

EXHIBIT 5

Bolded, underlined text indicates added language

~~Bolded, strikethrough text~~ indicates deleted language

Shaded, Bolded and underlined text indicates language that has been added in a proposal formally filed with the SEC.

~~Shaded, Bolded and strikethrough text~~ indicates language that has been deleted in a proposal formally filed with the SEC.

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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Backtesting Charge

The term “Backtesting Charge” means an additional charge that may be added to a Netting Member’s VaR Charge to mitigate exposures to the Corporation caused by settlement risks that may not be adequately captured by the Corporation’s portfolio volatility model. The Backtesting Charge may apply to Netting Members that have 12-month trailing backtesting coverage below the 99 percent backtesting coverage target, excluding deficiencies attributable to Blackout Period exposures. The Backtesting Charge shall generally be equal to the Netting Member’s third largest deficiency that occurred during the previous 12 months, excluding any deficiencies attributable to Blackout Period exposures. The Corporation may in its discretion adjust such charge if the Corporation determines that circumstances particular to a Netting Member’s settlement activity and/or market price volatility warrant a different approach to determining or applying such charge in a manner consistent with achieving the Corporation’s backtesting coverage target.

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Holiday

The term “Holiday” means, with respect to the Holiday Charge, any day on which the Corporation is closed, but the day is not observed as a holiday by the Securities Industry and Financial Markets Association and the bond markets are open.

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Holiday Charge

The term “Holiday Charge” means an additional charge that may be added to Netting Members’ VaR Charge on the Business Day prior to a Holiday. The Holiday Charge approximates the exposure that a Netting Member’s trading activity on the applicable Holiday could pose to the Corporation. Since the

Corporation cannot collect margin on the Holiday, the Holiday Charge is due on the Business Day prior to the applicable Holiday.

The methodology for calculating a Holiday Charge shall be determined by the Corporation in advance of each applicable Holiday. The Holiday Charge approximates each Netting Member's Required Fund Deposit to address the exposure such Netting Member's trading activity on the applicable Holiday could pose to the Corporation. The Corporation shall have the discretion to calculate the Holiday Charge based on its assessment of market conditions at the time the Holiday Charge is calculated (such as, for example, significant market occurrences that could impact market price volatility). The Corporation shall inform Netting Members of the methodology it will use to calculate the Holiday Charge by an Important Notice issued no later than 10 Business Days prior to the day on which the applicable Holiday Charge is applied. Examples of potential methodologies for the Holiday Charge may include, but shall not be limited to, time scaling of the VaR Charge or a stress scenario that reflects potential market price volatility on the Holiday.

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RULE 4 - CLEARING FUND AND LOSS ALLOCATION

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Section 1b – Unadjusted GSD Margin Portfolio Amount

(a) Each Business Day, the Corporation shall determine, with respect to each Margin Portfolio, an Unadjusted GSD Margin Portfolio Amount as the sum of the following;

(i) the VaR Charge

plus

(ii) the Coverage Charge,

minus

(iii) in the case of a Margin Portfolio of a Cross Margining Participant that is subject to one or more Cross-Margining Arrangements, in the discretion of the Corporation, an amount not to exceed the sum of any applicable Cross-Margining Reductions, calculated on the current Business Day for such Cross-Margining Participant in accordance with the applicable Cross-Margining Agreements.

plus

(iv) In the case of a Margin Portfolio of a GCF Counterparty, the GCF Premium Charge and/or GCF Repo Event Premium and/or the Early Unwind Intraday Charge, if applicable;

plus

(v) **in the case of a Margin Portfolio of a GCF Counterparty with backtesting deficiencies, the Blackout Period Exposure Charge, if applicable, during the monthly Blackout Period and until the applicable GCF Clearing Agent Bank updates the Pool Factors used for collateral valuation.**

plus

(vi) **in the case of a Netting Member with backtesting deficiencies, the Backtesting Charge, if applicable.**

plus

(vii) **the Holiday Charge, if applicable, on the Business Day prior to a Holiday.**

The Corporation shall determine a separate Unadjusted GSD Margin Portfolio Amount for a Netting Member's Market Professional Cross-Margining Account.

The Corporation shall have the discretion to not apply the VaR calculation(s) to net unsettled positions in classes of securities whose volatility is less amenable to statistical analysis, or to Term Repo Transactions and Forward-Starting Repo Transactions (including term and forward-starting GCF Repo Transactions) whose term repo rate volatility is less amenable to statistical analysis. In lieu of such calculation, the component required with respect to such transactions shall instead be determined based on a historic index volatility model.

The Corporation shall take into account the VaR confidence level applicable to the Member in calculating the VaR Charge and Coverage Charge. In the case of a Margin Portfolio containing accounts of Permitted Margin Affiliates, the Corporation shall apply the highest VaR confidence level applicable to the Member or its Permitted Margin Affiliates.

The Corporation shall have the discretion to calculate an additional amount ("special charge") applicable to a Margin Portfolio as determined by the Corporation from time to time in view of market conditions and other financial and operational capabilities of the Member. The Corporation shall make any such determination based on such factors as the Corporation determines to be appropriate from time to time.

The Corporation shall calculate the Unadjusted GSD Margin Portfolio Amount applicable to a Sponsoring Member Omnibus Account, and the Sponsoring Member Omnibus Account Required Fund Deposit, subject to the provisions set forth in Section 10 of Rule 3A.

The minimum Clearing Fund requirement applicable to an Inter-Dealer Broker Netting Member or a Netting Member that maintains one or more Broker Accounts shall at all times be no less than \$5 million.

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

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

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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Backtesting Charge

The term “Backtesting Charge” means an additional charge that may be added to a Clearing Member’s VaR Charge to mitigate exposures to the Corporation caused by settlement risks that may not be adequately captured by the Corporation’s portfolio volatility model. The Backtesting Charge may apply to Clearing Members that have 12-month trailing backtesting coverage below the 99 percent backtesting coverage target. The Backtesting Charge shall generally be equal to the Clearing Member’s third largest deficiency that occurred during the previous 12 months. The Corporation may in its discretion adjust such charge if the Corporation determines that circumstances particular to a Clearing Member’s settlement activity and/or market price volatility warrant a different approach to determining or applying such charge in a manner consistent with achieving the Corporation’s backtesting coverage target.

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Holiday

The term “Holiday” means, with respect to the Holiday Charge, any day on which the Corporation is closed, but the day is not observed as a holiday by the Securities Industry and Financial Markets Association and the bond markets are open.

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Holiday Charge

The term “Holiday Charge” means an additional charge that may be added to Clearing Members’ VaR Charge on the Business Day prior to a Holiday. The Holiday Charge approximates the exposure that a Clearing Member’s trading activity on the applicable Holiday could pose to the Corporation. Since the Corporation cannot collect margin on the Holiday, the Holiday Charge is due on the Business Day prior to the Holiday.

The methodology for calculating a Holiday Charge shall be determined by the Corporation in advance of each applicable Holiday. The Holiday Charge approximates each Clearing Member's Required Fund Deposit to address the exposure such Clearing Member's trading activity on the applicable Holiday could pose to the Corporation. The Corporation shall have the discretion to calculate the Holiday Charge based on its assessment of market conditions at the time the Holiday Charge is calculated (such as, for example, significant market occurrences that could impact market price volatility). The Corporation shall inform Clearing Members of the methodology it will use to calculate the Holiday Charge by an Important Notice issued no later than 10 Business Days prior to the day on which the applicable Holiday Charge is applied. Examples of potential methodologies for the Holiday Charge may include, but shall not be limited to, time scaling of the VaR Charge or a stress scenario that reflects potential market price volatility on the Holiday.

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RULE 4–CLEARING FUND AND LOSS ALLOCATION

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Section 2 –Required Fund Deposit

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(c) Each Business Day, each Clearing Member shall be required to make a Required Fund Deposit to the Clearing Fund equal to the greater of: (i) the Minimum Charge, or (ii) the End of Day Charge; plus the sum of the following:

(i) the VaR Charge

plus

(ii) the Coverage Charge

plus

(iii) the amount of the Deterministic Risk Component

plus

(iv) a margin requirement differential which considers intra-day portfolio variations and potential for a late margin deficit satisfaction or for a failure to satisfy a margin deficit

plus

(v) an additional payment (“special charge”) from such Member as determined by the Corporation from time to time in view of market conditions and other financial and operational capabilities of the Member. The Corporation shall make any such determination based on such factors as the Corporation determines to be appropriate from time to time-

plus

(vi) in the case of Clearing Member with backtesting deficiencies, the Backtesting Charge, if applicable

plus

(vii) the Holiday Charge, if applicable, on the Business Day prior to a Holiday.

The Corporation shall have the discretion not to apply the VaR calculation(s) to net unsettled positions in classes of securities where volatility is less amenable to statistical analysis. In lieu of such calculations the component required with respect to such Transactions shall instead be determined based on a historic index volatility model.

The Corporation shall take into account the VaR confidence level applicable to the Member in calculating the VaR Charge. The assumptions used in the VaR model will be set forth in the Corporation's procedures.

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

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

A Clearing Member's Required Fund Deposit shall be reported daily, and payment shall be due by the time specified in the Corporation's procedures; however, such payment shall not be due on a given day if: (a) the difference between the amount of a Member's Required Fund Deposit as reported on that day and the amount then on deposit towards satisfaction thereof is less than both: (i) \$250,000, and (ii) 25 percent of the amount then on deposit from the Clearing Member; and (b) the Member is not on the Watch List.

The Corporation shall have the right to adjust any components of the calculation of a Member's Required Fund Deposit as set forth in this Section 2. The Corporation shall apply Clearing Fund requirements to each Clearing Member within each membership type on a consistent and non-discriminatory basis.