

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 1 and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change.

(a) The present rule filing does not require a change to the text of the rules of the Government Securities Division (the "GSD").

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization.

FICC's Credit and Market Risk Management Committee approved this filing on February 25, 2009.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change.

(a) The GCF Repo® service allows Government Securities Division (the "GSD") dealer members to trade general collateral repurchase agreements ("repos") throughout the day without requiring intra-day, trade-for-trade settlement on a delivery-versus-payment basis. The service allows the dealers to trade such general collateral repos, based on rate and term, throughout the day with inter-dealer broker netting members on a blind basis. Standardized, generic CUSIP numbers have been established exclusively for GCF Repo processing and are used to specify the acceptable type of underlying eligible collateral.

FICC is proposing to add an additional collateral type to the GCF Repo Service. Specifically, management proposes to add debt securities that are issued under the Debt Guarantee Program component of the Federal Deposit Insurance Corporation's (the "FDIC's") Temporary Liquidity Guarantee Program (the "TLGP").¹ These securities are DTC-eligible securities.²

The TLGP, one of the steps taken by the U.S. Government to stabilize the credit markets and stimulate lending, was designed to allow banks to issue FDIC-insured debt, ensuring that the banks would be able to roll over any debt coming due in the coming months. The guarantee consists of timely payment of principal and interest. The expiration of the FDIC's guarantee is the earlier of either the maturity date of the issued debt or June 2012.

¹ This filing pertains only to the GCF Repo service and does not propose to add the FDIC-guaranteed securities to the GSD's DVP service.

² The present rule filing applies only to these specific FDIC-insured securities. In the future, if FICC determines to add additional DTC-eligible securities to the GCF Repo service, FICC will submit a rule filing to the Commission for this purpose.

The Financial Industry Regulatory Authority ("FINRA") has recently advised the Securities Industry and Financial Markets Association ("SIFMA") on the capital charge treatment that FINRA plans to employ with respect to the guaranteed debt securities that are issued by an affiliate of a broker-dealer and that are held in inventory by the broker-dealer. Specifically, FINRA has advised that broker-dealers who may be allocated the FDIC-guaranteed debt securities issued by affiliated entities as part of the GCF Repo service will not need to take a 100 percent capital charge on the reverse repo contract because they have no control over the collateral allocated by FICC and the allocated collateral is procedurally returned the next morning. Given this favorable treatment, members of SIFMA who are active in the GCF Repo service have requested that FICC add this product to the service.

All current GCF Repo processing will remain unchanged. The fact that the product is a DTC-eligible security will not affect GCF Repo processing.³ FICC has determined that with respect to its risk management processes, the FDIC-insured securities will be treated the same as all other GCF Repo-eligible collateral.

(b) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and the rules and regulations thereunder, because it allows FICC to expand an important service that provides members with a continuing ability to engage in general collateral trading activity in a safe and efficient manner. As such, the proposed rule filing facilitates the prompt and accurate clearance and settlement of securities transactions.

4. Self-Regulatory Organization's Statement on Burden on Competition.

FICC does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Participants, Participants, or Others.

Written comments relating to the proposed rule change have not yet been solicited or received. FICC will notify the Commission of any written comments received by FICC.

6. Extension of Time Period for Commission Action.

FICC does not consent to an extension of the time period specified in Section 19(b)(2) of the Act for Commission action.

³ Specifically, if a GCF Repo participant engages in a trade using the new GCF Repo CUSIP, the participant will need to pledge the security free of payment to its clearing bank via the mechanism available at DTC. Once the security is pledged to the dealer's clearing bank, it is available for tri-party or GCF Repo processing. No additional processing is being introduced to the GCF Repo service by this rule filing. The present filing does not require a change to the text of the rules of the GSD.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2).

(a) The proposed rule change is to take effect pursuant to paragraph A of Section 19(b)(3).

(b) The proposed rule change effects a change in an existing service of FICC that (i) does not adversely affect the safeguarding of securities or funds in the custody or control of FICC or for which it is responsible; and (ii) does not significantly affect the respective rights or obligations of FICC or persons using this service.

(c) Not applicable.

(d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission.

The proposed rule change is not based on the rules of another self-regulatory organization or the Commission.

9. Exhibits

Exhibit 1 - Notice of proposed rule change for publication in the Federal Register.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-FICC-2009-04)

SELF-REGULATORY ORGANIZATIONS

Proposed Rule Change by THE FIXED INCOME CLEARING CORPORATION ("FICC") to add FDIC-insured notes to the GCF Repo® service of the Government Securities Division of the FICC.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, 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 FICC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The text of the proposed rule change is attached hereto as Exhibit 5.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, FICC 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. FICC has prepared summaries, set forth in sections (A), (B) and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change.

(i) The GCF Repo® service allows Government Securities Division (the "GSD") dealer members to trade general collateral repurchase agreements ("repos") throughout the day without requiring intra-day, trade-for-trade settlement on a delivery-versus-payment basis. The service allows the dealers to trade such general collateral repos, based on rate and term, throughout the day with inter-dealer broker netting members on a blind basis. Standardized, generic CUSIP numbers have been established

exclusively for GCF Repo processing and are used to specify the acceptable type of underlying eligible collateral.

FICC is proposing to add an additional collateral type to the GCF Repo Service. Specifically, management proposes to add debt securities that are issued under the Debt Guarantee Program component of the Federal Deposit Insurance Corporation's (the "FDIC's") Temporary Liquidity Guarantee Program (the "TLGP").¹ These securities are DTC-eligible securities.²

The TLGP, one of the steps taken by the U.S. Government to stabilize the credit markets and stimulate lending, was designed to allow banks to issue FDIC-insured debt, ensuring that the banks would be able to roll over any debt coming due in the coming months. The guarantee consists of timely payment of principal and interest. The expiration of the FDIC's guarantee is the earlier of either the maturity date of the issued debt or June 2012.

The Financial Industry Regulatory Authority ("FINRA") has recently advised the Securities Industry and Financial Markets Association ("SIFMA") on the capital charge treatment that FINRA plans to employ with respect to the guaranteed debt securities that are issued by an affiliate of a broker-dealer and that are held in inventory by the broker-dealer. Specifically, FINRA has advised that broker-dealers who may be allocated the FDIC-guaranteed debt securities issued by affiliated entities as part of the GCF Repo service will not need to take a 100 percent capital charge on the reverse repo contract because they have no control over the collateral allocated by FICC and the allocated collateral is procedurally returned the next morning. Given this favorable treatment, members of SIFMA who are active in the GCF Repo service have requested that FICC add this product to the service.

All current GCF Repo processing will remain unchanged. The fact that the product is a DTC-eligible security will not affect GCF Repo processing.³ FICC has determined that with respect to its risk management processes, the FDIC-insured securities will be treated the same as all other GCF Repo-eligible collateral.

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² The present rule filing applies only to these specific FDIC-insured securities. In the future, if FICC determines to add additional DTC-eligible securities to the GCF Repo service, FICC will submit a rule filing to the Commission for this purpose.

³ Specifically, if a GCF Repo participant engages in a trade using the new GCF Repo CUSIP, the participant will need to pledge the security free of payment to its clearing bank via the mechanism available at DTC. Once the security is pledged to the dealer's clearing bank, it is available for tri-party or GCF Repo processing. No additional processing is being introduced to the GCF Repo service by this rule filing. The present filing does not require a change to the text of the rules of the GSD.

(ii) The proposed rule change is consistent with the requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and the rules and regulations thereunder, because it allows FICC to expand an important service that provides members with a continuing ability to engage in general collateral trading activity in a safe and efficient manner. As such, the proposed rule filing facilitates the prompt and accurate clearance and settlement of securities transactions.

B. Self-Regulatory Organization's Statement on Burden on Competition.

FICC does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others.

Written comments relating to the proposed rule change have not yet been solicited or received. FICC will notify the Commission of any written comments received by FICC.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

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 may be submitted by using the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>), or send an e-mail to rule-comment@sec.gov. Please include File No. FICC 2009-04 on the subject line.
- Paper comments should be sent in triplicate to Florence E. Harmon, Acting Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington DC 20549-1090.

All submissions should refer to File Number FICC 2009-04. 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 Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C 552, will be available for inspection and copying in the Commission's Public Reference Room Section 100 F Street, NE, Washington DC 20549-1090. Copies of such filing also will be available for inspection and copying at the principal office of FICC. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submission should refer to the file number above and should be submitted within _____ days after the date of publication.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Florence E. Harmon
Deputy Secretary