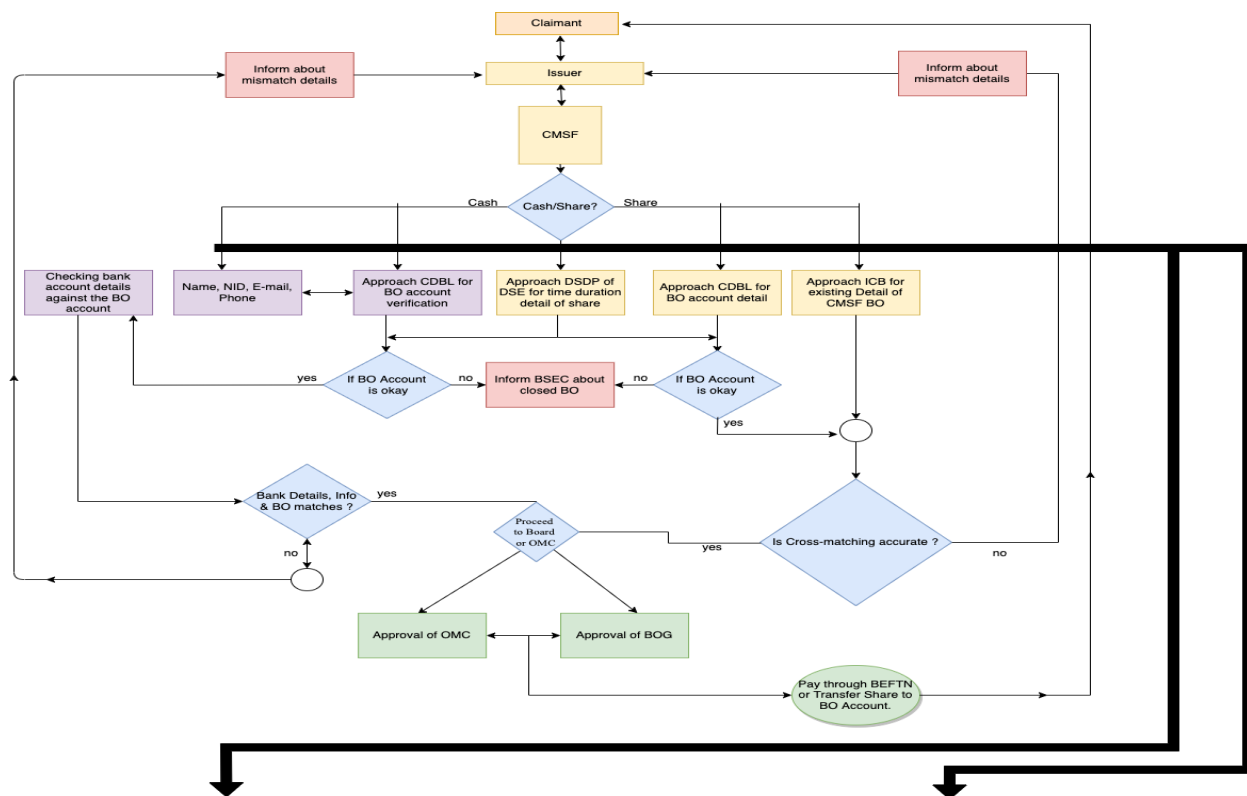

After receiving the claimant application from the Issuer, CMSF will check the information and verify it. CMSF will review the consistency of the information, NID, BO details, Bank Details of CDBL Data. CMSF will check the information of dividend (Year of dividend, amount of dividend, tax deducted at source, net about of dividend) which is provided by Issuer. If any mismatch is found, CMSF will send a query to the Issuer. CMSF will crosscheck the received data with the soft copy provided by the issuer earlier. After completing the Scrutiny, CMSF will verify the share or cash deposit details on their corresponding account.

Test Case A	Test Case B	Test Case C
Though BO ID is incomplete, we approached for further verification with the detailed information from the Issuer company. But these names and contact details are inconsistent.	The scrutiny check is satisfactory. Dividend information completely matches the Issuer's database. This information is: Application form, BO ID details, Bank details, dividend year, Amount of dividend	The claim is proved to be valid by the issuer. Issuer searched their database appropriately and sent detailed dividend information to CMSF. The scrutiny check is satisfactory for settlement. Dividend information completely matches the Issuer's database.

2.3.3 Share (BO ID) or Bank Account Deposit Verification (3 days)

The CMSF shall verify cash/stock deposit details for the claim of stock/right/bonus share or cash dividend or public subscription money in the CMSF's bank account/BO Account. The CMSF will cross-match & verify the detailed information of stock/right/bonus share or cash dividend or public subscription money with data received from the issuer Company. After completing the verification, the CMSF shall prepare a note in order to present it to the Operation Management Committee (OMC).
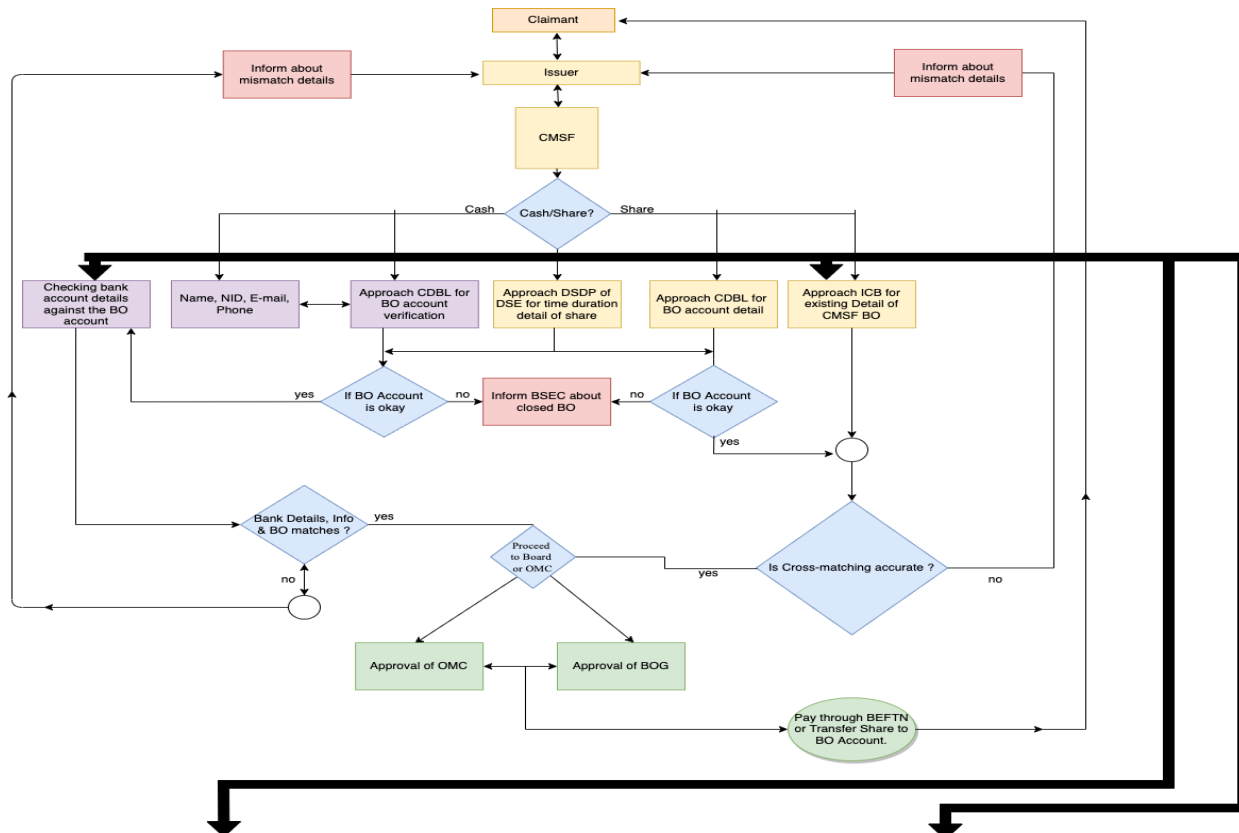

CMSF will verify cash/stock deposit details for the claim of stock/ right/ bonus share or cash dividend or public subscription money on CMSF 's bank account/ BO Account. CMSF will cross-match & verify details information of stock/right / bonus share or cash dividend or public subscription money with issuer data. After completing the verification, CMSF will prepare a file note to present at the OMC (Operation Management Committee).

Test Case A	Test Case B	Test Case C
The Deposit fund data is found on the CMSF Bank account and the claim is valid. Although the information is inconsistent. **Observation:** Claimant's Bank Account Details, NID are not found. Sending Fund to the claimant's account is thus questioned.	The Deposit fund data is found on CMSF Bank account and the claim is valid. Required documents and information are received.	Required documents and information are received. The Deposit fund data is found on the CMSF Bank account and the claim is valid. It contained the issuer's account no., branch, and the transaction date.

2.3.4 The Approval Process (3 days)

After due verification, the Chief of Operation (COO) shall present the claims to the Operation Management Committee (OMC). The committee may approve the claims after analyzing the report. Finally, the claims that are approved by OMC will be placed to the Board of Governors (BOG) for final approval. After discussion, The Board may give their consent to settle the claims.
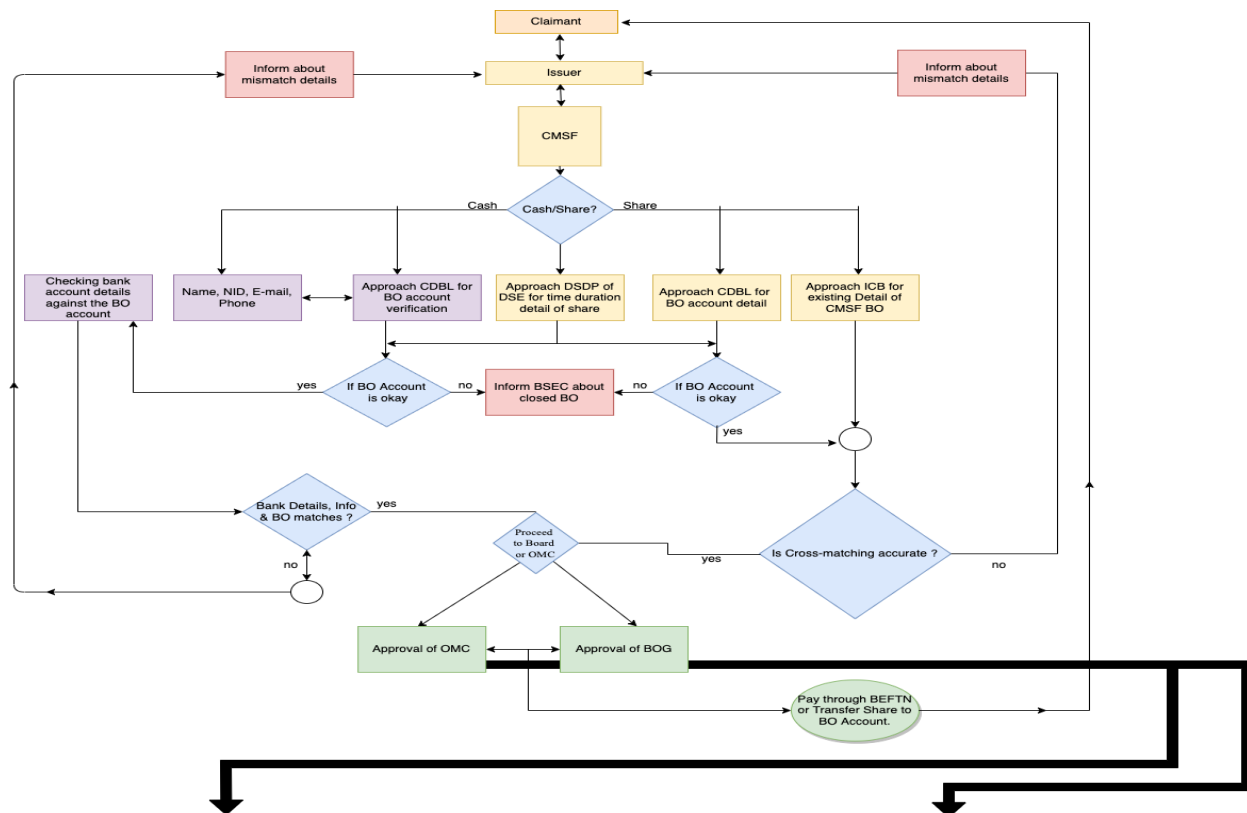
After completing the verification process, the COO will present the authentic claim to the Operation Management Committee (OMC). The Committee will approve the claim after analyzing the report. Finally, OMC-approved claim will be placed to the Board of Governors (BOG) for final approval. After discussion, Board will give their approval to settle the claims.

Test Case A	Test Case B	Test Case C
It is not recommended as It has been stopped at the claim scrutiny step.	Operation Management Committee approved those claims, Board of Governors has not given their approval yet.	Operation Management Committee approved those claims & the Board of Governors has also approved it.

2.3.5 Final Disbursement & Settlement (3 days)

The Board may approve the settlement that recommends by the OMC. If the board approves, then the settlement process will be started as follows:

For **cash dividend/ public subscription money settlement**, the claim amount shall be disbursed to the investors' bank account through BEFTN.

For **stock dividend, bonus share, and right share settlement**, the share shall be transferred to the investors' BO account from the BO account of CMSF.
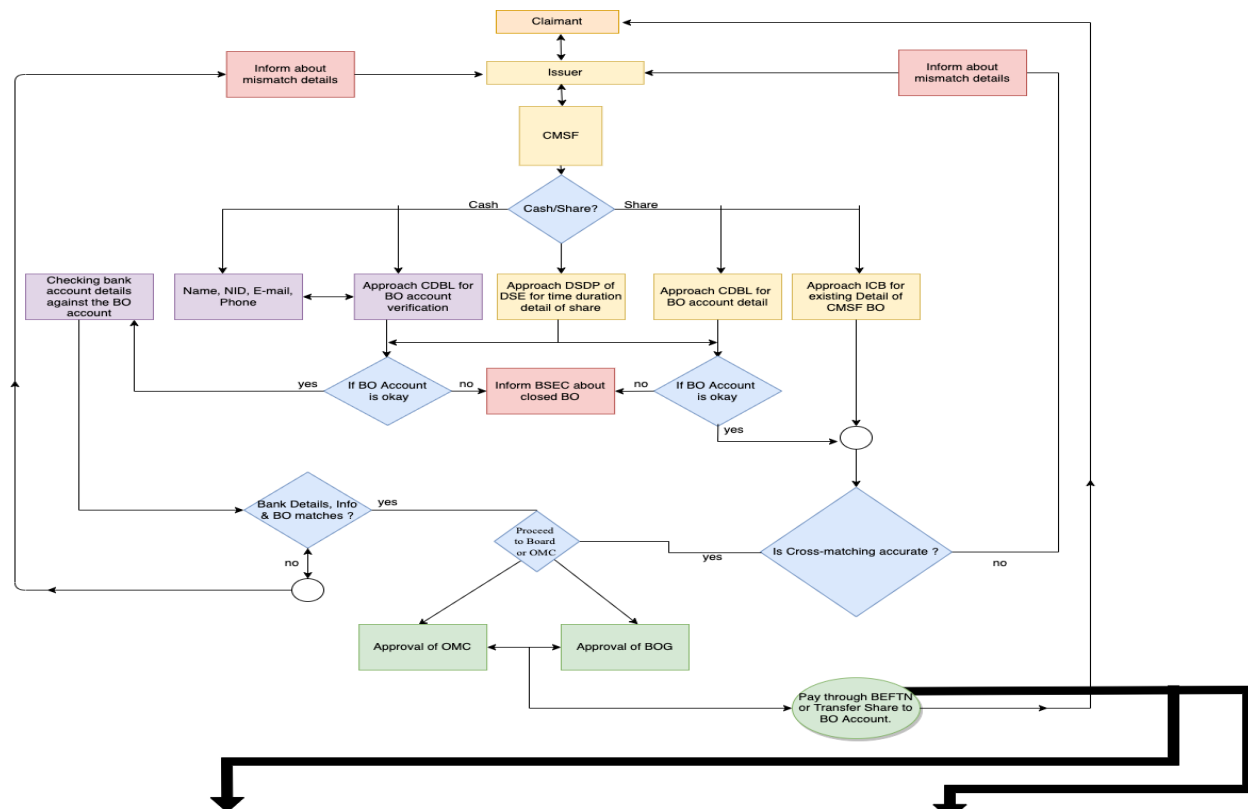
Once, The Board approves the claim application followed by OMC meeting, the settlement process will be started as follows:

For **cash dividend/ public subscription money settlement**, the claim amount will be disbursed to claimant's bank account through BEFTN.

For **stock dividend, bonus share and right share settlement**, share will be transferred to claimant BO account from BO account of CMSF.

Test Case A	Test Case B	Test Case C
It is not recommended as it has been stopped at the claim scrutiny step.	Observation: Settlement is possible with subject to Board of Governors approval.	Observation: The payment has been disbursed through BEFTN after approval of The Board of Governors.

3. Narrative Case Study of Claim Settlement

Up to now, CMSF received several claims on cash dividends. Among those claims, the following scenarios have been found and initiatives have been taken accordingly. For the ready reference of the investors, these cases have been narrated below

3.1 Investors' Application [Investor]

Actor: Investor

Task: Claim Application Form

Description: The investor shall apply to their respective issuer companies for unclaimed dividends in a prescribed application form (attachment: NID, BO/Folio No, Bank Cheque) which is developed by CMSF. The issuer company shall send a forwarding letter to CMSF including the investors' application form.

Case Study-A: The investor lodged a claim to the issuer along with
1. Application
2. BO Acknowledgement
3. Bank Information

Case Study-B: The investor lodged a claim to the issuer along with
1. Application
2. BO Acknowledgement
3. Bank Information
4. Dividend Warrant

Case Study-C: The investor lodged a claim to the issuer along with

1. Application
2. BO Acknowledgement
3. Bank Information

3.2 Verification of Claim & Forwarding [Issuer]

Actor: Issuer

Task: Verification of claim & forwarding

Description: The issuer will receive the duly filled claim form from the investor. The issuer will check and crosscheck the details affiliated with the BO ID / Folio No. The issuer must verify the details of the investor. The issuer has to send a prescribed forwarding letter along with the claim application and necessary attachments. Receiving an application, the Issuers shall immediately forward it to the CMSF through e-mail (claim@cmsfbd.org). Note that, The issuer is obliged to send verified application details (hard copy) within 15 days.

Case Study-A: Issuer company 'A' received the claim and found the investors' dividend information in its list. The issuer checked the BO ID in the dividend list, after scrutiny of the claim application form, the issuer forwarded a letter to CMSF for further action/ disbursement. The investors have given the bank details (bank name, branch, account no, routing no) as it was a cash dividend claim.

Case Study-B: Issuer company 'B' received the claim and found the investors' dividend information in their list. The issuer company also checked the attachment and forwarded it to CMSF with a forwarding letter. The investors have given the bank details information (bank name, branch, account no, routing no) as it was a cash dividend claim.

Case Study-C: Issuer company 'C' received the claim and found the investors' dividend information in its list. The issuer also checked the attachment and forwarded it to the CMSF with a forwarding letter. Then, the investors had given the bank details (bank name, branch, account no, routing no) as it was a cash dividend claim.

3.3 Receiving Claim Application [CMSF]

Actor: CMSF

Task: Receiving Claim Application

Description: After receiving the investors' application from the issuer, CMSF shall scrutinize the information and verify it. CMSF will review the validity of basic information, NID, BO, and Bank Details with CDBL records. CMSF will check dividend-related data (year of dividend, amount of dividend, tax deducted at source, the net amount of dividend) which are provided by the issuer. If any mismatch is found, CMSF will send a query to the issuer. CMSF will cross-check the received data with a soft copy that was provided by the issuer earlier. CMSF will verify the share or cash deposit details on its corresponding account.

Case Study-A: CMSF checked the claim application and found that the issuer sent the forwarding letter to CMSF without proper verification. More specifically, the issuer provided a 15-digit BO ID instead of a 16-digit BO ID.

Case Study-B: CMSF received the claim application along with verification from the issuer with sufficient details.

Case Study-C: CMSF checked the claim application and found that the issuer sent forwarding with sufficient details.

3.4 Claim Application Scrutiny [CMSF]

Actor: CMSF
Task: Claim Scrutiny

Description: After receiving the investors' application from the issuer, CMSF will scrutinize the information and shall verify it. First, CMSF will review the consistency of the information, NID, BO details with CDBL Data, and Bank Details with CDBL Data. Then, CMSF will check dividend data (Year of dividend, amount of dividend, tax deducted at source, net about of dividend) which is provided by the issuer. If any mismatch is found, CMSF will send a query to the issuer. CMSF will cross-check the received data with the soft copy provided by the issuer earlier. Finally, after completing the scrutiny, CMSF will verify the share or cash deposit details on their corresponding account.

Case Study-A: BO ID was incomplete, CMSF approached for further verification as the issuer sent details. It was found that the given name and contact details were inconsistent.

Case Study-B: Scrutiny check was satisfactory. Dividend information completely matched the issuer sent data.

Case Study-C: Claim was proved to be valid by the issuer. The issuer searched their database appropriately and sent detailed dividend information to CMSF. Dividend information completely matches the issuer sent data. The scrutiny check was satisfactory for the settlement.

3.5 Share (BO ID) or Bank Account Deposit Verification [CMSF]

Actor: CMSF

Task: Share (BO ID) or Bank Account Deposit Verification

Description: For the settlement of cash dividends or public subscription money, CMSF will verify cash deposit details in its bank account. And for stock dividend, bonus share, and right share, CMSF will verify share deposit details on its BO Account. After completing the verification, CMSF will prepare a file note to present at the OMC Meeting.

Case Study-A: The claim was valid. Although, the information of the investors was inconsistent.

> **Observation:** The investors' Bank Account Details and NID were not found. Sending dividends to investors' account was thus questioned.

Case Study-B: The Issuers' cash dividend deposit details to the CMSF's Bank account were verified. Required documents and information were received.

Case Study-C: Required documents and information were received. The Issuers' cash dividend deposit details to the CMSF Bank account were verified and the claim is valid.

4.6 The Approval Process [CMSF]

Actor: CMSF

Task: The approval process

Description: After completing all the verification, the Chief of Operation will present the successful claims to the Operation Management Committee (OMC). The committee will approve or decline the claims after analyzing the summary report of such claims. Finally, OMC-approved claims will be placed to the Board of Governors for final approval. After discussion, The Board will grant their approval for the settlement.

Case Study-A: This case was not recommended for settlement as it has already been stopped at the claim scrutiny step.

Case Study-B: Operation Management Committee approved those claims and was on standby for the Board of Governors' approval.

Gase Study-C: Operation Management Committee approved those claims and the Board of Governors also approved them.

3.7 Final Disbursement & Settlement [CMSF]

Actor: CMSF

Task: Final Disbursement & Settlement

Description: The Board approved the claims for settlement, the settlement process started as follows:

For cash dividend/ public subscription money settlement, the claim amount has been disbursed to the investors' bank account through BEFTN. For stock dividend, bonus share, and right share settlement, the share will be transferred to the investors' BO account from the BO account of CMSF.

Case Study-A: This case was not recommended for settlement as it has already been stopped at the claim scrutiny step.

Case Study-B:
Observation: Settlement was possible subject to the Board of Governors' approval.

Case Study-C:
Observation: The payment has been disbursed through BEFTN after the approval of The Board of Governors.

4. Conclusion

Capital Market Stabilization Fund (CMSF) is taking the necessary steps to settle the claims as per the Bangladesh Security and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021; rules 10(1) to 10(4). This report contains detailed information on the procedure of placing a claim, a detailed process for the issuer in order to verify a claim and the forwarding procedure to CMSF, and details of the settlement procedure of CMSF along with period breakdown. Therefore, all concerned are requested to read this document attentively while applying or sending a forwarding letter.