



Important Notice
Fixed Income Clearing Corporation - GOV

GOV #:	GOV1682-24
Date:	April 15, 2024
To:	Government Securities Division (“GSD”) Netting Members
Category:	Service Update
Subject:	REMINDER: Capped Contingency Liquidity Facility Test – April 2024

As mentioned in the Important Notice [GOV1643-24](#), Capped Contingency Liquidity Facility (“CCLF®”) is an integral part of the Fixed Income Clearing Corporation’s (“FICC”) role as central counterparty under the Government Securities Division (“GSD”) and the Mortgage-Backed Securities Division (“MBSD”). On an annual basis, FICC conducts a mandatory CCLF test with all GSD Netting Members and MBSD Clearing Members to satisfy the requirements of a covered clearing agency with respect to its management of liquidity risk. The main objectives of the test are:

1. Increase Members’ awareness of the potential capital commitment should a CCLF Event be declared;
2. Assess each Member’s understanding of a CCLF Event from an operational perspective; and
3. Test Members operational capability to process Redistribution Repos.

The GSD CCLF and MBSD CCLF tests will take place on the same day. There will be two parts to the test as described in the [Annual CCLF Test Reference Guide](#) found on both the GSD and MBSD User Documentation pages on dtcc.com.

Test Dates

Part 1 of the test will take place on **Monday, April 22, 2024**.

Part 2 of the test will be conducted during the **week of April 22, 2024**. Each firm has been contacted by FICC and provided with their Part 2 test date.

Redistribution Repo Details

On the morning of your firm's assigned Part 2 test date, FICC will send via email the settlement details of the Redistribution Repo to the contacts that were provided to your Relationship Manager.

Delivery Instructions

- If your GSD account is being used for the test, then the instructions will be BK OF NYC/GSDCL.
- If you are an MBSD-Only Member, then the instructions will be BK OF NYC/MBSDCL.

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Contact Information

All GSD Netting Members and MBSB Clearing Members should have already provided their Relationship Manager with at least two (2) contacts that FICC may contact to discuss any issue that relates to the CCLF test. All Members must confirm these contacts and ensure they have the proper access to RTTM[®] Web and Report Center prior to the test. Please contact your Relationship Manager if there are any changes to those contacts for the upcoming April 2024 test or if you have any questions regarding this Important Notice.