



Important Notice

Fixed Income Clearing Corporation - MBS

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| MBS #: | MBS481-17 |
| Date: | December 1, 2017 |
| To: | Mortgage-Backed Securities Division Clearing Members |
| Category: | Service Updates |
| Subject: | Capped Contingency Liquidity Facility (“CCLF®”) Reset Reminder |

The Mortgage-Backed Securities Division (“MBS”) of the Fixed Income Clearing Corporation (“FICC”) will reset the CCLF® requirement for all Clearing Members that selected Option 1 or 2 on the Officers’ Certificate. The reset will be effective as of **January 2, 2018.**

Options 1 and 2 are defined as follows:

Option 1 - The member is eligible for and has established borrowing privileges at the Federal Reserve Bank Discount Window.

Option 2 - The member has an affiliate that is eligible for and has established borrowing privileges at the Federal Reserve Bank Discount Window for the Member.

Clearing Members that selected Option 3 on the Officers’ Certificate will continue to have their CCLF® requirements reset on a monthly basis. Option 3 is defined as follows:

Option 3 - The member is ineligible for or has not established borrowing privileges at the Federal Reserve Bank Discount Window either directly or through an affiliate.

All members are reminded that:

(a) as reflected in the Officers’ Certificate, each Clearing Member has certified that the CCLF® requirement provided by MBS will be incorporated into such Member’s liquidity planning.

(b) on a daily basis, CCLF® requirements are available via the “MBS Liquidity” section of Report Center.

Please direct any questions to your Relationship Manager.

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