

FICC Government Securities Division: CCLF[®] Public Calculator

Date:

2/4/2025

A red line graphic that starts from the right side of the 'Date:' label, extends horizontally to the right, then diagonally down and to the left, and finally diagonally down and to the right, ending near the bottom right of the page.

Facility Background

Capped Contingency Liquidity Facility (“CCLF”) is an integral part of the Fixed Income Clearing Corporation’s (“FICC”) role as a central counterparty under the Government Securities Division (“GSD”) and serves as one of GSD’s two available qualifying liquid resources. CCLF is a rules-based committed repo facility that allows FICC to obtain short term financing, subject to member-level caps, collateralized by the incoming securities being delivered to the defaulting clearing member and securities deposited to the FICC Clearing Fund when the corporation ceases to act for a member (see [GSD Rule 22A, Section 2a](#)). A member’s CCLF obligation is not a charge and is not held on deposit at FICC. FICC conducts a study every six months to determine the parameters of the facility. All GSD accounts with activity during the 6-month CCLF period will have a CCLF obligation based on activity levels observed over the 6-month lookback period. The facility has semiannually scheduled resets, typically on the first business dates in January and July, with the ability to reset on an ad hoc basis if needed. The ad hoc CCLF reset dates and lookback periods can differ from the scheduled lookback periods based on parameters outlined in the important notice announcing the ad hoc reset.

GSD offers members daily reporting to track their current and rolling CCLF obligations. Scheduled and ad hoc resets to the facility are communicated through important notices posted on the public DTCC.com webpage. This CCLF calculator is designed to estimate an individual CCLF cap amount (referred to as the “Individual Total Amount”) based on the current Total CCLF size and projected trading activity. Each member’s CCLF cap (or Individual Total Amount) is the sum of their Individual Regular Amount and their Individual Supplemental Amount, as detailed below.

Delivery Versus Payment (DVP)

The **DVP Service** supports the clearance and settlement of buy/sell transactions, repo transactions, and Treasury auction takedown purchases and secondary market trades. Long and Short DVP trades within an account within the same CUSIP and same settlement date will offset each other, therefore reducing the total settlement amount.

Eligible security types for comparison and netting under the DVP service include:

- U.S. Treasury Bills, Bonds and Notes;
- U.S. Treasury Inflation Protected Securities (TIPS); and
- U.S. Treasury Segregated Trading Registered Interest and Principal Securities (STRIPS)¹.

General Collateral Financing (GCF)

The **GCF Repo® service** enables dealers to trade general collateral repos, based on rate, term, and underlying product, throughout the day without requiring intra-day, trade-for-trade

¹ STRIPS are U.S. Treasury and agency securities that have had the interest-payment coupons separated or “stripped” from the principal, creating zero-coupon securities and separate payment securities from what was originally a single Treasury bond or note.

settlement on a Delivery-versus-Payment (DVP) basis. All long and short GCF trades for the same settlement date within an account offset, therefore reducing the total settlement amount.

Collateral currently accepted for GCF Repos include:

- U.S. Treasury Bills, Bonds and Notes;
- U.S. Treasury Inflation Protected Securities;
- Fixed- and adjustable-rate Mortgage-Backed securities issued by Fannie Mae, Ginnie Mae and Freddie Mac;
- Non-Mortgage Backed securities issued by government-sponsored enterprises, such as the Federal Home Loan Bank, Federal Farm Credit Banks and Federal Home Loan Mortgage Corporation (Freddie Mac); and
- U.S. STRIPS.

Individual Regular Amount

The Aggregate Regular Amount is the first \$15BN of the total CCLF facility that is split pro-rata amongst all active GSD accounts to capture the majority of all netting members' observed liquidity needs.

To obtain an Individual Regular Amount estimate via this calculator:

Enter your estimated max **DVP** Receives/Buys and Delivers/Sells for a given settlement date.

Enter your estimated max **GCF** Receives/Buys and Delivers/Sells for a given settlement date.

Individual Supplemental Amount

The Aggregate Supplemental Amount is the remaining difference between the total CCLF facility size (or Aggregate Total Amount) and the aggregate of each member's Individual Regular Amount (or Aggregate Regular Amount) (currently \$15BN). Any member having a total DVP + GCF settlement amount beyond \$15BN at the start of a business date over a 6-month lookback period is apportioned a portion of the Aggregate Supplemental Amount. Such members will be responsible for an additional Individual Supplemental Amount, which is split amongst applicable accounts driven by the size and number of occurrences beyond \$15BN.

Option 1 - The CCLF Calculator allows you to pick from 4 levels of expected trading over a 6-month period. This will allow you to estimate a grouping of how many occurrences you may expect beyond \$15BN, if any.

- Complex: 66+ occurrences beyond \$15BN
- Large: 46 - 65 occurrences beyond \$15BN
- Medium: 26 - 45 occurrences beyond \$15BN
- Small: 1 - 25 occurrences beyond \$15BN

Option 2 - The CCLF Calculator allows you to manually input the # of occurrences in each liquidity tier based on expected daily trading activity that exceeds \$15BN over a 6-month period. This will allow you to input the total number of occurrences you may expect over a 6-month period and the extent of the total liquidity need in the "User Input by Tier" column. Please note

an occurrence in a larger tier will mark each of the preceding tiers with an occurrence as well as displayed in the “Member Specific Occurrences” column. The calculation in this column is done automatically based on the occurrences entered to mimic the GSD CCLF logic for tracking total occurrences.

The number of occurrences in the “Member Specific Occurrences” column will be used to calculate the Individual Supplemental Amount estimate and will be reflected in the downloadable Estimated Total CCLF Obligation PDF.

Estimated Total CCLF Obligation

The Estimated Total CCLF obligation is comprised of the Individual Regular Amount and the Individual Supplemental Amount, if applicable.

The Total CCLF obligation is the max value of the CCLF transactions that the Netting Members shall be required to enter into in the event CCLF is invoked.