

Bold and underlined text indicates proposed added language

~~Bold and strikethrough text~~ indicates proposed deleted language

**FIXED INCOME CLEARING CORPORATION
GOVERNMENT SECURITIES DIVISION RULEBOOK**

RULE 3A – SPONSORING MEMBERS AND SPONSORED MEMBERS

[Changes to this Rule 3A, as amended by File No. SR-FICC-2022-006, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes have been approved by the SEC but have not yet been implemented. By no later than 60 Business Days after [insert date of the approval of SR-FICC-2022-006], these changes will be implemented and this legend will automatically be removed from this Rule 3A.]

Section 10—Clearing Fund Obligations

(c) The amount of the Sponsoring Member Omnibus Account Required Fund Deposit to be made and maintained by each Sponsoring Member on each Business Day shall be determined as follows: A Required Fund Deposit calculation shall be performed for each Sponsored Member whose activity is represented in the Sponsoring Member Omnibus Account pursuant to Rule 4, subject to the provisions of this Section 10 of this Rule 3A. The Sponsoring Member Omnibus Account Required Fund Deposit shall be equal to the **greater of: (i) \$1 million or (ii) the** sum of the following: (1) the sum of the VaR Charges for all of the Sponsored Members whose activity is represented in the Sponsoring Member Omnibus Account as derived pursuant to Section 1b(a)(i) of Rule 4, and (2) all amounts derived pursuant to the provisions of Rule 4 other than pursuant to Section 1b(a)(i) of Rule 4 computed at the level of the Sponsoring Member Omnibus Account. For purposes of calculating the Unadjusted GSD Margin Portfolio Amount applicable to a Sponsoring Member Omnibus Account, the Corporation shall apply the higher of the Required Fund Deposit calculation as of the beginning of the current Business Day and intraday on the current Business Day.

(d) The lesser of \$5,000,000 or 10 percent of the total amount arrived at in subsection (c) of this Section 10, with a minimum of ~~\$100,000~~ **\$1 million** must be made and maintained in cash, with the remaining portion to be made and maintained in the form specified in, and subject to the requirements of, Section 3 of Rule 4, and subject to subsection (e) of Section 2 of Rule 4.

RULE 4 - CLEARING FUND AND LOSS ALLOCATION

[Changes to this Rule 4, as amended by File No. SR-FICC-2022-006, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes have been approved by the SEC but have not yet been implemented. By no later than 60 Business Days after [insert date of the approval of SR-FICC-2022-006], these changes will be implemented and this legend will automatically be removed from this Rule 4.]

Section 1b – Unadjusted GSD Margin Portfolio Amount

~~The Minimum Charge applicable to a Repo Broker shall at all times be no less than \$5 million.~~

~~Once applicable minimum Clearing Fund amounts have been applied, the Corporation shall apply any applicable additional payments, charges and premiums set forth in these Rules.~~

Section 2 – Required Fund Deposit Requirements

(a) Each Business Day, each Netting Member shall be required to make a Required Fund Deposit to the Clearing Fund equal to the greater of: (i) the Minimum Charge or (ii) the amounts derived pursuant to the provisions of Sections 1, 1a and 1b of this Rule 4 (the “Total Amount”). A Netting Member that has a Margin Portfolio that consists of a Market Professional Cross-Margining Account shall be required to make an additional Required Fund Deposit to the Clearing Fund associated with the activity of such Margin Portfolio. Unless otherwise expressly provided, references in these Rules that pertain to Required Fund Deposits shall apply to the Required Fund Deposits associated with a Netting Member’s Market Professional Cross-Margining Account.

The Minimum Charge applicable to each Netting Member, other than a Repo Broker, shall be no less than \$1 million. The Minimum Charge applicable to each Repo Broker shall be no less than \$5 million for each Margin Portfolio with Broker Account(s) and no less than \$1 million for each Margin Portfolio with Dealer Account(s).

Once applicable Minimum Charges have been applied, the Corporation shall apply any applicable additional payments, charges and premiums set forth in these Rules.

Section 3 – Form of Deposit

The lesser of \$5,000,000 or 10 percent of the Required Fund Deposit, with a minimum of ~~\$100,000~~ \$1 million, must be made and maintained in cash, with the remaining portion of the Required Fund Deposit to be made and maintained in the form specified in this Section 3. The previous sentence shall also apply to a Sponsoring Member Omnibus Account, but shall not apply to the individual Sponsored Members whose activity is presented by such Account.

**FIXED INCOME CLEARING CORPORATION
MORTGAGE-BACKED SECURITIES DIVISION
CLEARING RULES**

RULE 4 – CLEARING FUND AND LOSS ALLOCATION

[Changes to this Rule 4, as amended by File No. SR-FICC-2022-006, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes have been approved by the SEC but have not yet been implemented. By no later than 60 Business Days after [insert date of the approval of SR-FICC-2022-006], these changes will be implemented and this legend will automatically be removed from this Rule 4.]

Section 2 – Required Fund Deposit Requirements

The Minimum Charge for each margin portfolio of a Clearing Member shall be no less than \$100,000. The ~~Clearing Fund requirement~~ Minimum Charge for each margin portfolio of an Unregistered Investment Pool Clearing Member shall be no less than \$1 million and the targeted confidence level assumption used for calculating VaR Charge shall be set at a minimum of 99.5%, which is half a percentage higher than the target assumption of the Corporation. The targeted confidence level assumption used for calculating VaR Charge for non-Unregistered Investment ~~Pools~~ Pool Clearing Member shall be set at a minimum of 99%.

Once applicable ~~minimum Clearing Fund amounts~~ Minimum Charges have been applied, the Corporation shall apply any applicable additional payments, charges and premiums set forth in these Rules.
