

EXHIBIT 4

Bold and underlined text indicates language proposed to be added by SR-FICC-2025-015 (the “Proposed Rule Change”).

~~**Bold and strikethrough text**~~ indicates language proposed to be deleted by the Proposed Rule Change.

Bold, underlined, blue highlighted text indicates additional language proposed to be added to the Proposed Rule Change by Amendment No. 1

~~**Bold, strikethrough, blue highlighted text**~~ indicates language proposed to be deleted from the Proposed Rule Change by Amendment No. 1.

~~**Blue highlighted, bold, strikethrough red text**~~ indicates proposed deletions to language proposed to be added by the Proposed Rule Change.

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

RULE 1 – DEFINITIONS*

Unless the context requires otherwise, the terms defined in this Rule shall, for all purposes of these Rules, have the meanings herein specified.

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Indirect Participant

The term “Indirect Participant” means any Sponsored Member or Executing Firm Customer.

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* All products and services provided by the Corporation referenced in these Rules are either registered trademarks or servicemarks of, or trademarks or servicemarks of, The Depository Trust & Clearing Corporation or its affiliates. Other names of companies, products or services appearing in these Rules are the trademarks or servicemarks of their respective owners.

RULE 3A – SPONSORING MEMBERS AND SPONSORED MEMBERS

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Section 13 – Restrictions on Access to Services by a Sponsored Member

(a) Based upon the judgment of the Corporation that adequate cause exists to do so, the Corporation may at any time upon providing notice to the Sponsored Member and its Sponsoring Member, suspend a Sponsored Member from any service provided by the Corporation either with respect to a particular transaction or transactions or with respect to transactions generally, or prohibit or limit such Sponsored Member with respect to access to services offered by the Corporation in the event that one or more of the factors set forth in Section 1(a) through (g) of Rule 21, with the Corporation making the determinations set forth therein, is present with respect to the Sponsored Member, and the Corporation, in its sole discretion, has reasonable grounds to believe that such action is appropriate either for the protection of the Corporation or other Members or to facilitate the orderly and continuous performance of the Corporation's services.

(b) A Sponsored Member and its Sponsoring Member (to the extent it has knowledge thereof) shall be obligated to inform the Corporation that the Sponsored Member is insolvent or that the Sponsored Member will be unable to perform any of its material contracts, obligations or agreements in the same manner as required by Section 1 of Rule 22 for other Members. For purposes of this section, a Sponsoring Member shall be deemed to have knowledge that a Sponsored Member is insolvent or will be unable to perform on any of its material contracts, obligations or agreements if one or more duly authorized representatives of the Sponsoring Member, in its capacity as such, has knowledge of such matters. A Sponsored Member shall be treated by the Corporation in all respects as insolvent under the same circumstances set forth in Section 2 of Rule 22 for other Members. Section 3 of Rule 22 shall apply, in the same manner in which such section applies to other Members, in the case where the Corporation treats a Sponsored Member as insolvent. In the event that the Corporation determines to treat a Sponsored Member as insolvent, the Corporation shall cease to act for the insolvent Sponsored Member.

(bc) Sections 1 through 6 of Rule 21 shall apply with respect to a Sponsored Member in the same way as they apply to Netting Members, including the Corporation's right to summarily suspend a Sponsored Member and to cease to act for such Sponsored Member pursuant to Section 22A, except that the Corporation shall make the determination referred to in Section 3 of Rule 21.

(ed) If the Corporation determines to cease to act for the Sponsored Member, the provisions of Rule 22A shall apply in the same way as they would apply to a Netting Member.

Section 14 – Restrictions on Access to Services by a Sponsoring Member

(a) Based upon the judgment of the Corporation that adequate cause exists to do so, the Corporation may at any time upon providing notice to the Sponsoring Member, suspend a Sponsoring Member in its capacity as a Sponsoring Member from any service provided by the Corporation either with respect to a particular transaction or transactions or with respect to transactions generally or prohibit or limit such Sponsoring Member with respect to access to

services offered by the Corporation in the event that ~~if~~ one or more of the factors set forth in Section 1(a) through (g) of Rule 21, with the Corporation making the determinations set forth therein, is present with respect to the Sponsoring Member, and the Corporation, in its sole discretion, has reasonable grounds to believe that such action is appropriate either for the protection of the Corporation or other Members or to facilitate the orderly and continuous performance of the Corporation's services.

(b) Sections 1 through 6 of Rule 21 shall apply with respect to a Sponsoring Member in the same way as they apply to Netting Members, including the Corporation's right to summarily suspend the Sponsoring Member and to cease to act for such Sponsoring Member, except that the Corporation shall make the determination referred to in Section 3 of Rule 21.

(c) A Sponsoring Member shall be obligated to inform the Corporation that it is insolvent or that it will be unable to perform any of its material contracts, obligations or agreements in the same manner as required by Section 1 of Rule 22 for other Members. A Sponsoring Member shall be treated by the Corporation in all respects as insolvent under the same circumstances set forth in Section 2 of Rule 22 for other Members. Section 3 of Rule 22 shall apply, in the same manner in which such section applies to other Members, in the case where the Corporation treats a Sponsoring Member as insolvent. In the event that the Corporation determines to treat a Sponsoring Member as insolvent, the Corporation shall cease to act for the insolvent Sponsoring Member.

(ed) If the Corporation ceases to act for a Sponsoring Member in its capacity as a Sponsoring Member, Rule 22A shall apply and the Corporation shall decline to accept or process data from the Sponsoring Member on Sponsored Member Trades and the Corporation shall cease to act for all of the Sponsored Members of the affected Sponsoring Member. If the Corporation suspends the Sponsoring Member or ceases to act for the Sponsoring Member, the Corporation shall decline to accept or process data from the Sponsoring Member on Sponsored Member Trades and shall suspend the Sponsored Members of the affected Sponsoring Member for so long as and to the extent that the Corporation is ceasing to act for the Sponsoring Member. Any Sponsored Member Trades which have been Novated by the Corporation shall continue to be processed by the Corporation. The Corporation, in its sole discretion, shall determine whether to close-out the affected Sponsored Member Trades **pursuant to Rule 22A, and/or** permit the Sponsored Members to complete their settlement, **or transfer all or part of the Sponsored Member Trades for which the Defaulting Member acts as Sponsoring Member to another Sponsoring Member pursuant to Rule 26.**

(i) If the Corporation determines to permit the Sponsored Members of the Sponsoring Member that is a Defaulting Member to complete settlement with respect to affected Novated Sponsored Member Trades, subject to receipt of all necessary and applicable approvals of its bankruptcy trustee or receiver, then settlement shall occur in accordance with Section 8 of this Rule 3A, as though the Sponsoring Member was not a Defaulting Member pursuant to Rule 22A.

(ii) If the Corporation determines to close out the Sponsored Member Trades of a Defaulting Member that is a Sponsoring Member, such

close-out shall be completed as provided for in Rule 22A. As provided for in Rule 22A, the Corporation may net the positions of each Sponsored Member, including each Segregated Indirect Participant that is a Sponsored Member, in determining a Final Net Settlement Position, but will not net the positions of one Sponsored Member against the positions of another Sponsored Member. If any amount is due to a Segregated Indirect Participant that is a Sponsored Member, the Corporation shall make such payment to or as directed by the Sponsoring Member or its trustee or receiver.

Section 15—Insolvency of a Sponsored Member

~~(a) — A Sponsored Member and its Sponsoring Member (to the extent it has knowledge thereof) shall be obligated to inform the Corporation that the Sponsored Member is insolvent or that the Sponsored Member will be unable to perform any of its material contracts, obligations or agreements in the same manner as required by Section 1 of Rule 22 for other Members. For purposes of this section, a Sponsoring Member shall be deemed to have knowledge that a Sponsored Member is insolvent or will be unable to perform on any of its material contracts, obligations or agreements if one or more duly authorized representatives of the Sponsoring Member, in its capacity as such, has knowledge of such matters. A Sponsored Member shall be treated by the Corporation in all respects as insolvent under the same circumstances set forth in Section 2 of Rule 22 for other Members. Section 3 of Rule 22 shall apply, in the same manner in which such Section applies to other Members, in the case where the Corporation treats a Sponsored Member as insolvent.~~

~~(b) — In the event that the Corporation determines to treat a Sponsored Member as insolvent, the Corporation shall cease to act for the insolvent Sponsored Member and Rule 22A shall apply with respect to the close-out of the insolvent's Sponsored Member Trades.~~

Section 16—Insolvency of a Sponsoring Member

~~(a) — A Sponsoring Member shall be obligated to inform the Corporation that it is insolvent or that it will be unable to perform any of its material contracts, obligations or agreements in the same manner as required by Section 1 of Rule 22 for other Members. A Sponsoring Member shall be treated by the Corporation in all respects as insolvent under the same circumstances set forth in Section 2 of Rule 22 for other Members. Section 3 of Rule 22 shall apply, in the same manner in which such Section applies to other Members, in the case where the Corporation treats a Sponsoring Member as insolvent.~~

~~(b) — In the event that the Corporation determines to treat a Sponsoring Member as insolvent, the Corporation shall cease to act for the insolvent Sponsoring Member and decline to accept or process data from the Sponsoring Member, including Sponsored Member Trades, and the Corporation shall terminate the membership of all of the insolvent's Sponsored Members unless they are the Sponsored Members of another Sponsoring Member. Any Sponsored Member Trades which have been Novated by the Corporation shall continue to be processed by the Corporation. The Corporation, in its sole~~

~~discretion, shall determine whether to close-out the affected Sponsored Member Trades and/or permit the Sponsored Members to complete their settlement.~~

Section 175 – Other Applicable Rules, Schedules, Interpretations and Statements

For purposes of the Rules, Schedules, Interpretations and Statements of Policy referenced in this section, Sponsoring Members and/or Sponsored Members, in their respective capacities as such, shall be “Members.”

- (a) Rule 22B (Corporation Default) shall apply to Sponsored Members.

For the avoidance of doubt, the Corporation shall be responsible for satisfying any undisputed payment or delivery obligation required to be made by it to a Sponsored Member under these Rules, including, but not limited to, any undisputed interest payment obligation that accrues in favor of a Sponsored Member on a Sponsored Member Trade that has been subject to Novation pursuant to these Rules but has not yet settled and for which the Corporation has received notice from such Sponsored Member of the Corporation’s failure to make, when due, such undisputed interest payment to such Sponsored Member within the meaning of Section (b)(i) of Rule 22B. **Any such payments would be made on a net basis for each Sponsored Member and Segregated Indirect Participant that is a Sponsored Member pursuant to Rule 22B.**

(b) Rule 22D (Wind-down of the Corporation), **Rule 26 (Transfers of Indirect Participant Activity)**, Rule 27 (Admission to Premises of the Corporation, Powers of Attorney, Etc.), Rule 28 (Forms), Rule 29 (Release of Clearing Data), Rule 30 (Lists to be Maintained), Rule 31 (Distribution Facilities), Rule 32 (Signatures), Rule 33 (Procedures), Rule 34 (Insurance), Rule 35 (Financial Reports), Rule 36 (Rule Changes), Rule 37 (Hearing Procedures), Rule 38 (Governing Law and Captions), Rule 39 (Limitations of Liability), Section 3 of Rule 40 (General Provisions), Rule 41 (Cross-Guaranty Agreements), Rule 42 (Suspension of Rules), Rule 44 (Action by the Corporation), Rule 45 (Notices), Rule 46 (Interpretation of Terms), Rule 47 (Interpretation of Rules), Rule 48 (Disciplinary Proceedings), Rule 50 (Market Disruption and Force Majeure) and Rule 50A (Systems Disconnect: Threat of Significant Impact to the Corporation’s Systems) shall apply to, or with respect to, Sponsored Members and Sponsoring Members.

(c) All Schedules that are cited in, or pertain to, the Rules cited in this Rule 3A as applying to Sponsoring Members and/or Sponsored Members shall apply to Sponsored Members and Sponsoring Members.

(d) Any Statements of Policy or Interpretations contained in these Rules shall apply to Sponsoring Members and Sponsored Members unless expressly stated otherwise.

Section 186 – Liquidation of Sponsored Member and Related Sponsoring Member Positions

(a) The provisions of this Section 186, which shall supersede any conflicting provisions of this Rule 3A and Rule 22A, shall only apply (i) **with respect to the liquidation of positions resulting from Sponsored Member Trades within the meaning of subsections (a)(i) and (b) of the Sponsored Member Trade definition, (ii)** in the event a Sponsoring Member is not a Defaulting Member and the Corporation has not ceased to act for the Sponsoring Member

and (iii) if a Corporation Default has not occurred. In addition, the Corporation may only cause the termination described in subsection (b) below if it has ceased to act for the Sponsored Member at issue and the Sponsoring Member has not performed the obligations of the Sponsored Member in respect of all positions guaranteed by such Sponsoring Member.

(b) **(i)** Subject to the provisions of subsection (a) of this Section 186 **and only with respect to the liquidation of positions resulting from Sponsored Member Trades between a Sponsored Member and its Sponsoring Member**, on any Business Day, the Sponsoring Member or the Corporation may by written notice to the other cause the immediate termination of **all, but not fewer than some or** all, of the long and short Net Settlement Positions and Forward Net Settlement Positions of the Sponsored Member established in the Sponsoring Member's Sponsoring Member Omnibus Account. Any such notice shall also cause the immediate termination of all of the corresponding, offsetting long and short Net Settlement Positions and Forward Net Settlement Positions of the Sponsoring Member established in the Sponsoring Member's Dealer Account(s). Each such termination shall be effected by the Sponsoring Member's establishment of a final Net Settlement Position for each Eligible Netting Security with a distinct CUSIP number that shall equal the net of all outstanding deliver obligations and receive obligations of the parties thereto in each such Eligible Netting Security including those that arise from Forward Net Settlement Positions (hereinafter, the "Final Net Settlement Position").

(e)(ii) To liquidate the Final Net Settlement Positions of any Sponsored Member and the corresponding, offsetting Final Net Settlement Positions of the Sponsoring Member established pursuant to subsection (b) of this Section 186, a Sponsoring Member shall calculate a liquidation amount, which may be equal to zero and shall be deemed a Funds-Only Settlement Amount. The liquidation amount in respect of the Final Net Settlement Positions of a Sponsored Member (the "Sponsored Member Liquidation Amount") shall be due to or from the Corporation from or to the Sponsored Member. The liquidation amount in respect of the corresponding, offsetting Final Net Settlement Positions of the Sponsoring Member (the "Sponsoring Member Liquidation Amount") shall be due to or from the Corporation from or to the Sponsoring Member. If the Sponsored Member Liquidation Amount in respect of the Final Net Settlement Positions of a Sponsored Member is due to the Corporation, the Sponsoring Member Liquidation Amount in respect of the corresponding Final Net Settlement Positions of the Sponsoring Member shall be due to the Sponsoring Member. If the Sponsored Member Liquidation Amount in respect of the Final Net Settlement Positions of a Sponsored Member is due to the Sponsored Member, the Sponsoring Member Liquidation Amount in respect of the Final Net Settlement Positions of the Sponsoring Member shall be due to the Corporation.

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(d)(iii) The Sponsoring Member shall indemnify the Corporation, and its employees, officers, directors, shareholders, agents, and Members (collectively, the "SMP Indemnified Parties"), for any and all losses, liability, or expenses of an SMP Indemnified Party arising from any claim by an affected Sponsored Member disputing the Sponsoring Member's calculation of any Sponsored Member Liquidation Amount or Sponsoring Member Liquidation Amount pursuant to this Section 186.

(e)(iv) The Corporation hereby acknowledges that a Sponsoring Member may take a security interest in the deliver, receive, and related payment obligations owed by the Corporation to a Sponsored Member in respect of its transactions that have been Novated to the Corporation by such Sponsoring Member and established in its Sponsoring Member Omnibus Account, including, but not limited to, such Sponsored Member's rights to receive payment of any Sponsored Member Liquidation Amount pursuant to this Section 186 (the "Sponsored Member Rights"), and agrees that, if the provisions of this Section 186 apply, the Corporation's security interest in all assets and property placed by a Sponsored Member in the possession of the Corporation (or its agents acting on its behalf), including all securities and cash on deposit with the Corporation or its agents, granted in Section 8(ga)(vii) of this Rule 3A, shall be subordinated to the security interest of the Sponsoring Member in the Sponsored Member Rights.

(c) Subject to the provisions of subsection (a) of this Section 16, a Sponsoring Member may liquidate, in whole or in part, Sponsored Member Trade or any Net Settlement Position or Forward Settlement Position in respect thereof by either of the following actions (each an "SMP Liquidation Action"):

(i) with respect to the liquidation of positions resulting from Sponsored Member Trades other than Sponsored GC Trades, submitting to the Corporation for recordation in the Sponsoring Member Omnibus Account another Sponsored Member Trade that offsets, in whole or in part, any Net Settlement Position or Forward Net Settlement Position established in such Sponsoring Member Omnibus Account, or

(ii) with respect to the liquidation of positions resulting from any Sponsored Member Trades, instructing the Corporation to transfer to a Proprietary Account of the Sponsoring Member any Net Settlement Position or Forward Net Settlement Position established in a Sponsoring Member Omnibus Account of that Sponsoring Member, whereupon such Net Settlement Position or Forward Net Settlement Position shall become a proprietary position of the Sponsoring Member.

Any SMP Liquidation Action made pursuant to this subsection (c) shall constitute a representation by the Sponsoring Member to the Corporation that the Sponsoring Member is permitted under all applicable laws and any agreement with the Sponsored Member to take such SMP Liquidation Action. The Sponsoring Member shall indemnify the SMP Indemnified Parties from any and all losses, liability, or expenses of an SMP Indemnified Party arising from or related to any Liquidation Action.

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RULE 8 – AGENT CLEARING SERVICE

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Section 2 – Qualifications of Agent Clearing Members and the Application Process

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(b) Each applicant to be an Agent Clearing Member shall complete and deliver to the Corporation an application in such form as may be prescribed by the Corporation from time to time. In connection with such application, an applicant shall provide to the Corporation information regarding its customers, past and/or projected volumes of its customer activity, and its controls for monitoring and mitigating risks, including risks presented by those customers. The applicant shall be required to provide any other information that the Corporation reasonably requests.

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Section 3 – Executing Firm Customer Relationships

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(g) An Agent Clearing Member may voluntarily elect to terminate its status as an Agent Clearing Member, with respect to all Executing Firm Customers or with respect to one or more Executing Firm Customers from time to time, by providing the Corporation with a written notice to the Corporation that it will no longer submit to the Corporation trades on behalf of an Executing Firm Customer of such termination (“Agent Clearing Member Voluntary Termination Notice”). The Agent Clearing Member shall specify in the Agent Clearing Member Voluntary Termination Notice a desired date for the termination of the Agent Clearing Member’s status as such with respect to the Executing Firm Customer(s) as to which the Agent Clearing Member has terminated such status (the “Former Executing Firm Customers”), which date shall not be prior to the scheduled final settlement date of any Agent Clearing Transactions of such Former Executing Firm Customers, unless otherwise approved by the Corporation.

No later than 10 Business Days after the receipt of the Agent Clearing Member Voluntary Termination Notice from such Agent Clearing Member, the Corporation shall notify the Agent Clearing Member that such notice has been accepted and the date the termination shall be effective (“Agent Clearing Member Termination Date”).

As of the Agent Clearing Member Termination Date, the Agent Clearing Member shall no longer be eligible to submit trades on behalf of its Former Executing Firm Customers, and each of its Former Executing Firm Customers shall cease to be an Executing Firm Customer under the Rules unless it is the Executing Firm Customer of another Agent Clearing Member. If any trade is submitted to the Corporation by the Agent Clearing Member on behalf of its Former Executing Firm Customers that is scheduled to settle on or after the Agent Clearing Member Termination Date, such Agent Clearing Member’s Agent Clearing Member Voluntary Termination Notice will be deemed void, and the Agent

Clearing Member will remain subject to this Rule as if it had not given such Agent Clearing Member Voluntary Termination Notice.

An Agent Clearing Member's voluntary termination of its status as such, in whole or in part, shall not affect its obligations to the Corporation, or the rights of the Corporation, with respect to Agent Clearing Transactions submitted to the Corporation before the applicable Agent Clearing Member Termination Date. Any Agent Clearing Transactions which have been Novated by the Corporation shall continue to be processed by the Corporation.

(h) Based upon the judgement of the Corporation that adequate cause exists to do so, the Corporation may, at any time upon providing notice to one or more Agent Clearing Member(s), terminate the ability of such Agent Clearing Member(s) to submit Agent Clearing Transactions of one or more Executing Firm Customer(s) to the Corporation, and each such Executing Firm Customer shall cease to be an Executing Firm Customer under the Rules.

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Section 5 – Rights and Obligations of Agent Clearing Members

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(f) In the ordinary course, with respect to satisfaction of any Agent Clearing Member's obligations under the Rules, the Agent Clearing Member's Proprietary Accounts and its Agent Clearing Member Omnibus Account shall be treated separately, as if they were Accounts of separate entities. Notwithstanding the previous sentence, however, the Corporation may, in its sole discretion, at any time any obligation of the Agent Clearing Member arises under the Rules to pay or perform hereunder with respect to any Executing Firm Customer (other than an Executing Firm Customer that is a Segregated Indirect Participant), exercise a right of offset and net any such obligation of the Agent Clearing Member against any obligations of the Corporation to the Agent Clearing Member in respect of such Agent Clearing Member's Proprietary Accounts.

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Section 7 – Agent Clearing Transactions Processing Rules

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(f) Executing Firm Customers shall not be obligated for allocations, pursuant to Rule 4, of loss or liability incurred by the Corporation. To the extent that a loss or liability is determined by the Corporation to arise in connection with Agent Clearing Transactions (i.e., in connection with the insolvency or default of an Agent Clearing Member), the Executing Firm Customers shall not be responsible for or considered in the loss allocation calculation, and such obligation would be the responsibility of an Agent Clearing Member. To the extent the Corporation incurs a loss or liability from a Defaulting Member Event or a Declared Non-Default Loss Event and a loss allocation obligation arises that would be the

responsibility of an Agent Clearing Member. The Corporation shall calculate such loss allocation obligation as if the affected Executing Firm Customers were subject to such allocations pursuant to Section 7 of Rule 4, but the Agent Clearing Member shall, as principal, be responsible for satisfying such obligations.

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Section 8 – Restrictions on Access to Services by an Agent Clearing Member

(a) Sections 1 through 6 of Rule 21 shall apply with respect to an Agent Clearing Member in the same way they apply to Netting Members, including the Corporation’s right to summarily suspend the Agent Clearing Member and to cease to act for such Agent Clearing Member, except that the determination referred to in Section 3 of Rule 21 may be made by the Corporation without action by the Board.

(b) An Agent Clearing Member shall be obligated to inform the Corporation that it is insolvent or that it will be unable to perform any of its material contracts, obligations or agreements in the same manner as required by Section 1 of Rule 22 for other Members. An Agent Clearing Member shall be treated by the Corporation in all respects as insolvent under the same circumstances set forth in Section 2 of Rule 22 for other Members. Section 3 of Rule 22 shall apply, in the same manner in which such section applies to other Members, in the case where the Corporation treats an Agent Clearing Member as insolvent. In the event that the Corporation determines to treat an Agent Clearing Member as insolvent, the Corporation shall cease to act for the insolvent Agent Clearing Member.

(c) If the Corporation ceases to act for an Agent Clearing Member in its capacity as an Agent Clearing Member, Rule 22A shall apply and the Corporation shall decline to accept or process data from the Agent Clearing Member on Agent Clearing Transactions, and the Corporation shall terminate the ability of such Agent Clearing Member to submit Agent Clearing Transactions for all of its Executing Firm Customers to the Corporation. If the Corporation suspends the Agent Clearing Member or ceases to act for the Agent Clearing Member, the Corporation shall decline to accept or process data from the Agent Clearing Member on Agent Clearing Transactions, and the affected Agent Clearing Member shall no longer be considered an Agent Clearing Member to its Executing Firm Customers under the Rules for so long as and to the extent that the Corporation is ceasing to act for the Agent Clearing Member. Any Agent Clearing Transactions which have been Novated by the Corporation shall continue to be processed by the Corporation. The Corporation, in its sole discretion, shall determine whether to close out the affected Agent Clearing Transactions pursuant to Rule 22A, and/or permit the Executing Firm Customers to complete their settlement, or transfer all or part of the Agent Clearing Transactions for which the Defaulting Member acts as an Agent Clearing Member to another Agent Clearing Member pursuant to Rule 26.

(d) If the Corporation determines to permit the Executing Firm Customers of the Agent Clearing Member that is a Defaulting Member to complete settlement with respect to affected Novated Agent Clearing Transactions, subject to receipt of all necessary and applicable external approvals, then settlement shall occur in accordance with Rule 11 and

Section 7 of this Rule 8, as though the Agent Clearing Member was not a Defaulting Member pursuant to Rule 22A.

(e) If the Corporation determines to close out the Agent Clearing Transactions of a Defaulting Member that is an Agent Clearing Member, such close-out shall be completed as provided for in Rule 22A. As provided for in Rule 22A, the Corporation may net the positions of Executing Firm Customers (other than Executing Firm Customers that are Segregated Indirect Participants) against the positions of other Executing Firm Customers that are recorded in the same Agent Clearing Member Omnibus Account. If any amount is due to a Segregated Indirect Participant that is an Executing Firm Customer, the Corporation shall make such payment to or as directed by the Agent Clearing Member or its trustee or receiver.

Section 9 – Liquidation of the Agent Clearing Transactions of an Executing Firm Customer

(a) The provisions of this Section 9, which shall supersede any conflicting provisions of this Rule 8 and Rule 22A, shall apply only (i) ~~with respect to the liquidation of positions resulting from Agent Clearing Transactions that are between an Agent Clearing Member and its Executing Firm Customers,~~ (ii) in the event an Agent Clearing Member is not a Defaulting Member and the Corporation has not ceased to act for the Agent Clearing Member and (iii) if a Corporation Default has not occurred.

(b) (i) Subject to the provisions of subsection (a) of this Section 9 and only with respect to the liquidation of positions resulting from Agent Clearing Transactions that are between an Agent Clearing Member and its Executing Firm Customers, on any Business Day, the Agent Clearing Member ~~or the Corporation~~ may by written notice to ~~the other~~ the Corporation cause the immediate termination of some or all of the long and short Net Settlement Positions and Forward Net Settlement Positions of the Executing Firm Customer established in the Agent Clearing Member's Agent Clearing Member Omnibus Account. Any such notice shall also cause the immediate termination of all of the corresponding, offsetting long and short Net Settlement Positions and Forward Net Settlement Positions of the Agent Clearing Member established in the Agent Clearing Member's Dealer Account(s). Each such termination shall be effected by the Agent Clearing Member's establishment of a final Net Settlement Position for each Eligible Netting Security with a distinct CUSIP number that shall equal the net of all outstanding deliver obligations and receive obligations of the parties thereto in each such Eligible Netting Security including those that arise from Forward Net Settlement Positions (hereinafter, "Final Net Settlement Position").

~~(e)(ii)~~ (ii) To liquidate the Final Net Settlement Positions of any Executing Firm Customer and the corresponding, offsetting Final Net Settlement Positions of the Executing Firm Customer established pursuant to subsection (b)(i) of this Section 9, an Agent Clearing Member shall calculate a liquidation amount, which may be equal to zero and shall be deemed a Funds-Only Settlement Amount. The liquidation amount in respect of the Final Net Settlement Positions of an Executing Firm Customer ("Executing Firm Customer Liquidation Amount") shall be due to or from

the Corporation from or to the Executing Firm Customer. The liquidation amount in respect of the corresponding, offsetting Final Net Settlement Positions of the Agent Clearing Member ("Agent Clearing Member Liquidation Amount") shall be due to or from the Corporation from or to the Agent Clearing Member. If the Executing Firm Customer Liquidation Amount in respect of the Final Net Settlement Positions of an Executing Firm Customer is due to the Corporation, the Agent Clearing Member Liquidation Amount in respect of the corresponding Final Net Settlement Positions of the Agent Clearing Member shall be due to the Agent Clearing Member. If the Executing Firm Customer Liquidation Amount in respect of the Final Net Settlement Positions of an Executing Firm Customer is due to the Executing Firm Customer, the Agent Clearing Member Liquidation Amount in respect of the Final Net Settlement Positions of the Agent Clearing Member shall be due to the Corporation.

Any Agent Clearing Member Liquidation Amount calculated by an Agent Clearing Member pursuant to this subsection (c) may be based on prices obtained from a generally recognized source or the most recent closing bid or offer quotation from such a source and may include the losses (including costs such as fees, expenses and commissions) and/or gains realized by the Agent Clearing Member in entering into replacement transactions and/or entering into or terminating hedge transactions in connection with or as a result of, and any other loss, damage, cost or expense directly arising or resulting from, the liquidation of the Agent Clearing Member's Final Net Settlement Positions. The Executing Firm Customer Liquidation Amount in respect of Final Net Settlement Positions of an Executing Firm Customer shall equal the Agent Clearing Member Liquidation Amount in respect of the corresponding Final Net Settlement Positions of the Agent Clearing Member. The Agent Clearing Member's calculation of any Executing Firm Customer Liquidation Amount or Agent Clearing Member Liquidation Amount shall be conclusive and binding as between each of the parties and the Corporation, absent manifest error and subject to any right of the Corporation to indemnification under the Rules.

If an Executing Firm Customer Liquidation Amount is due to the Corporation from the Executing Firm Customer, the Agent Clearing Member shall be obligated to pay such Executing Firm Customer Liquidation Amount under its obligations set forth in this Rule 8, which obligation shall, notwithstanding anything to the contrary in this Rule 8, be payable without demand and (automatically and without further action by any Person) be set off against the obligation of the Corporation to pay the corresponding Agent Clearing Member Liquidation Amount to the Agent Clearing Member.

If an Executing Firm Customer Liquidation Amount is due to the Executing Firm Customer from the Corporation, the Corporation's sole obligation in respect of any such Executing Firm Customer Liquidation Amount shall be to transfer such amount to the applicable account of the Agent Clearing Member at the Funds-Only Settling Bank Member acting on behalf of an Agent Clearing Member ("Agent Clearing Funds-Only Omnibus Account"). The Corporation hereby instructs the Agent Clearing Member to discharge its obligation to pay the Corporation any Agent

Clearing Member Liquidation Amount by transferring such amount to the Agent Clearing Member's Agent Clearing Funds-Only Omnibus Account for application to the Corporation's obligation to pay the corresponding Executing Firm Customer Liquidation Amount to the Executing Firm Customer. To the extent that the Agent Clearing Member transfers such funds to the Agent Clearing Funds-Only Omnibus Account as provided in this paragraph, (i) the obligations of the Corporation in respect of the Executing Firm Customer Liquidation Amount shall be discharged and (ii) the obligations of the Agent Clearing Member in respect of the corresponding Agent Clearing Member Liquidation Amount shall be discharged. The Agent Clearing Member, on behalf of the Executing Firm Customer, agrees to accept the transfer of such funds to the Agent Clearing Funds-Only Omnibus Account in full satisfaction of the obligation of the Corporation to pay the Executing Firm Customer Liquidation Amount to the Executing Firm Customer.

~~(d)~~(iii) The Agent Clearing Member shall indemnify the Corporation, and its employees, officers, directors, shareholders, agents, and Members (collectively, "ACM Indemnified Parties"), for any and all losses, liability, or expenses of an ACM Indemnified Party arising from any claim by an affected Executing Firm Customer disputing the Agent Clearing Member's calculation of any Executing Firm Customer Liquidation Amount or Agent Clearing Member Liquidation Amount pursuant to this Section 9.

(c) Subject to the provisions of subsection (a) of this Section 9, an Agent Clearing Member may liquidate, in whole or in part, any Agent Clearing Transaction or any Net Settlement Position or Forward Settlement Position in respect thereof by either of the following actions (each an "ACM Liquidation Action"):

(i) submitting to the Corporation for recordation in the Agent Clearing Member Omnibus Account another Agent Clearing Transaction that offsets, in whole or in part, any Net Settlement Position or Forward Net Settlement Position established in such Agent Clearing Member Omnibus Account, or

(ii) instructing the Corporation to transfer to a Proprietary Account of the Agent Clearing Member any Net Settlement Position or Forward Net Settlement Position established in the Agent Clearing Member Omnibus Account, whereupon such Net Settlement Position or Forward Net Settlement Position shall become a proprietary position of the Agent Clearing Member.

Any ACM Liquidation Action made pursuant to this subsection (c) shall constitute a representation by the Agent Clearing Member to the Corporation that the Agent Clearing Member is permitted under all applicable laws and any agreement with the Executing Firm Customer to take such ACM Liquidation Action. The Agent Clearing Member shall indemnify the ACM Indemnified Parties from any and all losses, liability, or expenses of an ACM Indemnified Party arising from or related to any ACM Liquidation Action.

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RULE 22A – PROCEDURES FOR WHEN THE CORPORATION CEASES TO ACT

Section 1 – Notification

When the Corporation has ceased to act for a Member, it shall provide Members and the SEC with notice stating the Corporation's decision to cease to act for the **Defaulting** Member. The Corporation may provide in such notice or a subsequent notice the steps to be taken as well as how pending transactions shall be affected.

Section 2 – Action by the Corporation

Except as otherwise may be determined by the Board in any particular case, from and after the time the Corporation ceases to act for a **Defaulting** Member, the following shall apply:

(a) Notwithstanding anything to the contrary in the Schedule for Deletion of Trade Data Submitted to the Comparison System that is published from time to time by the Corporation, trades to which the **Defaulting** Member is a party the data on which have been submitted to the Corporation that have not been deemed Compared Trades upon receipt by the Corporation pursuant to these Rules or that have not been reported by the Corporation to Members as Compared Trades shall be deleted from the Comparison System, unless otherwise determined by the Board in order to promote an orderly settlement.

If the Corporation determines, pursuant to Rule 3A and Rule 8, to settle some or all of the Sponsored Member Trades and/or Agent Clearing Transactions of the Defaulting Member, such trades will not be closed out pursuant to this Rule 22A.

(b) Except as otherwise provided in Rules 17 and 18, all long and short Net Settlement Positions, and Forward Net Settlement Positions of the **Defaulting** Member outstanding **as well as any positions established in the Defaulting Member's Indirect Participants Accounts that the Corporation has determined to close out pursuant to Rule 3A or Rule 8** at the time the Corporation ceases to act for the **Defaulting** Member that have been reported by the Corporation to Members pursuant to Rule 11 and Rule 14 shall be closed out by:

(i) for each Eligible Netting Security with a distinct CUSIP Number, establishing a final Net Settlement Position (hereinafter, the "Final Net Settlement Position") that shall be equal to the net of all outstanding Deliver Obligations and Receive Obligations of the **Defaulting** Member in each Security, including Fail Deliver Obligations and Fail Receive Obligations and those that are determined by the Corporation to arise from Forward Net Settlement Positions, ~~and~~

(ii) if the Defaulting Member is a Sponsoring Member and/or an Agent Clearing Member, the Corporation may, in determining a Final Net Settlement Position, (A) net the outstanding Deliver Obligations and Receive Obligations of each of the Defaulting Member's Sponsored Members and Segregated Indirect Participants on an Indirect Participant-by-Indirect Participant basis, and (B) net the outstanding Deliver Obligations and Receive Obligations across the Defaulting Member's Executing Firm Customers, and

(iii) taking appropriate market action with respect to each Final Net Settlement Position when and as the Corporation deems necessary, which may include, for example, buying, borrowing, or reversing in or selling, lending or repoing out the Securities deliverable by or to such insolvent Defaulting Member, and/or borrowing or lending monies, in order to close out the Final Net Settlement Position established for each Security. Without limiting the Corporation's rights herein, the Corporation may decline to take market action to the extent that a Final Net Settlement Position established in relation to a Defaulting Member or its Indirect Participants has opposite directionality to a Final Net Settlement Position established in respect of the same Security in relation to the Defaulting Member or its Indirect Participants. In such a situation, the Corporation will determine the value of such Final Net Settlement Positions through its other market actions or by reference to market data.

If the Corporation determines to close out the affected Novated Sponsored Member Trades and/or Agent Clearing Transactions of the Defaulting Member pursuant to Rule 3A and Rule 8, respectively, the applicable Sponsored Members and/or Executing Firm Customers may, but are not obligated to, take market action with respect to such trades as is commercially reasonable under the circumstances to effect a close-out of any outstanding positions. For the avoidance of doubt, Sponsored Members and Executing Firm Customers shall not, except to the extent otherwise set forth in the Rules, be required to report the data on any such market action to the Corporation, and the Corporation shall not incorporate such data into its calculation of any amount owing by or to the Defaulting Member or Indirect Participant to any greater extent than it would have done so in the absence of this paragraph.

~~If a Member also has a Market Professional Cross-Margining Account, a~~ Any resulting gains upon liquidation of the Defaulting Member's pProprietary Account(s) shall be used to offset any resulting liquidation loss in ~~the Market Professional Cross-Margining such Account or in an Indirect Participants Account of the Defaulting Member.~~

(c) This close-out procedure shall be completed as promptly as practicable after the Corporation has given notice pursuant to Section 1 of this Rule of the Corporation's determination to cease to act, unless the Board determines that the immediate closeout of Final Net Settlement Positions in a Security may be disadvantageous to the Corporation or may promote a disorderly market in that Security, in which case the Corporation may suspend the operation of this close-out provision until such later time as is determined by the Board, except that the Board may not suspend the operation of such close-out procedure for a period longer than 30 calendar days without the approval of such by the SEC.

(d) If, in the aggregate, the close-out of all of the Final Net Settlement Positions established for a Defaulting Member, including, without limitation, all costs and fees incurred by the Corporation in connection with such close-out, results in the Corporation incurring any loss or liability, such loss or liability shall be allocated as provided in Rule 4. If, in the aggregate, the close-out of all of the Final Net Settlement Positions established for a Defaulting Member results in a profit to the Corporation (after the Corporation has fulfilled its obligations under any Cross-Margining Agreements and Limited Cross-Guarantee Agreements), such profit shall be

credited to the **Defaulting** Member, or to a duly-appointed legal representative of the **Defaulting** Member.

(e) Subsequent to the close-out of a **Defaulting** Member's Final Net Settlement Positions, the Corporation shall, in accordance with these Rules, ensure the timely settlement of all Deliver Obligations, Receive Obligations, and related payment obligations, that would have arisen had the Corporation not ceased to act, in accordance with the terms of the transactions that comprise such obligations. Notwithstanding the foregoing, if the **Defaulting** Member was a GCF Net Funds Lender and had a Deliver Obligation of GCF-eligible mortgage-backed securities in connection with a GCF Repo Transaction, the Corporation shall be authorized to satisfy the Deliver Obligation with: (i) Comparable Securities, and/or (ii) U.S. Treasury bills, notes or bonds. In the alternative, the Corporation may, in its sole discretion, permit a GCF Net Funds Borrower to purchase Comparable Securities and/or U.S. Treasury bills, notes, or bonds in return for a cash payment by the Corporation equal to the price paid by the GCF Net Funds Borrower for the Comparable Securities and/or the U.S. Treasury bills, notes, or bonds; provided, however, that if the Corporation in its sole discretion determines that the price paid by the GCF Net Funds Borrower was unreasonably high, the Corporation shall be entitled to pay the GCF Net Funds Borrower a reasonable price (as determined by an independent third party pricing source) for the Comparable Securities and/or the U.S. Treasury bills, notes or bonds.

(f) If the Corporation takes any action pursuant to this Section, it shall notify the SEC of such by the Close of Business on the Business Day on which such action is taken.

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RULE 22B – CORPORATION DEFAULT

Corporation Default

(a) If a “Corporation Default” occurs pursuant to subsection (b) below, all Transactions **(which include all Sponsored Member Trades and Agent Clearing Transactions)** which have been subject to Novation pursuant to these Rules but have not yet settled and any rights and obligations of the parties thereto shall be immediately terminated. Each relevant Member **(which, for purposes of this Rule 22B, shall include each relevant Sponsored Member)** that has **outstanding positions arising from Novated Transactions** shall thereupon promptly take such market action as is commercially reasonable under the circumstances to effect a close out of any outstanding positions. **Sponsored Members may appoint a Sponsoring Member as its agent to conduct such market action on its behalf with respect to the Sponsored Member Trades submitted by that Sponsoring Member. Agent Clearing Members may conduct such market action on behalf of their Executing Firm Customers with respect to their respective Agent Clearing Transactions, unless an Agent Clearing Member and its Executing Firm Customer(s) otherwise agree.**

Each Member, **or its agent,** will report the results of its market action to the Board, and the Board shall determine **a single one or more** net amount(s) owed by or to each Member with respect to such positions by applying the close-out procedures of Section 2(b)(i) of Rule 22A (interpreted in all such cases as if each Member were a Defaulting Member) and taking into account the loss allocation provisions in Rule 4, to the extent such provisions are otherwise applicable to such Member. **In determining such net amount, (i) an Indirect Participant’s net claim against the Corporation shall not be netted against amounts owed to the Corporation by the respective Sponsoring Member or Agent Clearing Member; (ii) activity recorded in Agent Clearing Member Omnibus Accounts (other than Segregated Indirect Participants Accounts) would be netted across all Executing Firm Customers with activity recorded in an Account; and (iii) activity recorded in Sponsoring Member Omnibus Accounts and Segregated Indirect Participants Accounts would be netted on an Indirect Participant-by-Indirect Participant basis.**

The Board shall notify each Member of the net amount so determined, and Members who have been notified that they owe an amount to the Corporation shall pay that amount on or prior to the date specified by the Board, subject to any applicable setoff rights. Members who have a net claim against the Corporation shall be entitled to payment thereof along with other Members’ and any other creditors’ claims pursuant to the underlying contracts with respect thereto, these Rules and applicable law. For the avoidance of doubt, nothing herein shall limit the rights of the Corporation upon a Member default (including following a Corporation Default) including under any Cross-Guaranty Agreement with the Mortgage-Backed Securities Division or any other Cross-Guaranty Counterparty.

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RULE 26 – ~~RESERVED~~ TRANSFERS OF INDIRECT PARTICIPANT ACTIVITY

~~This Rule is reserved for future use~~

Section 1 – Transfers of Indirect Participant Activity

(a) General

All or a portion of an Indirect Participant’s activity may be transferred from an Indirect Participants Account of a Sponsoring Member or Agent Clearing Member (“Sending Member”) to an Indirect Participants Account of the same type of another Sponsoring Member or Agent Clearing Member (“Receiving Member”) pursuant to this Rule 26.

(b) Submission of Transfers to the Corporation

A Sending Member shall submit data on the Sponsored Member Trade(s) and Agent Clearing Transaction(s) to be transferred to the Corporation’s real-time trade matching system in a form and subject to procedures that shall be prescribed by the Corporation from time to time, and shall include trade data that is unaltered from the original trade data, including, for example, trade date, trade price and settlement date.

A Receiving Member shall be deemed to have accepted a transfer if it submits matching data for comparison in response to the transfer submission through the Corporation’s real-time trade matching system in accordance with the Corporation’s procedures. If a Receiving Member does not submit such matching data by the deadline for intraday transaction porting published on the Corporation’s website, the transfer will pend and be removed from the system in the normal course, the transfer will not be processed by the Corporation, and the Sponsored Member Trade(s) or Agent Clearing Transaction(s) will continue to be the obligations of the Sending Member pursuant to the Rules.

A transfer of Sponsored Member Trade(s) and Agent Clearing Transaction(s) that is submitted to the Corporation by the deadline for intraday transaction porting published on the Corporation’s website shall be effective in the normal course by no later than the close of business on that Business Day and any such transfer that is submitted to the Corporation after such deadline shall be effective at the start of the next Business Day. In all cases the time a transfer is effective pursuant to this Rule 26 shall be the “Transfer Effective Time”.

(c) Conditions to Processing an Indirect Participant Activity Transfer

A transfer of some or all Sponsored Member Trade(s) and Agent Clearing Transaction(s) of an Indirect Participant that has been submitted to the Corporation by a Sending Member pursuant to subsection (b) above shall be processed by the Corporation by the Transfer Effective Time if all of the following conditions are met:

- (i) The information required by subsection (b) above has been provided to the Corporation in the form required, and the Receiving Member, if

any, has been deemed to have accepted the transfer pursuant to this Rule 26.

- (ii) The Indirect Participant is a Sponsored Member pursuant to Rule 3A or an Executing Firm Customer pursuant to Rule 8 of the Receiving Member, as applicable, at the time the transfer is submitted to the Corporation.
- (iii) Sponsored Member Trade(s) and Agent Clearing Transaction(s) to be transferred have been Novated by the Corporation, have not yet been included in a Net Settlement Position pursuant to Rule 11 and have a scheduled final settlement date that is not prior to the Transfer Effective Time.

If these conditions are met, the Corporation shall process the transfer to be effective by the Transfer Effective Time; and the Corporation's lien on the Sending Member's Clearing Fund and, subject to the transfer of Segregated Customer Margin pursuant to subsection (d) below, the Sending Member's Segregated Customer Margin shall continue to secure the obligations arising from the transferred transactions pursuant to Rule 4 until such time as the Receiving Member satisfies the necessary Sponsoring Member Omnibus Account Required Fund Deposits, Agent Clearing Member Omnibus Account Required Fund Deposits or Segregated Customer Margin requirements with respect to such transactions.

If any of these conditions are not met, the transfer will be rejected by the Corporation, and the Sponsored Member Trade(s) and Agent Clearing Transaction(s) will continue to be the obligations of the Sending Member pursuant to the Rules.

(d) Conditions to Processing a Segregated Customer Margin Transfer

Segregated Customer Margin of a Segregated Indirect Participant may be transferred to a Receiving Member if all of the following conditions are met:

- (i) All of the activity of the Segregated Indirect Participant is transferred from the Sending Member to a Segregated Indirect Participants Account of the Receiving Member pursuant to this Rule 26.
- (ii) The Sending Member has identified to the Corporation, in a form to be prescribed by the Corporation, the cash deposit and Eligible Clearing Fund Securities that will be transferred to the Receiving Member.
- (iii) The transfer is submitted to the Corporation in accordance with the applicable timeframes as published on the Corporation's website.

If these conditions are met, the Corporation shall update its books and records to reflect the movement of the excess Segregated Customer Margin of the Segregated Indirect Participant that is on deposit with the Corporation from the Segregated Customer Margin Custody Account of the Sending Member to the Segregated Customer Margin Custody Account of the Receiving Member at the start of business on the Business Day following the

Transfer Effective Time. If any of these conditions are not met, the transfer of Segregated Customer Margin will not be processed by the Corporation.

Section 2 – Transfers of Indirect Participant Activity in a Default

~~Upon a default of~~ In the event the Corporation ceases to act for a Sponsoring Member or Agent Clearing Member, the Corporation may, in accordance with applicable law, act immediately to attempt to transfer to alternate Sponsoring Member(s) or Agent Clearing Member(s) all or part of the transactions of the Defaulting Member's Indirect Participants and, where applicable, associated Segregated Customer Margin. Any such alternative Sponsoring Member(s) or Agent Clearing Member(s) must consent to any such transfer.

If the transactions of the Defaulting Member's Indirect Participants are transferred to alternate Sponsoring Member(s) or Agent Clearing Members(s), the Corporation's lien on the Defaulting Member's Clearing Fund, pursuant to Rule 4, shall continue to secure the obligations arising from the transferred transactions until such time as the Receiving Member satisfies the necessary Sponsoring Member Omnibus Account Required Fund Deposits or Agent Clearing Member Omnibus Account Required Fund Deposits with respect to such transactions.

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