

DTCC

FICC Government Securities Division New Onboarding Overview

PRESENTER: David Mok Executive Director SIFMU Integration & Laura Heins Director Counterparty Credit Risk

DATE: April 12, 2024

DEPARTMENT: Integration

Agenda

- 1. New Member Onboarding**
- 2. Sponsoring Member Onboarding**
- 3. Sponsored Member Onboarding**
- 4. Agent Clearing Member Onboarding**
- 5. Executing Firm Customer Addition**
- 6. Workflow Enhancements - Automation**



New Member Onboarding

Multi-Stage Clearing Agency New Member Onboarding

Below outlines at a high-level the stages of the Clearing Agency New Member Onboarding Process. During each phase, our Integration teams work with applicants to achieve each step.

Legal and Risk Review



Vetting Process

- Submit Needs Assessment document, and review application expectations, timelines, and membership requirements with Integration team

Documentation

- Periodically meet with Integration on documentation progress
- Provide documentation updates as requested during meetings
- Review trading estimates with Integration team and ensure accuracy
- Complete and submit all legal documentation

Credit Risk Review

- Credit Risk reviews all documentation and identifies any additional information needed from applicant
- Credit Risk or Integration will reach out to applicant for further due diligence information as needed
- DTCC obtains necessary internal approvals based on application requirements

Market Risk Review

- Market Risk reviews all documentation and prepares the initial Clearing Fund estimate
- Market Risk owns Risk Management as a service and rollout of affiliated FICC API and Client VaR Calculator, where applicable

PSE Set Up

- Coordinate internally and with applicant to ensure all required configurations and permissions are in place

Connectivity

- Work with client to ensure proper system connections are in place in PSE and Production environments

Client Testing

- Conduct formal connectivity and conformance testing based on client specific requirements for signoff

New Account Training

- Ensure applicant completes mandatory new account training

Pre-Production

- Ensure production readiness (i.e., connectivity, user set ups, access coordinators, etc.)
- Credit Risk approves application with any conditions prior to setting activation date

Go Live and Support

- Define production migration timeline and ensure no issues on day of activation
- Client relationship is handed over from Integration to RM

What is MAP?

→ The **Membership Application Portal** is the online platform that houses the DTCC Clearing Agency membership application. Designated individuals will be permissioned with the necessary access.

Navigating MAP

There are four sections within the MAP, outlined below:

- **General** *This is prepopulated based on the information provided to the RM / Integration Teams*
- **Stage 1: Questionnaire & Supporting Documents**
- **Stage 2: Legal Agreements**
- **Stage 3: Connectivity**
- **Stage 4: Activation**



Application **GSD-Full-Netting Participant**

General Information **Stage 1: Questionnaire & Supporting Docs** Stage 2: Legal Agreements Stage 3: Connectivity Stage 4: Activation

Questionnaire & Supporting Documents

INSTRUCTIONS:

Please complete the Questionnaire Tabs and upload all of the Supporting Documents Tab requirements for your application. You must complete ALL questionnaire sections and provide ALL supporting documents (mandatory documents are marked with *) before submitting to DTCC to initiate Stage 1 review. Note that this is a cursory review to ensure completeness. A detailed review would follow only once a complete package has been received. *Important Note: Review will not begin until all documentation has been submitted.*

STATUS: Stage 1 Accepted

SUPPORTING DOCUMENTS

Download Templates

FINRA (OR OTHER DESIGNATED EXAMINING AUTHORITY [DEA] MEMBER AGREEMENT *

A copy of the applicant's most recent member's agreement with FINRA, if applicable.

Liquidity Management Policies/Procedures *

A copy of the Applicants policies and procedures covering liquidity monitoring, contingency funding and stress testing of liquidity, including a recent liquidity stress test.

Documents

Upload Documents

All uploads should be Word, Excel, or PDF

- OR -

Provide URL to Documents

URL should be in the following format: <http://www.dtcc.com>

Upload URL

Name Select

Additional Information

This stage will allow us to determine your qualification to open an account with us. Please note that upon submitting stage 1 & 2, the documentation uploaded in Stage 1 must be current within 6 months, otherwise we will require that you submit updated information before an in-depth review can begin.

Please note that submitting information/ uploading documents only initiates the review of submitted information/documents and could result in the rejection and need to amend/upload specific information/documents as requested.

Supporting Documents uploaded should confirm data input via the Questionnaire.

STAGE 2: MAP - LEGAL AGREEMENTS

- ✓ Download all the documentation/agreement templates
- ✓ Upload the completed templates
- ✓ Submit Stage 2 for review

General Information

Stage 1: Questionnaire & Supporting Docs

Stage 2: Legal Agreements

Stage 3: Connectivity

Stage 4: Activation

Legal Agreements

INSTRUCTIONS:

Please complete the Legal Agreements Tab by down-loading all requirements and uploading the completed Legal Agreement(s) and forms for your application. You must complete ALL requested documents (mandatory documents marked with *) before submitting to DTCC to initiate Stage 2 review. All acceptable Stage 2 documentation requested here must be followed-up in original form.

Important Note: Review will not begin until all documentation has been submitted.

STATUS: Awaiting Completion

Download Templates

GSD Full Stage 2 - Certificate of Incumbency *

Applicant must submit a listing of authorized signers that are authorized to submit any written request with regards to its account. Applicant is encouraged to designate at least two signers.

[Download document for completion](#)

GSD Full Stage 2 - Appointment of Funds-Only Settling Bank Agreement *

[Download document for completion](#)

Additional Information

This stage contains the documentation/agreements required for your membership type. Please note that an in-depth review will begin only once Stage 1 & 2 has been completed.

Please note that submitting information/ uploading documents only initiates the review of submitted information/documents and could result in the rejection and need to amend/upload specific information/documents as requested.

New Member Onboarding Requirements Checklist - Stage 1

- **General Membership Questionnaire**
- **Membership Addendum to Questionnaire**
- **Formation Documents**
 - Form of legal entity, e.g., articles of incorporation, formation, charter, partnership agreement, etc.
- **Legal Entity Chart**
 - Parents, subsidiaries, affiliated entities or entities under common ownership/control, including ownership greater than 10%
- **Professional Bios**
 - Professional Bio's for C-Level, FINOP, Manager of day-to-day operations and a minimum of two back-up personnel
- **Business or Conversion Plan**
 - Provide a high-level overview of the applicant's business lines, client types, and purpose for DTCC application
- **Transition Risks & Physical Risks**
 - Provide information on climate risks
- **Risk Management Policies/Procedures**
- **Liquidity Management Policies/Procedures**
 - Covering liquidity monitoring, contingency funding, and stress testing of liquidity, including a recent liquidity stress test
- **Annual Audited Financial Statements – Applicant**
 - Past three (3) years
- **Call Reports or Thrift Financial Reports**
 - Quarterly reports for the most recent 4 quarters
- **U.S. I.R.S. Tax Form W9**
- **State Sales Tax Exemption Certificate - US Applicants Only**
 - Valid state tax exemption certificate enables an applicant to make tax-free purchases that would normally be subject to sales tax
- **OFAC Letter Requirement for U.S. Entities, including U.S. Branch Applicant of a Non-U.S. Entity**
- **Client Cybersecurity Confirmation**
 - Complete a client cybersecurity confirmation form provided by our organization for each DTCC subsidiary to be on-boarded as a new client

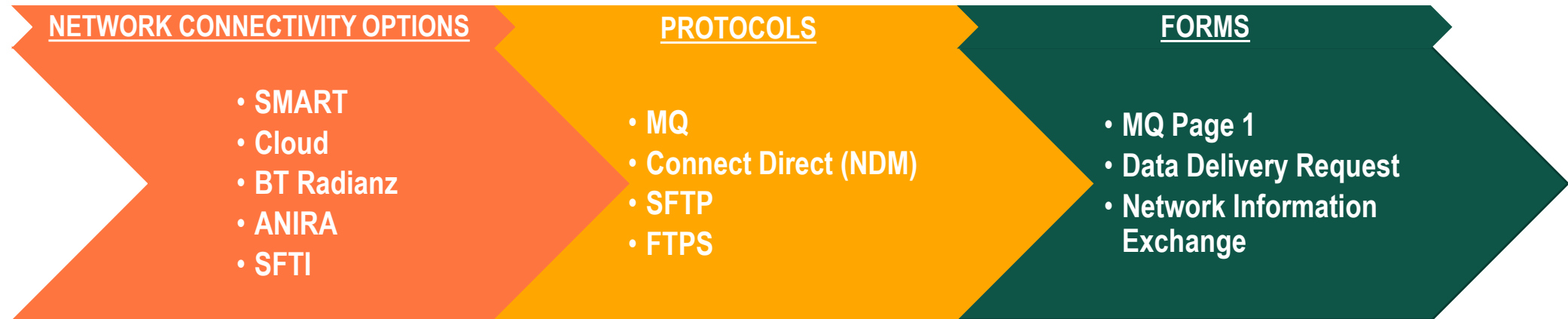
New Member Onboarding Requirements Checklist - Stage 2

- **GSD Membership Application**
 - This document contains a subset of application requirements including a list of Member Representatives. This document requires that the person executing this document be attested to; typically by the Secretary or Assistant Secretary
- **Netting Member Agreement**
- **Clearing Fund Agreement**
- **Legal Opinion**
 - To be provided by General Counsel or outside counsel of the firm. Please be advised that counsel rendering an opinion to our organization must be qualified to render an opinion based upon the laws in which the applicant is organized, and such other matters as contained in the provided template(s)
- **Appointment of Funds-Only Settling Bank and Funds-Only Settling Bank Agreement**
 - This agreement must be signed by the Applicant and they must also have it signed by the appointed settling bank before returning it to our organization. Note that all signers, including that of the settling bank, must be recognized as authorized signers by our organization

- ▶ Critical drivers of the length of the credit review
 - Completeness of documentation provided
 - Timely responses from applicants to initial/follow-up questions and document requests
- ▶ Estimated trading data
 - Clearing Fund Requirement
 - Capped Contingency Liquidity Facility ("CCLF") Estimate
- ▶ Liquidity Plan & Risk Controls
 - How the applicants plans to meet margin and CCLF obligations
 - Operational resiliency
- ▶ Applicant's regulatory approval for new business (e.g., Broker/Dealers)
- ▶ Projection of how U.S. Treasury clearing mandate will impact business (as applicable)
- ▶ Additional questions based on responses
- ▶ Potential conditions applied depending on overall risk profile

Network Connectivity provisions the new member from initial connectivity, testing, activation and post activation support in PSE and Production regions.

The Integration team acts as the liaison between the new member's technical personnel and internal setup.



If an existing connection or Service Bureau relationship exists for a customer, DTCC will encourage applicant to utilize that connection to simplify and streamline onboarding.

PREREQUISITES

The testing objectives are determined by the product line, at a minimum, this will include:

- Submitting Transactions In PSE Environment
- Navigating Applications
- Data Delivery (Activity Driven)

**DTCC will act as the counterparty (optional)*

TIMELINES

The length of testing can vary and is determined by the following:

- Member Needs
- Number of Products Being Tested
- Completion and Satisfaction of All Test Scripts
(When Applicable)

OBJECTIVES

The following items must be completed successfully before moving onto the testing phase of the project:

- ✓ Initial Risk Review
- ✓ Learning Path
- ✓ Connectivity & Data Delivery Setups
- ✓ SAC Entitlements & Training
- ✓ Established Operator Profiles
- ✓ Confirmation of Access in PSE

REQUIREMENTS

Conformance Testing applies to GSD Netting Members and involves successful completion of test scripts.

Sample Netting Test Script

Participant Name*:
 Participant ID*:
 Date*:
 Tested by*:

*=Mandatory Field to be filled out by client

DVP: RTTM and MQ Member-to-Member Trade Scenarios

Case ID	Field	Description	Input Field	Input Data	MQ Output	Space for client notes
Sending & Receiving Messages						
1	Instructions		Trade Details:		MQ Output	Client notes/ comments
	Client:	1) Submit Buy/Sell trade, request FICC to affirm 2) FICC Action 3) Check trade RTTM & MQ status	Transaction Type: Buy / Sell CUSIP: 9128286T2 Trade Date: Current Business Date (Day 1) Start Date: N/A		MT509 Trade Accepted (PACK) MT518 Comparison Request (CMPR) MT509 Trade Compared (MACH) MT518 Comparison Request Cancel (CADV) MT509 Trade Bound to Net (NBTD)	
	FICC:	1) Client Action 2) Check trade details, affirm trade 3) Client Action	Settlement Date: Current Business Date + 1 Pricing Method: Price Par: \$1,000,000 Price: \$101			
	Trade Status:	After submission, Trade State = PCP After match, Trade State = CMP	Settlement Amount: As Calculated Contra: 9575			
Additional Details:	Buy / Sell Term Trade	Submission Type: RTTM & MQ				
			Client Output:			
			Trade ID*: XREF*:			

Instructions		Trade Details:		MQ Output	Client notes/ comments
Client:	1) Submit Repo/ Reverse trade, request FICC to affirm 2) FICC Action 3) Check trade RTTM & MQ status	Transaction Type: Repo / Reverse CUSIP: 9128286T2 Trade Date: Current Business Date (Day 1)		MT509 Trade Accepted (PACK) MT518 Comparison Requested (MACH) MT509 Trade Compared (CMPR) MT518 Comparison Request Cancel (CADV) MT509 Trade Bound to Net (NBTD)	

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GSD Sponsoring Member Onboarding

GSD Sponsoring Member Onboarding

Below outlines at a high-level the stages of the GSD Sponsoring Member onboarding Process. During each phase, our Integration teams work with applicants to achieve each step.

Application Phase

Documentation

- Periodically meet with Integration on documentation progress
- Provide documentation updates as requested during meetings
- Review trading estimates with Integration team and ensure accuracy
- Complete and submit all legal documentation

Legal & Risk Review

Legal & Risk Review

- Credit Risk reviews all documentation and identifies any additional information needed from applicant
- Credit Risk or Integration will reach out to applicant for further due diligence information as needed
- DTCC obtains necessary internal approvals based on application requirements

Operational Readiness

PSE Set Up

- Partner internally and with applicant to ensure all required configurations and permissions are in place

Connectivity

- Work with applicant to ensure proper system connections are in place in PSE and Production environments

Client Testing

- Conduct formal connectivity and conformance testing based on client specific requirements for signoff

Activation

Pre-Production

- Ensure production readiness (i.e., connectivity, user set ups, access coordinators, etc.)
- Credit Risk approves application along with any conditions prior to setting activation date

Go Live and Support

- Define production migration timeline and ensure no issues on day of activation
- Client relationship is handed over from Integration to RM

Sponsoring Onboarding Requirements Checklist Stages 1 & 2

Stage 1: Questionnaire and Supporting Document Requirements

- **Sponsoring Membership Questionnaire**
- **U.S. I.R.S. Tax form**
- **Account Set-Up Information**
- **Client Cybersecurity Confirmation**
 - All applicants will need to complete a client cybersecurity confirmation form provided by our organization for each DTCC subsidiary to be on-boarded as a new client

Stage 2: Legal Agreements and Forms

- **GSD Membership Application**
- **Sponsoring Member Agreement**
- **Sponsoring Member Guaranty**
- **Legal Opinion**
 - To be provided by General Counsel or outside counsel of the firm. Please be advised that counsel rendering an opinion to our organization must be qualified to render an opinion based upon the laws in which the applicant is organized, and such other matters as contained in the provided template(s)
- **Appointment of Funds-Only Settling Bank and Funds-Only Settling Bank Agreement**
 - This agreement must be signed by the Applicant and they must also have it signed by the appointed settling bank before returning it to our organization. Note that all signers, including that of the settling bank, must be recognized as authorized signers by our organization
- **Sponsoring Member Tax Memorandum of Understanding (MOU)**
 - Document only required if applicant is submitting a W9 tax form

Sponsored Fund Adds Sample Test Script

Tested by*:

Date*:

Executing Symbol:

Note:

Please communicate all trade details to FICC Consultant when testing

Sponsored DVP Test Cases

Submission Date - O/N & Term Submission Scenario

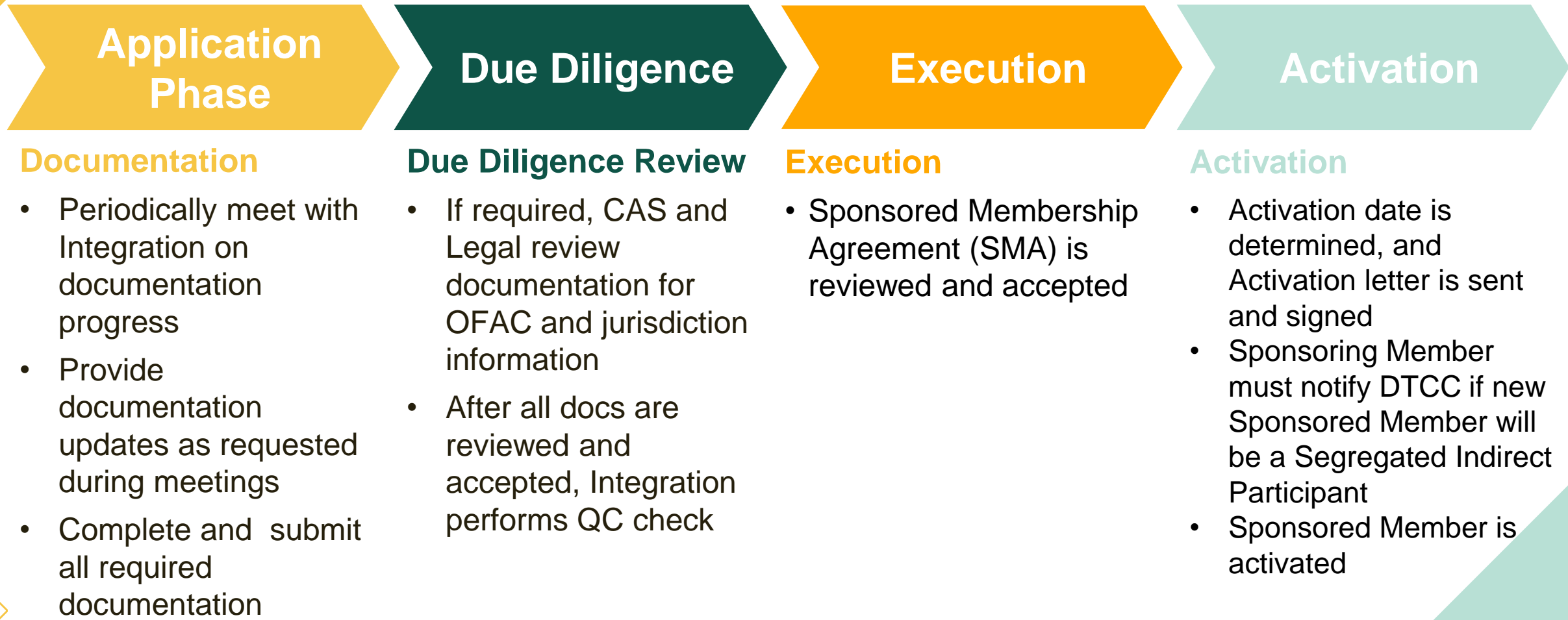
Case ID	Field	Description	Input Field	Input Data	Input Data	MQ Output		Space for client notes
1		Instructions	Trade Details			Sponsoring/Main Account - MQ Output	Reverse Account - MQ Output	Client Notes & C
	Client:	1) Sponsoring Member submits 2 trades: a) Repo as principal account to omnibus account b) Reverse as omnibus account to principal account 2) Confirm trade comparison and MQ Status	Transaction Type: Repo	Account: Sponsoring/Main Account	Reverse Repo Omnibus Account	MT509 Trade Accepted (PACK) MT518 Comparison Requested (MACH) MT509 Trade Compared (CMPR) MT518 Comparison Request Cancel (CADV) MT509 Trade Bound to Net (NBTD) MT548 Clearance Instruction (CITS) MT548 Cleared Obligation (CLOB)	MT509 Trade Accepted (PACK) MT518 Comparison Requested (MACH) MT509 Trade Compared (CMPR) MT518 Comparison Request Cancel (CADV) MT509 Trade Bound to Net (NBTD) MT548 Clearance Instruction (CITS) MT548 Cleared Obligation (CLOB)	
	FICC:	Confirm trade details & check MQ status	Symbol Location: Contra Exec. Firm Symbol	CUSIP: 3133EPZ65	Executing Firm Symbol 3133EPZ65			
	Trade Status:	After match, Trade State = CMP After novation, Trade State = NVTD	Trade Date: Current Business Date (Day 1)	Start Date: Current Business Date (Day 1)	Current Business Date (Day 1) Current Business Date (Day 1)			
	Additional Details:	repo-reverse scenario where client submits both sides	Settlement Date: Current Business Date + 1	Par: 1,000,000	Current Business Date + 1 1,000,000			
			Start Amount: 1,000,000	1,000,000	Sponsoring/Main Account - Client Output	Reverse Account - Client Output		
			Rate: 5.5	5.5	Trade ID1*:	Trade ID2*:		
			Final Money: as calculated	as calculated	XREF1*:	XREF2*:		

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GSD Sponsored Member Onboarding

GSD Sponsored Member Onboarding

Below outlines at a high-level the stages of the GSD Sponsored Member Onboarding Process. During each phase, our Integration teams work with its Sponsoring Members to achieve each step.



Sponsored Member Application Sample

FICC/GSD SPONSORED MEMBER(S) APPLICATION

The below items must be completed by the **Sponsoring Member**:

- Signed **Membership Questionnaire to Sponsor FICC/GSD Sponsored Member(s)** (attached)
- Signed **W-9 OR W-8 Tax Form** (as noted below)

Sponsoring Member hereby confirms that the tax form previously provided by the Sponsor applies to the new sponsored account(s) as well.

Applicant is directed to the following link to obtain the latest forms: www.irs.gov

- Signed **Representation** for Proposed FICC/GSD Sponsored Member(s) (attached)

This representation is required by FICC Rule 3A, Section 3(a), which states that a Person shall be eligible to apply to become a Sponsored Member if it is: (i) a “qualified institutional buyer” as defined by Rule 144A under the Securities Act of 1933, as amended, or (ii) a legal entity that, although not organized as an entity specifically listed in paragraph (a)(1)(i)(H) of Rule 144A under the Securities Act of 1933, as amended, satisfies the financial requirements necessary to be a “qualified institutional buyer” as specified in that paragraph.

- Signed applicable **FICC Sponsored Membership Agreement** (provided separately)

These application requirements must be returned to FICC’s Integration department at FICCIntegration@dtcc.com.

FICC will return copies of the executed agreement. Any questions on these requirements must be directed to the above referenced mailbox.

MEMBERSHIP QUESTIONNAIRE TO SPONSOR FICC/GSD SPONSORED MEMBER(S):

1. Legal name of Sponsoring Member: _____
2. Sponsoring Member requests that FICC consider the following entity/entities for Sponsored Membership:

Sponsored Member Full Legal Name:	LEI CODE

Sponsored Member Information	
Principal place of business address:	[for each proposed Sponsored Member]
Place of incorporation address:	[for each corresponding Sponsored Member]
<i>Below provide three primary contacts for each proposed Sponsored Member regarding business conducted in the Sponsored Membership Program</i>	
#1 Primary Contact Name:	[for each proposed Sponsored Member]
Title:	[for each proposed Sponsored Member]
Telephone #:	[for each proposed Sponsored Member]
#2 Primary Contact Name:	[for each proposed Sponsored Member]
Title:	[for each proposed Sponsored Member]
Telephone #:	[for each proposed Sponsored Member]
#3 Primary Contact Name:	[for each proposed Sponsored Member]
Title:	[for each proposed Sponsored Member]

**FIXED INCOME CLEARING CORPORATION
AMENDED AND RESTATED
SPONSORED MEMBERSHIP AGREEMENT (U.S.)**

This Amended and Restated Sponsored Membership Agreement (“Agreement”) is entered into by and among the undersigned Sponsoring Member (“Sponsoring Member”), Fixed Income Clearing Corporation (“FICC”), and (check one of the options below)

- [NAME OF AGENT], as the Agent (as hereinafter defined), acting in its capacity as such for and on behalf of each Sponsored Member (as hereinafter defined)
- each Sponsored Member (as hereinafter defined).

WHEREAS, the [Agent, on behalf of the Sponsored Members as identified therein] / [the Sponsored Members as identified therein], the Sponsoring Member and FICC entered into the Sponsored Member Agreement attached hereto as Exhibit A (“Existing Sponsored Member Agreement”), [and the Agent subsequently entered into each joinder agreement attached hereto as Exhibit B, pursuant to which each Sponsored Member identified therein became a party to, and agreed to be bound by the terms of, the Existing Sponsored Member Agreement (the “Joinder Agreement(s) and, together with the Existing Sponsored Member Agreement, the “Prior Agreement”)];

WHEREAS, the [Agent / Sponsored Members], the Sponsoring Member and FICC hereby wish to amend and restate the Prior Agreement;

WHEREAS, each of the legal entities listed in Schedule 1 attached to this Agreement, which includes Sponsored Members that are party to the Prior Agreement either directly or through a subsequently executed joinder, and any legal entity that is not listed in Schedule 1 but that agrees in the future to be bound by this Agreement by entering into a joinder agreement substantially in the form of Schedule 2 attached hereto (such entities each, severally and not jointly, a “Sponsored Member”), has requested, either through an officer of the Sponsored Member or through an authorized agent of the Sponsored Member (which may be the Sponsored Member’s investment advisor or other duly authorized agent and is referred to herein as the “Agent”), that it be permitted to become or remain, as applicable, a Sponsored Member of the Government Securities Division (“GSD”) of FICC as that term is defined in the GSD Rulebook (the “Rules”);

WHEREAS the Agent, if any, wishes to make the representations and warranties and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, FICC, the Sponsoring Member, the Agent (if any) and each Sponsored Member agree and understand as follows:

1. This Agreement constitutes a separate, distinct and independent agreement with respect to each legal entity listed in Schedule 1 hereto and any legal entity referenced in a joinder agreement substantially in the form of Schedule 2 and executed by the parties hereto (“Joinder Agreement”). Any reference to a “Sponsored Member” shall be a reference to each legal entity listed as such in Schedule 1 and in any Joinder Agreement, separately and not jointly.

2. Each Sponsored Member agrees to be bound by all of the relevant provisions of the Rules, as amended from time to time, that are applicable to a Sponsored Member or a Sponsored Member Trade as if fully set forth in this Agreement.

3. Each Sponsored Member represents and warrants that it is either (i) a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933, as amended, or (ii) a legal entity that is not organized as an entity specifically listed in Rule 144A(a)(1)(i)(H) under the Securities Act of 1933, as amended, but that satisfies the requirements that an entity listed in Rule 144A(a)(1)(i)(H) under the Securities Act of 1933, as amended, must satisfy in order to be a “qualified institutional buyer” (other than any such requirements relating to legal entity type or organizational form). If for any reason a Sponsored Member is no longer able to satisfy the qualifications set forth in either subsection (i) or subsection (ii) of the preceding sentence, such Sponsored Member shall immediately notify its Sponsoring Member, both orally and in writing, and the Sponsoring Member shall promptly notify FICC, both orally and in writing of such change in circumstance.

4. Each Sponsored Member authorizes the undersigned Sponsoring Member to be its Sponsoring Member as that term is defined in the Rules, and authorizes the Sponsoring Member to act as its processing agent for its Sponsored Member Trades. As such, each Sponsored Member authorizes the Sponsoring Member to submit to FICC on the Sponsored Member’s behalf data on its Sponsored Member Trades pursuant to the Rules. Each Sponsored Member hereby appoints the Sponsoring Member to act as its processing agent with respect to the Sponsored Member’s satisfaction of its settlement obligations arising under Sponsored Member Trades between the Sponsored Member and the Sponsoring Member, and for performing all operational functions and receiving all reports and information relevant to the Sponsored Member’s Sponsored Member Trades. Each Sponsored Member understands and agrees that FICC’s provision of such reports and information to the Sponsoring Member shall be subject to FICC’s policies and procedures.

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GSD Agent Clearing Member Onboarding

GSD Agent Clearing Member Onboarding

Below outlines at a high-level the stages of the GSD Agent Clearing Member Onboarding Process. During each phase, our Integration teams work with Netting Members to achieve each step.

Application Phase

Documentation

- Periodically meet with Integration on documentation progress
- Provide application updates as requested during meetings

Legal & Risk Review

Credit Risk Review

- Credit Risk reviews all documentation and identifies any additional information needed from applicant
- Credit Risk or Integration will reach out to applicant for further due diligence information as needed
- DTCC obtains necessary internal approvals based on application requirements

Operational Readiness

PSE Set Up

- Partner internally and with applicant to ensure all required configurations and permissions are in place
- Agent Clearing Member Omnibus Account(s) should be established by applicant.

Activation

Pre-Production

- Credit Risk approves application along with any conditions prior to setting activation date

Go Live and Support

- Define production migration timeline and ensure no issues on day of activation
- Client relationship is handed over from Integration to RM

- ▶ Eligible Netting Members should contact RM when interested in applying to be an Agent Clearing Member.
- ▶ Applicants must complete and return an application that will request information related to the applicant's customer relationships and risk management.
- ▶ Application is reviewed by the DTCC Credit Risk team.
- ▶ Subject to review of the application, and any other information that FICC may request, an applicant will be notified when it has been approved to be an Agent Clearing Member.
- ▶ Agent Clearing Members can then onboard Executing Firm Customers and establish one or more Agent Clearing Member Omnibus Accounts.

05

GSD Agent Clearing Member: Executing Firm Customer Addition

GSD Agent Clearing Member – Adding New Executing Firm Customers

Below outlines at a high-level the stages for GSD Agent Clearing Members to add new Executing Firm Customers. During each phase, our Integration teams work with Agent Clearing Members to achieve each step

Execution

Execution

- Agent Clearing Members should obtain the template Executing Firm Customer Authorization Form from Integration.
- Each Executing Firm Customer must complete and sign a separate Executing Firm Customer Authorization Form.
- Agent Clearing Members should return the completed and executed Executing Firm Customer Authorization Forms to Integration.

Activation

Activation

- Agent Clearing Member must notify DTCC if Executing Firm Customer will be a Segregated Indirect Participant.
- Activation date is determined, and Executing Firm Customer relationship is effective as of that date.

Summary of Process to Add Executing Firm Customers

- ▶ Agent Clearing Member should contact Integration to add an Executing Firm Customer.
- ▶ Integration will provide an Executing Firm Customer Authorization Form that requires the following information for each Executing Firm Customer:
 - ▶ Executing Firm Customer's Legal Entity Name, Executing Firm Symbol and LEI
 - ▶ written authorization of Executing Firm Customer authorizing Agent Clearing Member to submit trade data to FICC on its behalf and the effective date of such authorization
 - ▶ confirmation that Executing Firm Customer and Agent Clearing Member have entered into an agreement that binds Executing Firm Customer to applicable provisions of GSD Rules
 - ▶ confirmation that Executing Firm Customer understands, acknowledges and agrees to each Executing Firm Customer Acknowledgment set forth in GSD Rules
- ▶ Agent Clearing Member must return a completed and signed Executing Firm Customer Authorization Letter to FICC for each Executing Firm Customer.
- ▶ Agent Clearing Member should make necessary account elections for each Executing Firm Customer.

- New User Interface to help streamline and facilitate the onboarding of Indirect and Sponsored Activity (Enhancement to MYDTCC)
- Ability to view statuses on all cases submitted
- Unique user access to the Application
- Integration with GLEIF to assist with validation of LEI ID and Information
- DocuSign Integration to streamline execution of Agreements
- Link to Jurisdiction Listing
- Additional tooling for Activation Process

DTCC



RISK MANAGEMENT TOOLS & MARGIN CALCULATOR

DATE: April 12, 2024



Currently Available Tools and Reports

CUSTOMER PORTAL AND AVAILABLE RISK REPORTS

FICC currently provides various risk reports and historical data through FIR and FICC Report Center

The screenshot shows the DTCC MyDTCC customer portal. At the top, there is a navigation bar with the DTCC logo and the text "Welcome To MyDTCC". Below this is a search bar with the placeholder text "Search for answers" and a magnifying glass icon. To the right of the search bar are three icons: a laptop for "My Learning Dashboard", a storefront for "API Marketplace", and a folder for "My Files". Below the search bar is a section titled "My Administrators" with a sub-header "Need access to another product/service? Want to know who your Administrators are?" and a paragraph explaining that administrators can grant access to other products or services. To the right of this section is an icon of a megaphone for "My Product Updates". Below the "My Administrators" section is a section titled "My Products" which contains six product cards arranged in two rows of three. The first row includes "CFM" (Clearing Fund Management System), "CFM Modernized" (Modernized Clearing Fund Management System), and "FICC GSD RTTM WEB" (FICC GSD RTTM WEB). The second row includes "FICC MBSD RTTM WEB" (FICC MBSD RTTM WEB), "FICC Report Center" (FICC Report Center), and "FIR" (Risk FICC Customer Reporting). To the right of the "My Products" section is a section titled "System Availability" with a sub-header "Subscribe To System Availability Alerts" and a paragraph explaining that users can view up-to-the-minute information about DTCC services by subscribing to Availability & Incidents alerts in Preferences. The DTCC logo is visible in the bottom right corner of the page.



- Home
- Hourly Requirement Summary
- Reports
- Maintenance
- Logout

FICC Risk Management - Customer Reporting

Reports > GSD Clearing Fund Letter

()

Deposit ID:

****Note: 2 years of historical data is available, however 6 months is the maximum data performed.**

From Date: *

To Date:

*Required

Deposit ID	Deposit Name
From Date	To Date
Margin Type	Legal Entity

Clearing Fund on Deposit Summary	
Total Required Fund Deposit	
Total Clearing Funds on Deposit (at Collateral Value)	
Excess	
Clearing Fund Required Deposit Summary	
Min Cash Requirement	
Cash on Deposit	
Cash Excess	



Report Center PSE

Home

GSD Reports

MBSD Reports

GSD Report Center / 04-04-2024 Clearing Fund Reports for

The FICC Report Center enables participants to access current and historical reports, both intrad

Select a Participant:

Enter a Date:

[« Previous Page](#)

ACCOUNT

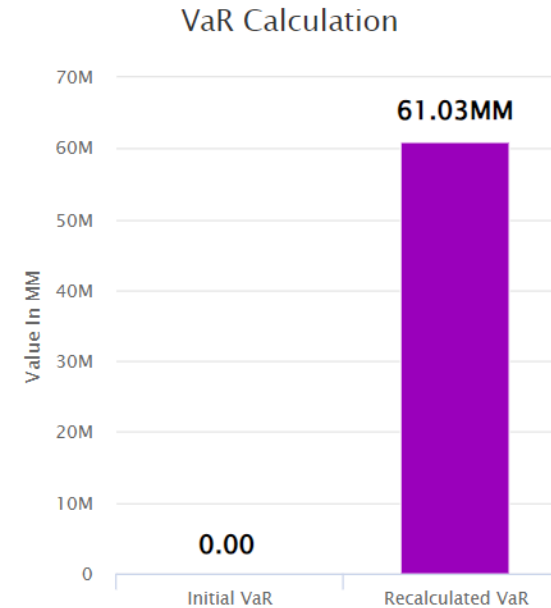
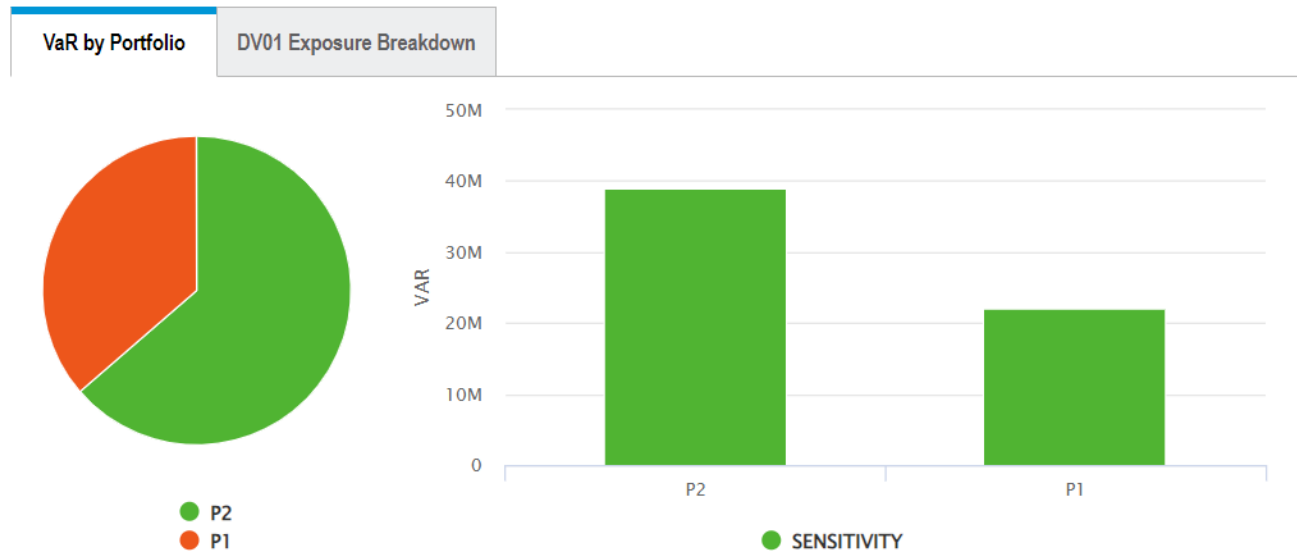
List of Available Reports

FIR
GSD Clearing Fund Letter
GSD Clearing Fund Summary
GSD Clearing Fund Detail
VaR Summary
GSD Portfolio VaR CUSIP Detail Report
GSD Account Summary Report
GSD Portfolio VaR CUSIP Comparison Report
Open Position Mark Summary Report
Open Position Mark Detail Report
Daily Deposit Summary Report
Daily Deposit Detail Report
Daily Deposit Activity Report
Hourly Requirements Summary
Funds Only Settlement/Variation Margin Summary Report
Funds Only Settlement/Variation Margin Detail Report

RTTM Report Center
GSD Portfolio Differential Detail (Legal Entity Level)
GSD Portfolio Differential Detail (Portfolio Level)
Margin Liquidity Adjustment Report
Margin Liquidity Adjustment Report for Sponsored Account
Sponsored VaR Cusip Detail Report
GSD Prime Broker VaR Participant Report
GSD Account Summary Report
GSD Clearing Fund VaR Omnibus Report
GSD Clearing Fund Required Deposits and Funds on Deposit Report
Portfolio VaR CUSIP Detail
GSD DVP VaR CUSIP Detail
GSD GCF VaR CUSIP Detail
GSD Repo Volatility Report
CME Cross Margin Summary Report
GSD Prime Broker VaR Administrative Report

CLIENT VAR CALCULATOR

Member can utilize the Client VaR Calculator to simulate the VaR Charge on a hypothetical portfolio and calculate their potential VaR Charge margin obligation.



Clear Portfolio
Upload
Download
+ Add
Calculate
Reset
Repo Dates

Portfolio ID	CUSIP	Service	Product Type	CUSIP Desc	Par Quantity	Market Value	VaR	VaR Type
P2	912810TX6	DVP	BOND		1,000,000,000	1,000,000,000	38,853,145	Sensitivity
P1	91282CJZ5	DVP	BOND		1,000,000,000	1,000,000,000	22,174,669	Sensitivity

On the US Treasury Clearing Microsite, FICC published various documents to further detail its margin models.

The screenshot shows the DTCC website interface. At the top left is the DTCC logo. Below it is a dark green navigation bar with 'PRODUCTS & SERVICES', 'NEWS & EVENTS', and 'ABOUT' with dropdown arrows. A breadcrumb trail reads 'HOME > U.S. TREASURY CLEARING > FICC GSD RISK MANAGEMENT'. The main heading is 'U.S. Treasury Clearing'. At the bottom of the page, there is a yellow bar with 'HOME', 'ACCESS CENTRAL CLEARING', and 'RISK MANA'. Below that, the text 'FICC GSD Risk' is visible.

This screenshot shows a document header from DTCC. It includes the DTCC logo and an orange arrow icon. The title is 'FIXED INCOME CLEARING CORPORATION GOVERNMENT SECURITIES DIVISION SCHEDULE OF INDICATIVE HAIRCUT RATES AND RISK FACTOR RATES', dated 'April 2024' and '(Updated monthly)'. The text explains that the VaR charge is a component of a GSD Member's margin requirement, based on potential price volatility for most positions, but determined by insufficient data for others. It notes that the applicable VaR charge is determined by 'ximate this haircut-based VaR charge.'

This screenshot shows another document header from DTCC. It includes the DTCC logo and an orange arrow icon. The title is 'FIXED INCOME CLEARING CORPORATION GOVERNMENT SECURITIES DIVISION OVERVIEW OF THE CLEARING FUND METHODOLOGY'. The date is listed as 'January, 2024'.

factor rates listed in this schedule should gree of variation and the final, total VaR upon its total portfolio composition.

02

New Tools

FICC has launched VaR Calculator API to its API Marketplace, where Members can utilize Client Calculator functionalities in API form.

The screenshot shows the DTCC API Marketplace interface. At the top, there is a dark green header with the DTCC logo and 'API Marketplace' text. A yellow 'PSE' badge is visible. Below the header, there are navigation links for 'Home' and 'APIs'. The main content area features a card for 'Financial Risk Management: GSD'. The card includes an icon with 'R' and 'V', the title 'Financial Risk Management: GSD', and metadata: 'Business Domain: Data Services', 'Version: 1.0', and 'Published: 06/06/23'. A 'Summary' section states '(COMING SOON) Provides access to financial risk data (e.g., clearing fund requirement, portfolios) and tools (e.g., VaR calculator) from within DTCC's suite of Financial Risk Management applications.' Below this is a 'Tags' section with 'Financial Risk, Risk Analysis tools, Support (Data Services)'. A 'Direct Link to API Specification' is provided as <https://developer-pse.dtcc.org/assetdetails/get.html?family=Financial%20Risk%20Management&title=GSD&version=1.0>. On the left, a sidebar menu has 'Overview' selected, with 'API' and 'Usage' options below it. The main content area has an 'Overview' heading and an 'Executive Summary' section highlighted in light blue. At the bottom right, there is a decorative graphic with the text 'RISK IDENTIFICATION'.

GET `/var-portfolios` VaR is a component of the GSD clearing fund requirement. VaR generates a clearing fund requirement for each unsettled position in a given portfolio by applying a VaR calculation across the portfolio positions. This service returns ^ the VaR portfolio details.

Parameters

Name	Description
deposit-account-id * required string (query)	9999
businessDate * required string (query)	20240402
sliceld * required string (query)	1
rollUp string (query)	rollUp

Media type
application/json ▾
Controls Accept header.
Example Value | Schema

```
{  
  "portfolio": [  
    {  
      "product-type": "BOND",  
      "var-type": "Haircut",  
      "repo-start-amt": "",  
      "repo-start-date": "",  
      "settlement-date": "",  
      "cusip-id": "3130AXD62",  
      "service": "DVP",  
      "par-qty": "150000.00",  
      "var": "393.75",  
      "mkt-amt": "150000.00",  
      "prtfl-id": "",  
      "cusip-desc": "7.000-N/A-2033-10-17"  
    },  
    {  
      "product-type": "BOND",  
      "var-type": "Haircut",  
      "repo-start-amt": "",
```

In addition to the general service above that returns the the VaR portfolio details, the GSD VaR Portfolio service also provides methods to calculate VaR on existing or hypothetical portfolios. Use against an existing GSD portfolio where positions have been added, removed or updated. You can also create and delete hypothetical portfolios. More details on the calculator options are described in the GSD VaR Portfolio service documentation.

POST `/var-portfolios`

Parameters

Name	Description
<code>deposit-account-id</code> * required string (query)	<input type="text" value="9999"/>

Request body required

Additional columns `non_cross_margin_var` and `cross_ma`

Example Value | Schema

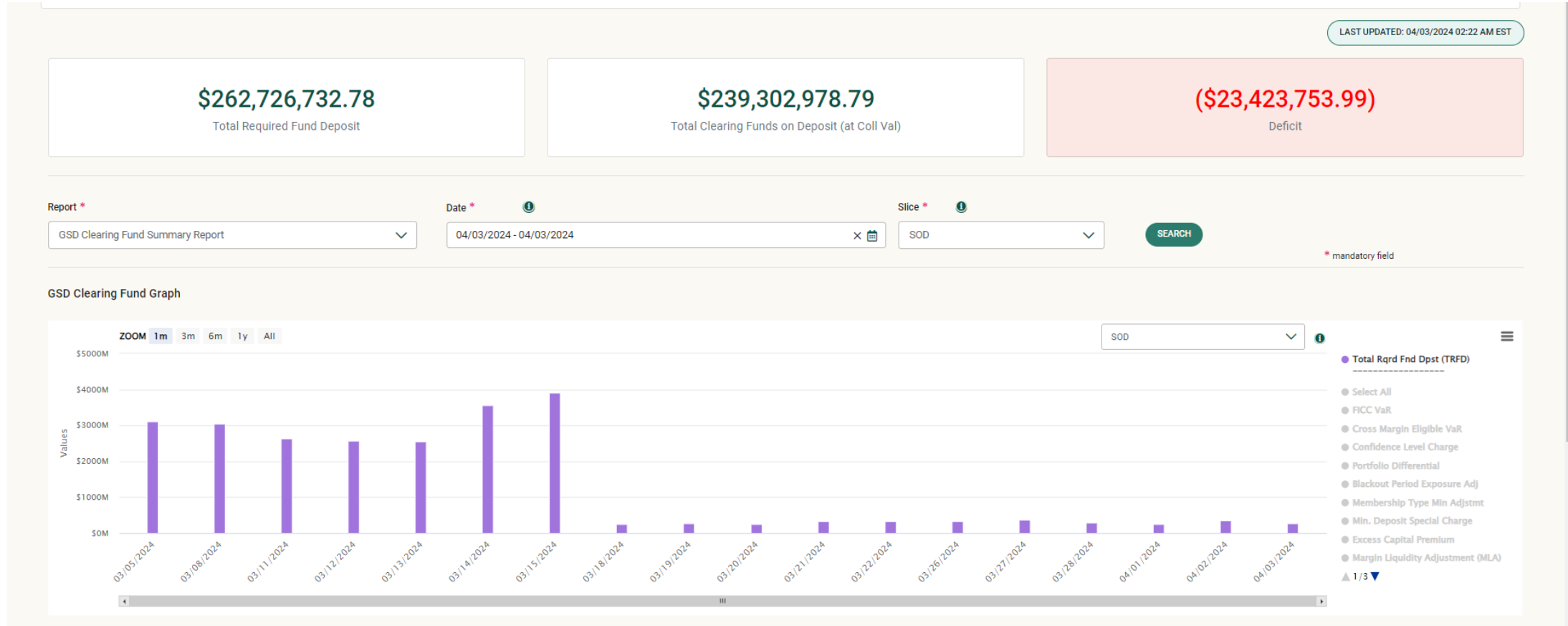
```
{
  "slice_id": "9999",
  "header": [
    "portfolio_id",
    "cusip",
    "service_type",
    "product_type",
    "cusip_description",
    "var_position_quantity",
    "var_position_amount",
    "var_requirement_amount",
    "var_type",
    "settlement_date",
    "repo_start_date",
    "repo_start_amt"
  ],
  "rows": [
    [
      "P000000",
      "AAAAAAAAA",
      "DVP",
      "BOND",
      "0_125-AAAAA-2021-01-15"
    ]
  ]
}
```



03

Additional Tools and Reports in Development

FICC is planning on launching a new client portal (scheduled for client testing in June 2024), where Members will be able to access historical and current day risk reports in one platform.



FICC is currently developing a Public VaR Calculator (scheduled to launch late June) that can be utilized by non-Members to estimate potential VaR Charge margin requirements on hypothetical portfolios.

DTCC

Contact Verification
For extra protection, we'll send you a verification code to your business email.

Name
Enter Name

Last Name
Enter Last Name

Business Email *
Enter Business Email

Company Name
Enter Company Name (Optional)

Country
Select a Country

Membership Status
Select a Country

Role Type
Select a Country

Firm Type
Select a Country

CANCEL **SEND VERIFICATION CODE**

GSD Public VaR Calculator [DOWNLOAD USER GUIDE](#)

Brief description lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua. Ut enim ad minim veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea commodo consequat.

RESET **CALCULATE**

Portfolio *

UPLOAD **CLEAR PORTFOLIO** **ADD ROW**

Portfolio ID ↓	CUSIP	CUSIP Description
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum
Lorem Ipsum	Lorem Ipsum	Lorem Ipsum

CALCULATE

VaR by Portfolio

Lorem Ipsum

Count

Portfolio	0 Days	1 Day	2 Days	3 Days	> 4 Days
Lorem	0	0	0	0	38
Ipsum	0	8	12	5	5
Dolor	0	0	0	0	38
Sit	0	8	12	5	5

● Lorem ● Ipsum

● > 4 Days ● 3 Days ● 2 Days ● 1 Day ● 0 Days



Thank You

Financial Markets.

Forward.TM