

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-100022; File No SR-FICC-2024-007)

April 24, 2024

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change to Modify the GSD Rules (i) Regarding the Separate Calculation, Collection and Holding of Margin for Proprietary Transactions and That for Indirect Participant Transactions, and (ii) to Address the Conditions of Note H to Rule 15c3-3a

On March 14, 2024, Fixed Income Clearing Corporation (“FICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR-FICC-2024-007 pursuant to Section 19(b) of the Securities Exchange Act of 1934 (“Exchange Act”)<sup>1</sup> and Rule 19b-4<sup>2</sup> thereunder to modify FICC’s Government Securities Division (“GSD”) Rulebook (“GSD Rules”) to calculate, collect, and hold margin for proprietary transactions of a Netting Member separately from margin that the Netting Member submits to FICC on behalf of indirect participants and to address conditions of Note H to Rule 15c3-3a<sup>34</sup> under the Act.<sup>5</sup> The Proposed Rule Change was published for public comment in the Federal Register on March 28, 2024.<sup>6</sup> The Commission has received comments regarding the substance of the changes proposed in the Proposed Rule

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Notice of Filing infra note 5, at 89 FR 21363.

<sup>4</sup> See Securities Exchange Act Release No. 99149 (Dec. 13, 2023), 89 FR 2714 (Jan. 16, 2024) (S7-23-22) (“Adopting Release,” and the rules adopted therein). See also 17 CFR 240.15c3-3a.

<sup>5</sup> See Notice of Filing infra note 6, at 89 FR 21363.

<sup>6</sup> Securities Exchange Act Release No. 99844 (March 22, 2024), 89 FR 21603 (March 28, 2024) (File No. SR-FICC-2024-007) (“Notice of Filing”).

Change.<sup>7</sup>

Section 19(b)(2)(i) of the Exchange Act<sup>8</sup> provides that, within 45 days of the publication of notice of the filing of a proposed rule change, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved unless the Commission extends the period within which it must act as provided in Section 19(b)(2)(ii) of the Exchange Act.<sup>9</sup> Section 19(b)(2)(ii) of the Exchange Act allows the Commission to designate a longer period for review (up to 90 days from the publication of notice of the filing of a proposed rule change) if the Commission finds such longer period to be appropriate and publishes its reasons for so finding, or as to which the self-regulatory organization consents.<sup>10</sup>

The 45th day after publication of the Notice of Filing is May 12, 2024. In order to provide the Commission with sufficient time to consider the Proposed Rule Change, the Commission finds that it is appropriate to designate a longer period within which to take action on the Proposed Rule Change and therefore is extending this 45-day time period.

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<sup>7</sup> Comments on the Proposed Rule Change are available at <https://www.sec.gov/comments/sr-ficc-2024-007/srficc2024007.htm>.

<sup>8</sup> 15 U.S.C. 78s(b)(2)(i).

<sup>9</sup> 15 U.S.C. 78 s(b)(2)(ii).

<sup>10</sup> Id.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Exchange Act,<sup>11</sup> designates June 26, 2024, as the date by which the Commission shall either approve, disapprove, or institute proceedings to determine whether to disapprove proposed rule change SR-FICC-2024-007.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>12</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>11</sup> Id.

<sup>12</sup> 17 CFR 200.30-3(a)(12).