

**Fixed Income Clearing Corporation**  
**Schedule of Charges**  
**Government Securities Division (GSD)**

**DTCC**

January 2012

**1) Introduction**

It is FICC's policy to retain only those revenues necessary to fund current costs, enhancements and ongoing development work for the benefit of its members, and to retain sufficient earnings as directed by FICC's Board of Directors.

As a result, the FICC Board may decide to apply periodic discounts or surcharges to certain GSD fees consistent with the financial performance of the GSD.

**2) Trade Comparison Fees**

- a) The fee for trade submission including repo transactions is:
  - \$0.27 for the first 50,000 items per month (Tier 1)
  - \$0.15 for the next 50,000 items per month (Tier 2)(A submission that is rejected for failure to pass the edit checks, other than valid contra side, will be charged a \$0.50 reject fee.)
- b) The charge for the conversion by the Corporation of a side of a trade from a yield basis to a price basis:  
\$0.15 per such side
- c) The charge for trade cancellation (CAN): \$0.25 per submission
- d) The charge for trade modification (MFX/MFC):  
\$0.25 per submission

**3) Repo Transaction Processing**

- a) For each outstanding term repo that is scheduled to settle more than one day after the start leg, and has been compared and netted, the following charges apply:
  - i) For Inter-dealer Brokers – .0175 basis point charge (i.e., one and three-quarters hundredths of a basis point) will

be applied to the gross amount of a member's netted term repos.

- ii) For non Inter-dealer Brokers – a .025 basis point charge (i.e., two and one-half hundredths of a basis point) will be applied to the gross amount of a member's netted position.
  - iii) .060 basis point charge (i.e., 6 hundredths of a basis point) will be applied to the net amount of a member's term repo activity within a CUSIP.
- b) Brokers will not be charged clearance fees for start leg settlements. The \$2.35 clearance cost will be passed back to the dealer.
  - b) The charge for each coupon payment pass-through resulting from coupon payments made or collected during the term of a repo transaction \$0.25 per pass-through.
  - d) The charge for each notification of a repo substitution is \$0.75 per notification.

#### **4) GCF Repo Fees**

- a) For Inter-dealer brokers, a recording fee of \$.025 per million gross dollar amount with a minimum charge of \$1.25.
- b) For non Inter-dealer brokers, a recording fee of \$0.05 per million gross dollar amount (with a minimum of \$2.50) will be assessed for each GCF Repo submitted.
- c) Carry fees will be assessed on all outstanding GCF transactions (see section II-b).

#### **5) Auction Takedown Fees**

Participants will be charged for the following functions associated with the Fed and Federal Home Loan Mortgage Corporation ("Freddie Mac") Auction Takedown services:

- a) Customer Delivery Request (CDR) \$1.00 per request
- b) Locked-in Trades \$0.16 per \$50mm increment

#### **6) Netting Fee and Finance Charges**

- a) Netting Fee
  - i) **Non-Repo Transactions:** for each side of a Compared Trade that is netted, there is a fee that includes:
    - (1) \$0.18; plus
    - (2) \$0.018 per \$1 million of par value
  - ii) **Repo Transactions:** for each Start Leg or Close Leg of a Repo Transaction (other than a GCF Repo Transaction) that is netted, there is a fee that includes:
    - (1) \$0.18; plus
    - (2) \$0.018 per \$1 million of par value

- b) Deliver/Receive obligation fee: in addition to the netting fees above, a fee of \$0.15 per \$1 million of par value is assessed for each Deliver and Receive Obligation created as a result of the netting process.
- c) Auction Takedown Process Members shall be charged for the following functions associated with the Auction Takedown Services provided by the Corporation:
  - i) Locked-in trades \$0.16 per \$50 million increment
  - ii) Priority Auction Delivery request (also known as a Customer Delivery request) \$1.00 per request
- d) Financing Charges
  - i) No charges for Category 1 Inter-Dealer Broker Netting Members.

#### **7) Clearing Charges**

- a) No charges for Category 1 Inter-Dealer Broker Netting Members.
- b) For each other Netting Member, a standard charge of \$2.35 per deliver and receive obligation on Scheduled Settlement Date.

#### **8) Minimum Activity Fees and Maintenance Fees**

- a) Minimum Activity Fees
  - i) The monthly minimum activity fee for netting members will be an aggregate \$1,000.
  - ii) The monthly minimum activity fee for comparison-only members will be \$1,000.
- b) Maintenance Fees:
  - i) An additional account opened at the request of a member imposes a monthly maintenance fee of \$1,000 for each additional account that is opened. This fee will be in addition to any actual transaction-based fees and applicable non-transaction-based fees (i.e., communication fees).
  - ii) Any additional account that is opened at the direction of GSD will not be subject to a maintenance fee. (Transaction-based fees will continue to be subject to a minimum monthly fee for every GSD account of \$1,000 per account.)