

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-104735; File No. SR-FICC-2026-002]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change to Enhance the Correlation Calculation for Bond Haircut Models and Make Other Changes

January 29, 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 January 27, 2026, Fixed Income Clearing Corporation (“FICC”) 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. 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 change³ consists of amendments to the Methodology Document – GSD Initial Market Risk Margin Model (“QRM Methodology Document”)⁴

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Capitalized terms used herein and not defined shall have the meaning assigned to such terms in the FICC Government Securities Division (“GSD”) Rulebook (“GSD Rules”), *available at* www.dtcc.com/legal/rules-and-procedures.

⁴ The QRM Methodology Document was filed as a confidential exhibit in the rule filing and advance notice for GSD sensitivity VaR. *See* Securities Exchange Act Release Nos. 83362 (June 1, 2018), 83 FR 26514 (June 7, 2018) (SR-FICC-2018-001) and 83223 (May 11, 2018), 83 FR 23020 (May 17, 2018) (SR-FICC-2018-801). The QRM Methodology Document has been subsequently amended. *See* Securities Exchange Act Release Nos. 85944 (May 24, 2019), 84 FR 25315 (May 31, 2019) (SR-FICC-2019-001), 90182 (Oct. 14, 2020), 85 FR 66630 (Oct. 20, 2020) (SR-FICC-2020-009), 93234 (Oct. 1, 2021), 86 FR 55891 (Oct. 7, 2021) (SR-FICC-2021-007), 95605 (Aug. 25, 2022), 87 FR 53522 (Aug. 31, 2022) (SR-FICC-2022-005), 97342 (Apr. 21, 2023), 88 FR 25721 (Apr. 27, 2023) (SR-FICC-2023-003), 99447 (Jan. 30, 2024), 89 FR 8260

in order to enhance the correlation calculation for bond haircut models. In addition, FICC is proposing a technical change to the QRM Methodology Document.

FICC is requesting confidential treatment of the QRM Methodology Document and has filed it separately with the Secretary of the Commission.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

The purpose of this proposed rule change is to amend the QRM Methodology Document in order to enhance the correlation calculation for bond haircut models. FICC is also proposing to make a technical change to the QRM Methodology Document.

Background

FICC, through GSD, serves as a central counterparty and provider of clearance and settlement services for transactions in U.S. government securities, as well as

(Feb. 6, 2024) (SR-FICC-2024-001), 101569 (Nov. 8, 2024), 89 FR 90109 (Nov. 14, 2024) (SR-FICC-2024-003), and 104116 (Sept. 29, 2025), 90 FR 47437 (Oct. 1, 2025) (SR-FICC-2025-018).

⁵ 17 CFR 240.24b-2.

repurchase and reverse repurchase transactions involving U.S. government securities. GSD also clears and settles certain transactions on securities issued or guaranteed by U.S. government agencies and government sponsored enterprises. As part of its market risk management strategy, FICC manages its credit exposure to Members by determining the appropriate Required Fund Deposit to the Clearing Fund and monitoring its sufficiency, as provided for in the GSD Rules.⁶ The Required Fund Deposit serves as each Member's margin.

The objective of a Member's Required Fund Deposit is to mitigate potential losses to FICC associated with liquidating a Member's portfolio in the event FICC ceases to act for that Member (hereinafter referred to as a "default").⁷ The aggregate amount of all Members' Required Fund Deposits constitutes the Clearing Fund. FICC would access the Clearing Fund should a defaulting Member's own Required Fund Deposit be insufficient to satisfy losses to FICC caused by the liquidation of that Member's portfolio.

At GSD, each Member is also responsible for the margin obligations arising from the activity of the Member's indirect participant customers submitted to FICC via the sponsored membership service ("Sponsored Service") and/or the Agent Clearing Service. FICC's Sponsored Service permits Members that are approved to be Sponsoring Members, to sponsor certain institutional firms, referred to as "Sponsored Members," into

⁶ See GSD Rule 4 (Clearing Fund and Loss Allocation), *supra* note 3. FICC's market risk management strategy is designed to comply with Rule 17ad-22(e)(4) under the Act, where these risks are referred to as "credit risks." 17 CFR 240.17ad-22(e)(4).

⁷ The GSD Rules identify when FICC may cease to act for a Member and the types of actions FICC may take. For example, FICC may suspend a firm's membership with FICC or prohibit or limit a Member's access to FICC's services in the event that Member defaults on a financial or other obligation to FICC. See GSD Rule 21 (Restrictions on Access to Services), *supra* note 3.

GSD membership.⁸ FICC establishes and maintains a “Sponsoring Member Omnibus Account” on its books in which it records the transactions of the Sponsoring Member’s Sponsored Members (“Sponsored Member Trades”).⁹ Similarly, FICC’s Agent Clearing Service permits Members that are approved to be Agent Clearing Members to submit activities of certain institutional firms, referred to as “Executing Firm Customers,” into FICC for clearing and settlement.¹⁰ FICC establishes and maintains an “Agent Clearing Member Omnibus Account” on its books in which it records the transactions of the Agent Clearing Member’s Executing Firm Customers (“Agent Clearing Transactions”).¹¹

Both the Sponsoring Members and the Agent Clearing Members have the option of segregating Sponsored Member Trades of a Sponsored Member and Agent Clearing Transactions of an Executing Firm Customer, as applicable, in separate accounts (i.e., Segregated Indirect Participants Accounts), each such Sponsored Member and Executing Firm Customer being referred to as a “Segregated Indirect Participant.” FICC manages its credit exposure to Segregated Indirect Participants by determining the appropriate Segregated Customer Margin Requirement and monitoring its sufficiency, as provided for in the GSD Rules.¹²

Pursuant to the GSD Rules, each Member’s Required Fund Deposit amount (and Segregated Customer Margin Requirement amount, to the extent applicable) consists of a

⁸ See GSD Rule 3A (Sponsoring Members and Sponsored Members), *supra* note 3.

⁹ See GSD Rule 1 (definition of “Sponsored Member Trades”), *supra* note 3.

¹⁰ See GSD Rule 8 (Agent Clearing Service), *supra* note 3.

¹¹ See GSD Rule 1 (definition of “Agent Clearing Transactions”), *supra* note 3.

¹² See GSD Margin Component Schedule, *supra* note 3.

number of components, each of which is calculated to address specific risks faced by FICC, as identified within the GSD Rules.¹³ At GSD, these components include the VaR Charge, Blackout Period Exposure Adjustment, Backtesting Charge, Excess Capital Premium, Holiday Charge, Intraday Supplemental Fund Deposit, Intraday Mark-to-Market Charge, Margin Liquidity Adjustment Charge, Portfolio Differential Charge, Volatility Event Charge, and special charge.¹⁴ The VaR Charge generally comprises the largest portion of a Member's Required Fund Deposit and Segregated Customer Margin Requirement amounts.

The VaR Charge is based on the potential price volatility of unsettled positions using a sensitivity-based Value-at-Risk ("sensitivity VaR") methodology and is designed to cover FICC's projected liquidation losses with respect to a defaulted Member's portfolio at a 99% confidence level. The sensitivity VaR methodology provides an estimate of the possible losses for a given portfolio based on: (1) confidence level, (2) a time horizon, and (3) historical market volatility. FICC uses historical simulation to estimate the impact of market volatilities on the Member's portfolio. A haircut method is applied to securities with insufficient requisite data used to employ the sensitivity VaR approach, e.g., short-term bonds.

Enhancing the Correlation Calculation for Bond Haircut Models

The QRM Methodology Document provides the methodologies by which FICC calculates the VaR Charge, i.e., sensitivity VaR methodology and haircut methodology.

¹³ *Supra* note 3.

¹⁴ These margin components and the relevant defined terms are located in GSD Rule 1 (Definitions) and/or the GSD Margin Component Schedule, *supra* note 3.

Specifically, the QRM Methodology Document provides model inputs, parameters, and assumptions, among other information, for these methodologies.

Pursuant to the QRM Methodology Document, all short-term bonds (i.e., bonds with maturity of one-year or less) (including Treasury Inflation Protected Securities (“TIPS”)) and bonds with no vendor provided sensitivity analytics data are subject to a haircut calculation. The haircut charges are calculated by placing the bonds into relevant maturity buckets, using correlations to account for cross-bucket effects. The correlations are calculated based on fixed income indices provided by a designated vendor. However, because the designated vendor does not currently provide index data for Treasury 0-6 months, Treasury 6-12 months, and TIPS 0-12 months maturity buckets, the correlations involving any of these three maturity buckets are manually set by FICC to zero.¹⁵ Setting the correlation to zero for Treasury 0-6 months, Treasury 6-12 months, and TIPS 0-12 months maturity buckets may result in understated haircut charges. This is particularly true for directional portfolios with securities in adjacent maturity buckets, for example, one bond with 5 months to maturity and another with 7 months to maturity, because historical evidence shows short-term maturity buckets are substantially intercorrelated. To strengthen FICC’s assessment of market risk for portfolios with bond positions in maturity buckets where the designated vendor does not provide index data, FICC proposes to enhance the correlation calculation for bond haircut models by permitting the use of index data from an alternate vendor in such cases.

¹⁵ During the initial methodology development, the overall impact to the haircut charge due to correlations was expected to be limited. Consequently, when vendor index data is unavailable, correlations for Treasury 0-6 months, Treasury 6-12 months, and TIPS 0-12 months maturity buckets are set to zero. The decision to set such correlations to zero is intended to provide a clear and consistent framework for margin calculation, pending the availability of reliable index data from external vendors.

FICC is proposing modifications to the QRM Methodology Document in order to enhance the correlation calculation for bond haircut models. Specifically, in the subsection of the QRM Methodology Document that describes calculation of haircut of Treasury and agency bonds without sensitivity analytics data, FICC would delete existing language regarding correlation parameter alternatives and replace it with new language to make it clear that, for fixed income indices not provided by the designated vendor, FICC may use data from another vendor to calculate the correlation. In addition, FICC would delete existing language that describes the current practice of assuming zero correlation for certain maturity buckets of short-term bonds. Furthermore, FICC is also proposing a technical change that corrects a section reference.

Impact Study

FICC performed an impact study for the period beginning September 1, 2024 through August 31, 2025 (“Impact Study Period”), looking at Treasury 0-6 months, Treasury 6-12 months, and TIPS 0-12 months maturity buckets with a different correlation number than zero calculated based on index data provided by an alternate vendor. If the proposed rule change had been in place during the Impact Study Period compared to the existing GSD Rules, the average increase to the aggregate VaR Charges at GSD would be approximately \$46 million (or 0.09%), with the largest increase of approximately \$85 million (or 0.15%). The impact study indicated that, if the proposed rule change had been in place, the VaR model backtesting coverage would have remained unchanged at 99.85%.

Margin Proxy was not deployed during the Impact Study Period;¹⁶ however, if the proposed rule change had been in place and Margin Proxy were deployed during the Impact Study Period, the average increase to the aggregate VaR Charges at GSD would be approximately \$88 million (or 0.16%), with the largest increase of approximately \$163 million (or 0.38%). The impact study indicated that, if the proposed rule change had been in place and Margin Proxy were deployed during the Impact Study Period, the VaR model backtesting coverage would have remained unchanged at 99.92%.

Impact to Members over the Impact Study Period

If the proposed rule change had been in place during the Impact Study Period compared to the existing GSD Rules, on average, at the Member Margin Portfolio level, the proposed rule change would have increased the start of day (“SOD”) VaR Charge by approximately \$0.22 million, or 0.09%, over the Impact Study Period. The largest average percentage increase in SOD VaR Charge for any Member Margin Portfolio would have been approximately 14.52%, or \$0.38 million. The largest average dollar increase in SOD VaR Charge for any Member Margin Portfolio would have been approximately \$5.91 million, or 0.79%.

If the proposed rule change had been in place and Margin Proxy were deployed during the Impact Study Period, on average, at the Member Margin Portfolio level, the proposed rule change would have increased the SOD VaR Charge by approximately \$0.42 million, or 0.16% over the Impact Study Period. The largest average percentage increase in SOD VaR Charge for any Member Margin Portfolio would have been

¹⁶ FICC can deploy Margin Proxy as a back-up VaR Charge calculation in the event that FICC experiences a data disruption with its third-party vendor. See GSD Margin Component Schedule (definition of “Margin Proxy”), *supra* note 3.

approximately 23.18%, or \$0.59 million. The largest average dollar increase in SOD VaR Charge for any Member Margin Portfolio would have been approximately \$17.35 million, or 0.34%.

2. Statutory Basis

FICC believes this proposal is consistent with the requirements of the Act, and the rules and regulations thereunder applicable to a registered clearing agency. Specifically, FICC believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act¹⁷ and Rules 17ad-22(e)(4)(i) and (e)(6)(i) promulgated thereunder¹⁸ for the reasons described below.

Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to, among other things, assure the safeguarding of securities and funds which are in the custody or control of the clearing agency.¹⁹ FICC believes the proposed change to enhance the correlation calculation for bond haircut models is designed to assure the safeguarding of securities and funds which are in its custody or control because it is designed to mitigate FICC's risk exposure from bond positions held in Members' portfolios. Specifically, the proposed enhancement would allow FICC to collect financial resources to mitigate credit risk exposure resulting from bonds held in Members' portfolios.

The Clearing Fund/Segregated Customer Margin is a key tool that FICC uses to mitigate potential losses to FICC associated with liquidating a Member's portfolio in the

¹⁷ 15 U.S.C. 78q-1(b)(3)(F).

¹⁸ 17 CFR 240.17ad-22(e)(4)(i) and (e)(6)(i).

¹⁹ 15 U.S.C. 78q-1(b)(3)(F).

event of Member default. Therefore, the proposed change to enhance the correlation calculation for bond haircut models would enable FICC to better address credit risk exposure resulting from bonds held in Members' portfolios such that, in the event of a Member default, FICC's operations would not be disrupted, and non-defaulting Members would not be exposed to losses they cannot anticipate or control. In this way, the proposed change to enhance the correlation calculation for bond haircut models would assure the safeguarding of securities and funds which are in the custody or control of FICC, consistent with Section 17A(b)(3)(F) of the Act.²⁰

FICC believes the proposed change to make a technical change to the QRM Methodology Document would enhance the accuracy of the QRM Methodology Document for FICC. The QRM Methodology Document is used by FICC risk management personnel for the calculation of margin requirements. Having an accurate QRM Methodology Document will help facilitate the accurate and smooth functioning of the margining process at FICC. The proposed technical change would promote such accuracy. This would in turn enable FICC risk management to assess an appropriate level of margin for Members. As such, FICC believes that the proposed technical change to the QRM Methodology Document would assure the safeguarding of securities and funds which are in the custody or control of FICC, consistent with Section 17A(b)(3)(F) of the Act.²¹

The proposed change to enhance the correlation calculation for bond haircut models has also been designed to be consistent with Rules 17ad-22(e)(4)(i) and (e)(6)(i)

²⁰ *Id.*

²¹ *Id.*

under the Act.²² Rule 17ad-22(e)(4)(i) under the Act requires a covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those exposures arising from its payment, clearing, and settlement processes by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence.²³ As described above, the proposed change to permit the use of index data from an alternate vendor when the designated vendor does not provide such data would enhance the correlation calculation for bond haircut models, which in turn would help address the identification, measurement, monitoring and management of credit exposures that may arise from bonds held in Members' portfolios. By enhancing the correlation calculation for bond haircut models, the proposed change would enable FICC to have rule provisions that are reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to Members and those exposures arising from its payment, clearing, and settlement processes, which FICC believes is consistent with Rule 17ad-22(e)(4)(i). Moreover, the proposed change would enable FICC to better identify, measure, monitor, and, through the collection of Members' Required Fund Deposits and Segregated Customer Margin Requirements, manage its credit exposures to Members by maintaining sufficient resources to cover those credit exposures fully with a high degree of confidence. The proposed correlation calculation change for bond haircut models as described above would help improve FICC's ability to determine the appropriate bond

²² 17 CFR 240.17ad-22(e)(4)(i) and (e)(6)(i).

²³ 17 CFR 240.17ad-22(e)(4)(i).

haircut charges, thus ensuring Members' portfolio risks are adequately identified, measured and monitored. It would help ensure that the margin FICC collects from Members is sufficient to mitigate the credit exposure presented by the Members. As a result, FICC believes that the proposal would enhance FICC's ability to effectively identify, measure, and monitor its credit exposures and would enhance its ability to maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence, consistent with the requirements of Rule 17ad-22(e)(4)(i) under the Act.²⁴

Rule 17ad-22(e)(6)(i) under the Act requires, among other things, a covered clearing agency to establish, implement, maintain, and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market.²⁵ FICC believes that the proposed change to enhance the correlation calculation for bond haircut models is consistent with the requirements of Rule 17ad-22(e)(6)(i) cited above. The Required Fund Deposits and Segregated Customer Margin Requirements are comprised of risk-based components (as margin) that are calculated and assessed daily to limit FICC's credit exposures to Members. FICC is proposing a change that is designed to make the bond haircut models more effective in measuring and addressing credit risk. The proposed change to the correlation calculation for bond haircut models would help to ensure margin levels are commensurate with the

²⁴ *Id.*

²⁵ 17 CFR 240.17ad-22(e)(6)(i).

risk exposure that arises from bonds held in Members' portfolios. It would also help ensure the margin that FICC collects from Members is sufficient to mitigate the credit exposure presented by the Members. Overall, this proposed change would allow FICC to more effectively address the risks presented by Members. In this way, the proposed change to the correlation calculation for bond haircut models would enhance the ability of FICC to produce margin levels commensurate with the risks and particular attributes of each relevant product, portfolio, and market. As such, FICC believes that this proposed change is consistent with the requirements of Rule 17ad-22(e)(6)(i) under the Act.²⁶

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

FICC believes the proposed change to enhance the correlation calculation for bond haircut models could impose a burden on competition. As a result of this proposed change, participants may experience increases in their Required Fund Deposits and/or Segregated Customer Margin Requirements. Such increases could burden participants that have lower operating margins or higher costs of capital than other participants. It is not clear whether the burden on competition would necessarily be significant because it would depend on whether the affected participants were similarly situated in terms of business type and size; however, regardless of whether the burden on competition is significant, FICC believes that any burden on competition would be necessary and appropriate in furtherance of the purposes of the Act.

Specifically, as described in this filing and further below, FICC believes that the above-described burden on competition that may be created by this proposed change

²⁶ *Id.*

would be necessary in furtherance of the purposes of the Act because the rules of a clearing agency must be designed to assure the safeguarding of securities and funds that are in FICC's custody or control, consistent with Section 17A(b)(3)(F) of the Act.²⁷ FICC believes that the proposed change to the correlation calculation for bond haircut models as described above would enable FICC to further improve margin resilience with respect to bonds held in Members' portfolios such that, in the event of a Member default, FICC's operations would not be disrupted and non-defaulting Members would not be exposed to losses they cannot anticipate or control. As such, this proposed change is designed to assure the safeguarding of securities and funds which are in the custody or control of FICC, consistent with Section 17A(b)(3)(F) of the Act.

FICC also believes the proposed change to the correlation calculation for bond haircut models is necessary to support FICC's compliance with Rules 17ad-22(e)(4)(i) and (e)(6)(i) under the Act,²⁸ which require FICC to establish, implement, maintain, and enforce written policies and procedures reasonably designed to (x) effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes and (y) cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market.

As described above, FICC believes that the proposed change to the correlation calculation for bond haircut models would allow FICC to better mitigate risk exposure

²⁷ 15 U.S.C. 78q-1(b)(3)(F).

²⁸ 17 CFR 240.17ad-22(e)(4)(i) and (e)(6)(i).

resulting from bonds held in Members' portfolios. Accordingly, FICC believes that this proposed change would allow FICC to effectively identify, measure, monitor, and manage its credit exposures to participants and better limit FICC's credit exposures to participants and cover its credit exposures to its participants by producing margin levels commensurate with the risks and particular attributes of each relevant product, portfolio, and market, consistent with the requirements of Rules 17ad-22(e)(4)(i) and (e)(6)(i) under the Act.²⁹

FICC also believes that the above-described burden on competition that could be created by the proposed change to the correlation calculation for bond haircut models would be appropriate in furtherance of the purposes of the Act because such change has been appropriately designed to assure the safeguarding of securities and funds which are in the custody or control of FICC, as described in detail above. The proposed change to the correlation calculation for bond haircut models is specifically designed to cover risk exposures from bonds held in Members' portfolios. Any increase in Required Fund Deposit and/or Segregated Customer Margin Requirement as a result of such proposed change for a particular participant would be in direct relation to the specific risks presented by such participant's portfolio, and each participant's Required Fund Deposit and/or Segregated Customer Margin Requirement would continue to be calculated with the same parameters and at the same confidence level. Therefore, participants with portfolios that present similar risks, regardless of the type of participant, would have similar impacts on their Required Fund Deposit and/or Segregated Customer Margin Requirement amounts. In addition, the proposed change to the correlation calculation for

²⁹ *Id.*

bond haircut models would improve the risk-based margining methodology that FICC employs to set margin requirements and better limit FICC's credit exposures to its participants. Therefore, because the proposed change is designed to provide FICC with a more appropriate and complete measure of the risks presented by participants' portfolios, FICC believes this proposed change is appropriately designed to meet its risk management goals and its regulatory obligations.

Accordingly, FICC does not believe that the proposed change to the correlation calculation for bond haircut models would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.³⁰

FICC does not believe the proposed technical change to the QRM Methodology Document would have any impact on competition. This proposed change would enhance the QRM Methodology Document by providing additional accuracy. The proposed technical change would not advantage or disadvantage any particular Member of FICC or unfairly inhibit access to FICC's services. FICC therefore does not believe the proposed technical 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

FICC has 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,

³⁰ 15 U.S.C. 78q-1(b)(3)(I).

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 Commission's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

FICC reserves the right not to respond to any comments received.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove such proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

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-regulations/self-regulatory-organization-rulemaking>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FICC-2026-002 on the subject line.

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-FICC-2026-002. This file number should be included on the subject line if e-mail 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-regulations/self-regulatory-organization-rulemaking>). Copies of the filing will be available for inspection and copying at the principal office of FICC and on DTCC's website (www.dtcc.com/legal/sec-rule-filings). 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-FICC-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.³¹

Sherry R. Haywood,
Assistant Secretary.

³¹ 17 CFR 200.30-3(a)(12).