



Important Notice

Fixed Income Clearing Corporation - MBS

MBS #:	MBS734-19
Date:	September 9, 2019
To:	Mortgage-Backed Securities Division Clearing Members
Category:	Service Update
Subject:	FICC Common Margin Initiative MRO Subscriptions

Background:

Subject to regulatory approval, the Fixed Income Clearing Corporation's ("FICC") Common Margining Proposal will create one Clearing Fund for all Government Securities Division ("GSD") and Mortgage Backed Securities Division ("MBS") members. In addition, firms that are both GSD Members and MBS Members ("Common Members") will have an option to net their GSD positions with their MBS positions into a single margin portfolio. The proposed rule change would also conform certain aspects of margin methodology, loss allocation, and the MBS Cash Settlement process/GSD Funds-Only Settlement process between the Divisions.

Required Actions:

In preparation for the Common Margining end-to-end testing and production implementation, all Members who currently subscribe or plan to subscribe to the new JSON ("JavaScript Object Notation") Machine Readable Output ("MRO") files are required to complete a new AutoRoute Form for both the production and PSE (test) environments, in order to receive the new MRO files. The new JSON formatted MROs contain Clearing Fund and Funds-Only Settlement ("FOS") information. The new AutoRoute form is available [here](#).

Please complete and return to FICC Integration at FICCIntegration@DTCC.com as soon as possible, but no later than **Friday, September 20, 2019**.

As a reminder, the below FOS and Clearing Fund MROs are being decommissioned upon production implementation:

Product No.	Product Name
08171019	Prod - MRO 21 EOD DVP and EOD GCF FOS information
08171018	Prod - MRO 50 Intraday DVP FOS information
08981019	Test - MRO 21 EOD DVP and EOD GCF FOS information
08981018	Test - MRO 50 Intraday DVP FOS information
13162384	Prod - MBS Clearing Fund Summary MRO

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13162394	Prod - Portfolio VaR CUSIP Detail Report for MBSD
13162395	Prod - MBSD Aggregate VaR CUSIP Detail Report (FYICuspidDtl)
13162396	Prod - MBSD CLR Fund Required Deposits & Funds on Deposit Report (FYICLRAgg)
13982384	Test - MBSD Clearing Fund Summary MRO
13982394	Test - Portfolio VaR CUSIP Detail Report for MBSD
13982395	Test - MBSD Aggregate VaR CUSIP Detail Report (FYICuspidDtl)
13982396	Test - MBSD CLR Fund Required Deposits & Funds on Deposit Report (FYICLRAgg)
08182383	Prod - GSD Clearing Fund Summary MRO
08182397	Prod - Portfolio VaR CUSIP Detail Report for GSD
08982383	Test - GSD Clearing Fund Summary MRO
08982397	Test - Portfolio VaR CUSIP Detail Report for GSD

For MRO specifications on these new files in the JSON format, please refer to the FICC Common Margin Documentation page at <http://www.dtcc.com/clearing-services/ficc-common-margining-documentation>.

Please contact your Relationship Manager, if you have any questions regarding this Important Notice.