SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104922; File No. SR-DTC-2026-002]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend the Clearing Agency Stress Testing Framework

March 4, 2026.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on February 25, 2026, The Depository Trust Company ("DTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act[3] and Rule 19b-4(f)(6) thereunder.[4] The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to the Clearing Agency Stress Testing Framework ("Framework") of DTC and its affiliates, Fixed Income Clearing

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

3 15 U.S.C. 78s(b)(3)(A).

4 17 CFR 240.19b-4(f)(6).

Corporation ("FICC") and National Securities Clearing Corporation ("NSCC," and together with DTC and FICC, the "Clearing Agencies").[5]

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Background

Rules 17ad-22(e)(4) and (7) under the Act require the Clearing Agencies to establish, implement, maintain and enforce written policies and procedures reasonably designed to manage their credit and liquidity risks, including through the use of stress testing.[6] The Clearing Agencies adopted the Framework to set forth the manner in which they identify, measure, monitor, and manage their respective credit exposures to participants and those arising from their respective payment, clearing, and settlement processes by, for example, maintaining sufficient prefunded financial resources to cover

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[5] Capitalized terms not defined herein shall have the meaning assigned to such terms in each of the Clearing Agencies' respective rules, available at www.dtcc.com/legal/rules-and-procedures.

[6] See 17 CFR 240.17ad-22(e)(4) and (7).

their credit exposures to each participant fully with a high degree of confidence and testing the sufficiency of those prefunded financial resources through stress testing.[7] In this way, the Framework describes the stress testing activities of each of the Clearing Agencies and how the Clearing Agencies meet the applicable requirements of Rules 17ad-22(e)(4) and (7) under the Act.

Rule 17ad-22(e)(3)(ii) under the Act requires the Clearing Agencies to, in short, establish, implement and maintain plans for the recovery and orderly wind-down of the covered clearing agency necessitated by credit losses, liquidity shortfalls, losses from general business risk, or any other losses.[8] The Clearing Agencies' plans for recovery and orderly wind-down ("Recovery & Wind-down Plans" or "RWPs") are intended to be used by the respective Boards of Directors and management in the event a Clearing Agency encounters scenarios that could potentially prevent it from being able to provide its core services as a going concern. The RWPs are managed by the Office of Recovery & Resolution Planning (referred to in the RWPs as the "R&R Team") of the Clearing Agencies' parent company, The Depository Trust & Clearing Corporation ("DTCC"),[9] on behalf of each Clearing Agency, with review and oversight by the DTCC Executive Committee and the Clearing Agencies' respective Boards of Directors.

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7 See Securities Exchange Act Release No. 82368 (Dec. 19, 2017), 82 FR 61082 (Dec. 26, 2017) (SR-DTC-2017-005, SR-FICC-2017-009, SR-NSCC-2017-006).

8 See 17 CFR 240.17ad-22(e)(3)(ii).

9 DTCC operates on a shared service model with respect to DTC and its other affiliated clearing agencies, FICC and NSCC. Most corporate functions are established and managed on an enterprise-wide basis pursuant to intercompany agreements under which it is generally DTCC that provides relevant services to the Clearing Agencies.

In November 2024, the Commission adopted new Rule 17ad-26 under the Act ("Rule 17ad-26"),[10] which sets forth additional standards for the Recovery & Wind-down Plans required to be maintained by Rule 17ad-22(e)(3)(ii) under the Act. Rule 17ad-26(a)(3) specifically requires that the RWPs identify and describe scenarios that may potentially prevent the covered clearing agency from being able to provide its core services as a going concern, including uncovered credit losses, uncovered liquidity shortfalls, and general business losses.[11]

On June 10, 2025, the Commission approved proposed rule changes by the Clearing Agencies to amend their respective RWPs to, among other things, identify and describe scenarios that may potentially prevent each Clearing Agency from being able to provide its core services as a going concern.[12] Such scenarios include uncovered credit losses, uncovered liquidity shortfalls and general business losses as required by Rule 17ad-26(a)(3). The scenarios identified in the RWPs ("RWP Scenarios") primarily leverage the Clearing Agencies' existing stress testing methodology.

Proposed Changes

Proposed Changes Related to RWP Scenarios

The Clearing Agencies propose to amend the Framework to provide additional clarity regarding the role of the Framework and stress testing team ("Stress Testing

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[10] 17 CFR 240.17ad-26. See Covered Clearing Agency Resilience and Recovery and Orderly Wind-down Plans, Securities Exchange Act Release No. 101446 (Oct. 25, 2024), 89 FR 91000 (Nov. 18, 2024) (S7-10-23).

[11] See 17 CFR 240.17ad-26(a)(3).

[12] See Securities Exchange Act Release No. 103221 (June 10, 2025), 90 FR 25414 (June 16, 2025) (File Nos. SR-DTC-2025-007, SR-FICC-2025-010, SR-NSCC-2025-007).

Team") in supporting the R&R Team in identifying and describing scenarios that may potentially prevent the covered clearing agency from being able to provide its core services, as required under Rule 17ad-26.

The Clearing Agencies propose to revise the Executive Summary of the Framework to provide that the Framework sets forth the manner in which the Stress Testing Team supports the Recovery & Wind-down Plans in identifying and describing scenarios that may potentially prevent the covered clearing agency from being able to provide its core services, as required under Rule 17ad-26. The Executive Summary would also be revised to note the applicability of Rule 17ad-26(a)(3) and RWP Scenarios to various sections of the Framework.

The Clearing Agencies would also revise the Market Risk Stress Testing Requirements section of the Framework (which would be renamed to Stress Testing Requirements) to summarize the newly applicable requirements under Rule 17ad-26(a)(3) for each Clearing Agency to identify and describe scenarios that may potentially prevent the covered clearing agency from being able to provide its core services. The proposed rule change would further provide that the Framework describes (i) the manner in which the Clearing Agencies determine inputs and assumptions and associated loss amounts for the uncovered credit loss and uncovered liquidity shortfall scenarios identified and described in the RWPs and (ii) the role of the Stress Testing Team in supporting the R&R Team in identifying and describing the general business loss scenarios used in the RWPs.[13] The proposed rule change would also clarify that the

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[13] As described below, the Stress Testing Team leverages the Clearing Agencies' existing stress testing methodologies to identify scenario assumptions and inputs to be used in the RWP Scenarios.

remaining elements of Rule 17ad-26 as they relate to RWPs are out of scope for the Framework as they identify additional requirements unrelated to scenarios that are described in each Clearing Agency's RWP.

The Clearing Agencies also propose to add a new section to the Framework titled Recovery and Wind-down to provide background context on the RWPs. For example, the proposed rule change would explain how the RWPs are intended to be used by the Boards of Directors and management of the Clearing Agencies in the event that a Clearing Agency encounters scenarios that could potentially prevent it from being able to provide its core services as identified in compliance with Rule 17ad-26(a)(1) as a going concern, and that each RWP is designed as a roadmap that collects and organizes, in one place, the tools and related actions available to the Clearing Agency to address events that may lead to recovery and/or wind-down.

The proposed new section would also reiterate the requirements of Rule 17ad-26(a)(3) and describe how the Framework supports the RWPs in identifying and describing scenarios that may potentially prevent the covered clearing agency from being able to provide its core services. Specifically, the proposed rule change would clarify that (i) the Stress Testing Team is responsible for identifying, developing and maintaining the assumptions and inputs that will be used to determine uncovered credit loss and uncovered liquidity shortfall amounts that may prevent each Clearing Agency from providing their core services as a going concern; (ii) the Stress Testing Team will leverage existing stress testing methodologies, as described in the Framework, to identify scenario assumptions that may potentially prevent the covered clearing agency from being able to provide its core services in uncovered credit loss and uncovered liquidity

shortfall scenarios; and (iii) the loss amounts generated by the Stress Testing Team will be provided to the R&R Team. The proposed rule change would further clarify how the Stress Testing Team collaborates with the R&R Team and other stakeholders in identifying and describing the general business loss scenarios used in the RWPs and maintains such scenarios within its inventory of informational stress scenarios. The proposed rule change would also clarify that the tools and steps available to the Clearing Agencies to address the losses sustained are subject to the Recovery & Wind-down Plans and their subservient documentation.

The Clearing Agencies also propose to modify the Stress Testing Methodologies section of the Framework to clarify that scenario development for informational stress scenarios under the Framework also includes those used for recovery and wind-down purposes. For example, the proposed rule change would provide that the recovery and wind-down scenarios are a subset of the Clearing Agencies' informational stress scenarios and would include narratives to describe underlying events and stresses generated by those events that could lead a Clearing Agency to experience recovery and wind-down. The proposed rule change would further clarify that the available financial and liquidity resources are defined in the RWP of each Clearing Agency, and that the R&R Team, in conjunction with other stakeholders, would be responsible for identifying within the scenario the steps that the Clearing Agency would be expected to take to address any losses sustained.

The Clearing Agencies would also update the Stress Testing Methodologies section of the Framework to include general business losses as an area of risk identification. The proposed rule change would describe the term "general business loss"

as being any other type of loss event that is not a default loss (e.g., fraud, natural disaster, cyber event, etc.) and is not separately covered by financial resources held for the purposes of managing credit and liquidity risk. The proposed rule change would further clarify that specific business risks are identified through collaboration with the R&R Team, along with other teams within the Clearing Agencies as needed.

Finally, the Clearing Agencies would modify the Stress Testing Governance And Escalation Procedures section of the Framework to clarify that the usage of the RWP Scenarios as part of the RWP is governed by each of the Clearing Agencies' respective RWPs.

Other Clarifying, Cleanup and Organizational Changes

In addition to the proposed changes described above, the Clearing Agencies propose other clarifying, conforming, cleanup and organizational changes to the Framework to improve the accuracy and clarity of the document. First, the proposed rule change would update the Glossary of Key Terms in the Framework. Specifically, the proposed rule change would modify the definition of the Enterprise Stress Testing Committee ("ESTC") to clarify that the ESTC's responsibilities for stress testing-related issues, matters and/or concerns at DTC, NSCC, and FICC are described in the ESTC's charter. The Clearing Agencies would also add a defined term for "Recovery & Wind-down Plan" to mean the plan for the recovery and orderly wind-down of each Clearing Agency necessitated by credit losses, liquidity shortfalls, losses from general business risk or any other losses, adopted by each Clearing Agency pursuant to Rule 17ad-22(e)(3)(ii) under the Act. The Clearing Agencies would also add a defined term for

"General Business Losses" that would be aligned with the proposed description of general business losses discussed above.

The Clearing Agencies also propose to remove a reference to the DTCC Systemic Risk Office's role in designing hypothetical macroeconomic scenarios for stress testing to reflect this team's more limited role in the design process.

In addition, the proposed rule change would update the Framework to include relevant citations to various rules under the Act and to reflect their current numbering conventions. The proposed rule change would also update references to the Framework within the document to remove "Market Risk" from the title to reflect that the Framework discusses more than just market risk scenarios and would update references to various DTCC teams to more accurately reflect current naming conventions and/or responsibilities. Finally, the proposed rule change would make a number of non-substantive drafting clarifications throughout the Framework to improve drafting, clarity and organization of the document.

2. Statutory Basis

The Clearing Agencies believe that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a registered clearing agency. In particular, the Clearing Agencies believe that the proposed changes are consistent with Section 17A(b)(3)(F) of the Act[14] and Rule 17ad-26 under the Act[15] for the reasons set forth below.

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[14] 15 U.S.C. 78q-1(b)(3)(F).

[15] 17 CFR 240.17ad-26.

Section 17A(b)(3)(F) of the Act[16] requires, in part, that the rules of a registered clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible, and, in general, to protect investors and the public interest. As described above, the RWPs are used by the Boards of Directors and management of the Clearing Agencies in the event the Clearing Agencies encounter scenarios that could potentially prevent them from being able to provide core services to the marketplace as a going concern. As part of recovery and wind-down planning, the RWPs must identify and describe scenarios that may potentially prevent the covered clearing agency from being able to provide its core services as a going concern, which include uncovered credit losses, uncovered liquidity shortfalls and general business losses. The proposed rule change would update the Framework to provide additional clarity regarding how the Framework and DTCC Stress Testing Team support the development and maintenance of the RWP Scenarios that are included in the Clearing Agencies' RWPs. The identification and maintenance of RWP Scenarios are essential aspects of recovery and wind-down planning in that they enable the Clearing Agencies to (i) evaluate what is necessary to achieve a recovery and, in the event that recovery fails, ensuring the orderly wind-down of the Clearing Agency and transfer of core services to a new entity and (ii) make reasonable and appropriate preparations to achieve a recovery or orderly wind-down. By facilitating the continuity of the Clearing Agencies' core clearance and settlement services under such scenarios, the Clearing Agencies believe the RWPs and the proposed rule change would continue to

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[16] 15 U.S.C. 78q-1(b)(3)(F).

promote the prompt and accurate clearance and settlement of securities transactions and the safeguarding of securities and funds during the recovery and wind-down process. The Clearing Agencies therefore believe the proposed rule change would promote the prompt and accurate clearance and settlement of securities transactions, the safeguarding of securities and funds which are in the custody or control of the Clearing Agencies or for which they are responsible, and the protection of investors and the public interest in accordance with the requirements of Section 17A(b)(3)(F) of the Act.

Rule 17ad-26 under the Act[17] sets forth additional standards for the Recovery & Wind-down Plans required to be maintained by the Clearing Agencies by Rule 17ad-22(e)(3)(ii) under the Act. Rule 17ad-26(a)(3)[18] specifically requires that the RWPs identify and describe scenarios that may potentially prevent the covered clearing agency from being able to provide its core services as a going concern, including uncovered credit losses, uncovered liquidity shortfalls, and general business losses. The proposed rule change would update the Framework to provide additional clarity regarding how the Framework and DTCC Stress Testing Team support the development and maintenance of RWP Scenarios that are included in the Clearing Agencies' RWPs. The Clearing Agencies therefore believe the proposed changes to the Framework would facilitate the identification and description of scenarios that may potentially prevent the covered clearing agency from being able to provide its core services as a going concern, including uncovered credit losses, uncovered liquidity shortfalls, and general business losses, in accordance with Rule 17ad-26(a)(3) under the Act.

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17 See 17 CFR 240.17ad-26.

18 See 17 CFR 240.17ad-26(a)(3).

For these reasons, the Clearing Agencies believe the proposed rule change is consistent with the requirements of Section 17A(b)(3)(F) of the Act[19] and Rule 17ad-26 thereunder.[20]

(B) Clearing Agency's Statement on Burden on Competition

Section 17A(b)(3)(I) of Act[21] requires that the rules of a clearing agency do not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is primarily designed to update the Framework to (i) summarize the role of the Clearing Agencies' existing RWPs and the newly applicable requirements for RWP Scenario identification and description under Rule 17ad-26(a)(3) and (ii) provide additional clarity regarding how the Framework and DTCC Stress Testing Team support the development and maintenance of the Clearing Agencies' RWP Scenarios. As described above, the Stress Testing Team would leverage existing stress testing methodologies described in the Framework to identify scenario assumptions, inputs and associated loss amounts to be used for the Clearing Agencies' RWP Scenarios. The RWP Scenarios are currently maintained under the Clearing Agencies' existing RWPs, which have been approved by the Commission.[22] The RWPs, including the scenarios addressed therein, support the continuity of each Clearing Agency's core services and enable participants to maintain access to each Clearing Agency's services in the event that the RWPs are ever triggered by their respective

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19 15 U.S.C. 78q-1(b)(3)(F).

20 17 CFR 240.17ad-26.

21 15 U.S.C. 78q-1(b)(3)(I).

22 See supra note 12.

Boards of Directors. The Framework and its support of the RWPs are not designed to advantage or disadvantage any particular participant or user of the Clearing Agencies' services or unfairly inhibit access to the Clearing Agencies' services. The Clearing Agencies therefore do not believe that the proposed rule change would have any impact, or impose any burden, on competition.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Clearing Agencies have not received or solicited any written comments relating to this proposal. If any written comments are received, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, available at www.sec.gov/rules-regulations/how-submit-comment. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the SEC's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

The Clearing Agencies reserve the right to not respond to any comments received.

III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action

Because the foregoing proposed rule change does not:

(i) significantly affect the protection of investors or the public interest;

(ii) impose any significant burden on competition; and

(iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act[23] and Rule 19b-4(f)(6) thereunder.[24]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's internet comment form (https://www.sec.gov/rules/sro.shtml); or
- Send an email to rule-comments@sec.gov. Please include file number SR-DTC-2026-002 on the subject line.

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[23] 15 U.S.C. 78s(b)(3)(A).

[24] 17 CFR 240.19b-4(f)(6).

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.

All submissions should refer to file number SR-DTC-2026-002. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (https://www.sec.gov/rules/sro.shtml). Copies of the filing will be available for inspection and copying at the principal office of DTC and on DTCC's website (https://dtcc.com/legal/sec-rule-filings.aspx). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions

should refer to file number SR-DTC-2026-002 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[25]

Sherry R. Haywood,

Assistant Secretary.

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[25] 17 CFR 200.30-3(a)(12).