

APPENDIX D

FIXED INCOME CLEARING CORPORATION/ THE CLEARING CORPORATION

CROSS-MARGINING PARTICIPANT AGREEMENT (COMMON MEMBER)

The undersigned ("Member") is a Government Securities Division netting member of Fixed Income Clearing Corporation ("FICC") and a clearing member of The Clearing Corporation ("TCC"). The term "Clearing Organization" means either FICC or TCC. Member hereby elects to become a Cross-Margining Participant in the Cross-Margining Arrangement between FICC and TCC.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Member agrees to be bound by the FICC Rules and the TCC Rules applicable to Clearing Members and Cross-Margining Participants and by the provisions of the Cross-Margining Agreement between FICC and TCC (the "Cross-Margining Agreement"), as any of the foregoing may be in effect from time to time.

Without limiting the generality of the foregoing, Member agrees that all of its positions, margin deposits and other property in the possession or subject to the control of FICC shall be subject to the security interest and right of setoff of FICC as set forth in FICC's Rules and in the Cross-Margining Agreement, and Member agrees that all of its positions, margin deposits and other property in the possession or subject to the control of TCC shall be subject to the security interest and right of setoff of TCC as set forth in the TCC Rules and in the Cross-Margining Agreement.

Without limiting the generality of the foregoing, Member agrees that each of FICC and TCC has a security interest in the Aggregate Net Surplus as security for the Reimbursement Obligation and the Maximization Reimbursement Obligation, and has all rights of a secured creditor under the New York Uniform Commercial Code. Member unconditionally promises immediate payment of any Reimbursement Obligation or Maximization Reimbursement Obligation to a Clearing Organization as set forth in the Cross-Margining Agreement. Member further agrees that, if a Clearing Organization has declared a Default Event with respect to Member, then the other Clearing Organization may declare the Member to be in default under its Rules (such default also shall be considered a "Default Event").

Member agrees that Clearing Data (as hereinafter defined) regarding the Member may be disclosed by FICC to TCC and by TCC to FICC. Clearing Data means transactions and other data that is received by FICC or TCC in its clearance and/or settlement processes, and such data, reports or summaries thereof which may be produced as a result of processing such data, including data regarding Member's positions, margin requirements and deposits.

Neither FICC nor TCC guarantees to Member that the calculation of the Cross-Margining Reduction pursuant to the Cross-Margining Agreement will yield any, or the highest possible, Cross-Margining Reduction.

Member represents and warrants to and for the benefit of the Clearing Organizations that: (i) it has full power and authority to execute and deliver this agreement and to perform its obligations hereunder; (ii) its execution and delivery of this agreement and the performance of its obligations hereunder have been duly authorized by all requisite action; (iii) all authorizations of and exemptions, actions, approvals and consents by, and all notices to or filings with, any governmental or other authority or other persons that are necessary to enable it to execute and deliver this agreement and to perform its obligations hereunder have been obtained or made and are in full force and effect, and it has complied with all of the conditions thereof; (iv) this agreement has been duly executed and delivered by it; (v) this agreement is a legal, valid and binding obligation on its part, enforceable against it in accordance with its terms; and (vi) its execution, delivery and performance of this agreement do not violate or conflict with any law, regulation, rule of a self-regulatory organization or judicial or governmental order or decree to which it is subject, any provision of its constitutional or governing documents, or any term of any agreement or instrument to which it is a party, or by which its property or assets is bound or affected.

Without limiting any provision of FICC's Rules, TCC's Rules or any other agreement between Member and FICC or TCC, any transfer by the Member of any rights it may have in the Aggregate Net Surplus (or any component thereof) shall be null and void and, in any event, subject to the prior payment in full of all Reimbursement Obligations and Maximization Reimbursement Obligations under the Cross-Margining Agreement.

This Agreement shall be effective, when accepted by both FICC and TCC. This Agreement may be terminated by the Member upon two Business Days' notice to FICC and TCC and such termination shall be effective upon written acknowledgement by both FICC and TCC. Either FICC or TCC may terminate this Agreement immediately upon notice to the Member. Notwithstanding the previous two sentences, the Member's obligations under this agreement and the Cross-Margining Agreement shall survive the termination of this agreement. Capitalized terms used in this agreement that are undefined shall have the meanings given to them in the Cross-Margining Agreement.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all which taken together shall be deemed one and the same agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York .

Member

Name of Member: _____

By: _____

Print Name: _____

Title: _____

Accepted By:
Fixed Income Clearing Corporation

By: _____

Print Name: _____

Title: _____

The Clearing Corporation

By: _____

Print Name: _____

Title: _____

This agreement is effective as of _____.

[To be filled in upon acceptance of FICC and TCC.]