



December 18, 2020

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Re: Fixed Income Clearing Corporation Notice of Filing of Proposed Rule Change to Modify the Calculation of the MBSD VaR Floor to Incorporate a Minimum Margin Amount (Release No. 34-90568)

Dear Ms. Countryman:

The American Securities Association (“ASA”)¹ respectfully requests an extension of the current comment period for the Fixed Income Clearing Corporation’s (FICC) notice of proposed rule change to incorporate a minimum margin amount into the Mortgage-Backed Securities Division (“MBSD”) clearing rules. (“Proposal”).

The Proposal involves several complex changes to the calculations that FICC clearing members make to determine the proper margin amount included in their FICC required fund deposit. The proposed changes could have a significant impact upon the to-be-announced (TBA) market, and we believe it is in the best interest of FICC and its clearing members that the Proposal receive well-informed and detailed input prior to approval by the Commission.

We believe that in this instance, the typical 21-day comment period granted for clearing agency rule proposals is insufficient and that the FICC, SEC, and market participants would benefit from the comment period being extended at least until the end of January 2021. Such an extension would allow ASA members and others the time necessary robustly analyze the Proposal and provide the FICC and SEC with helpful comments.

The ASA appreciates the consideration of this request and looks forward to providing substantive feedback on the Proposal.

Sincerely,

Kelli McMorrow

Kelli McMorrow
Head of Government Affairs
American Securities Association

¹ The ASA is a trade association that represents the retail and institutional capital markets interests of regional financial services firms who provide Main Street businesses with access to capital and advise hardworking Americans how to create and preserve wealth. The ASA’s mission is to promote trust and confidence among investors, facilitate capital formation, and support efficient and competitively balanced capital markets. This mission advances financial independence, stimulates job creation, and increases prosperity. The ASA has a geographically diverse membership base that spans the Heartland, Southwest, Southeast, Atlantic, and Pacific Northwest regions of the United States.

