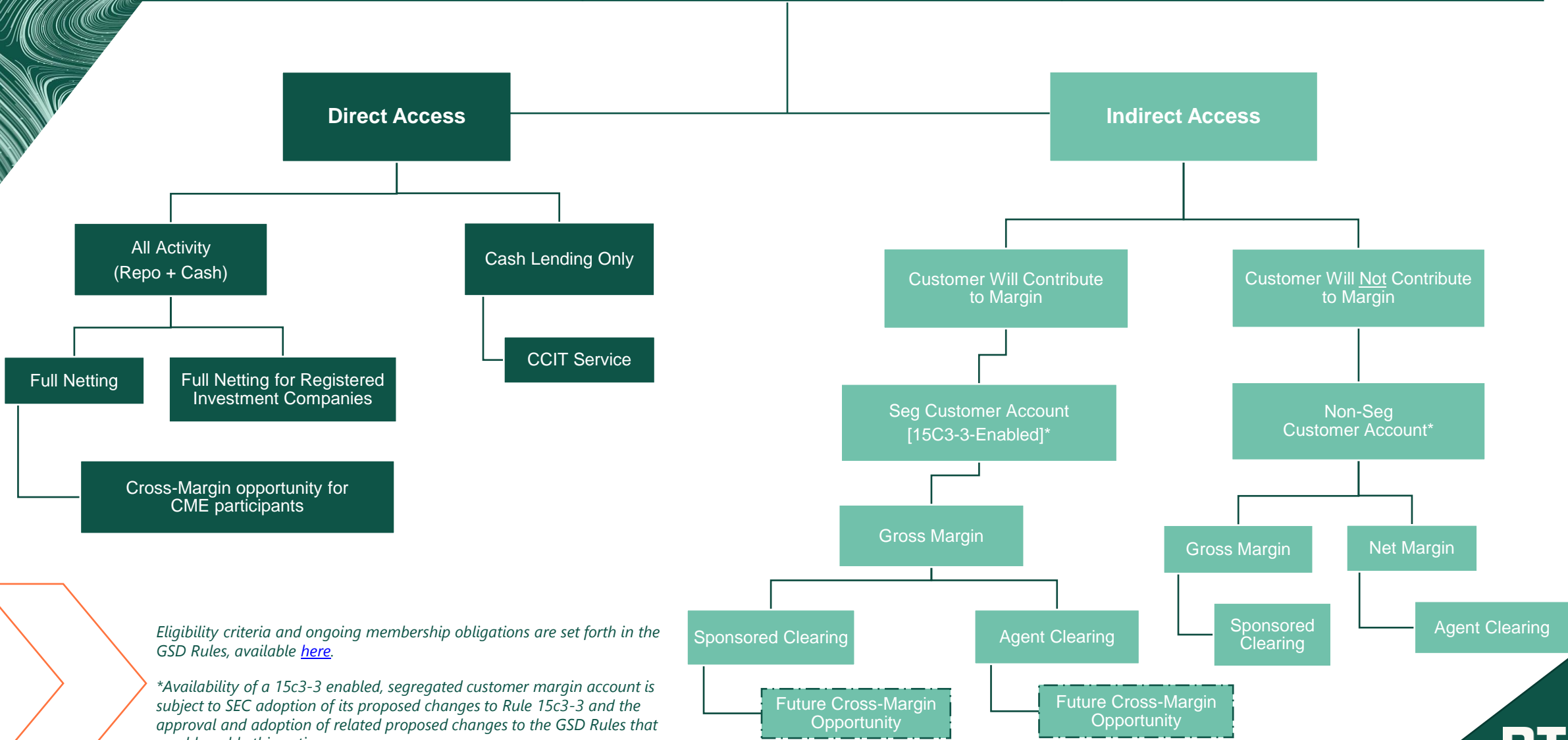


If engaged in Treasury activity for central clearing, then...

Capital Considerations	Credit Considerations	Jurisdiction Considerations
Balance Sheet netting, margin and CCLF obligations, settlement netting	Benefits of membership	Domicile of customers vs. FICC's currently permitted jurisdictions for Sponsored Members



Eligibility criteria and ongoing membership obligations are set forth in the GSD Rules, available [here](#).

*Availability of a 15c3-3 enabled, segregated customer margin account is subject to SEC adoption of its proposed changes to Rule 15c3-3 and the approval and adoption of related proposed changes to the GSD Rules that would enable this option.

CATEGORY	DIRECT PARTICIPANTS		INDIRECT PARTICIPANTS	
	Sponsoring Member	Agent Clearing Member	Sponsored Member	Executing Firm Customer
Membership type	Sponsoring Members are direct participants of FICC as Netting Members of FICC/GSD.	Agent Clearing Members are direct participants of FICC as Netting Members of FICC/GSD.	Sponsored Members are indirect participants and limited members of FICC/GSD.	Executing Firm Customers are not members of FICC.
Qualification	Must be a FICC/GSD Netting Member that meets the requirements to be either a Category 1 Sponsoring Member or a Category 2 Sponsoring Member.	Must be a FICC/GSD Netting Member that has established a relationship with its Executing Firm Customer(s) pursuant to the GSD Rules ¹ .	Sponsored Members must meet the qualifications for membership set forth in GSD Rule 3A, which include being a "qualified institutional buyer" as defined by Rule 144A under the Securities Act of 1933, as amended or the equivalent ¹ .	N/A
Jurisdictions	Sponsoring Members must be from a FICC-approved jurisdiction.	Agent Clearing Members must be from a FICC-approved jurisdiction.	Sponsored Members must be from an FICC-approved jurisdiction.	N/A
Onboarding	Onboarding documents to become a Sponsoring Member include, among other things, an application, Sponsoring Member Agreement, Sponsoring Member Guaranty and various opinions. Must indicate to FICC whether the Omnibus Account would clear done-away activity. Must provide FICC with documentation of its relationship and authorization from its Sponsored Member(s), which includes the Sponsored Member(s)' executing symbol.	All applicable documents to become a FICC/GSD Netting Member; no additional onboarding is currently necessary to act as an Agent Clearing Member. Must provide FICC with documentation of its relationship and authorization from its Executing Firm Customer(s), which includes the Executing Firm Customer(s)' executing symbol.	Sponsoring Member provides FICC with documentation of its relationship and authorization from its Sponsored Member(s), which includes a Sponsored Member Agreement and the Sponsored Member(s)' executing symbol.	An Agent Clearing Member must provide FICC with documentation of its relationship and authorization from its Executing Firm Customer(s), which includes the Executing Firm Customer(s)' executing symbol.
Liability to FICC with Respect to Indirect Participant Trades	Sponsoring Member acts as the processing agent of its Sponsored Member(s) trades ("Sponsored Member Trades") and is an explicit guarantor of its Sponsored Member(s) securities and funds-only settlement obligations to FICC arising in connection with Sponsored Member Trades.	Agent Clearing Member acts as the processing agent of its Executing Firm Customer(s) trades ("Agent Clearing Trades") and is liable for the performance of all obligations to FICC arising in connection with Agent Clearing Trades.	Sponsored Members are principally liable to FICC with respect to its own settlement obligations and funds-only settlement obligations.	Executing Firm Customers have no liability to FICC.
FICC's Liability with Respect to Indirect Participant Trades	N/A	N/A	FICC is liable to Sponsored Members for Sponsored Member Trades.	FICC has no liability to Executing Firm Customers.
Default Considerations (Third Party GSD Netting Member Default)	Sponsoring Members are responsible for any loss allocation obligations of their Sponsoring Member Omnibus Accounts.	Agent Clearing Members are responsible for any loss allocation obligations of the Netting Member Accounts through which the Agent Clearing Trades of their Executing Firm Customers are processed.	Sponsored Members are not responsible to FICC for any loss allocation obligations.	Executing Firm Customers are not responsible to FICC for any loss allocation obligations.
Customer Trade Execution	Sponsoring Members are permitted but not required to act as the pre-novation counterparty to their own Sponsored Member(s).	Agent Clearing Members are permitted but not required to act as the pre-novation counterparty to their own Executing Firm Customer(s).	Sponsored Members can execute with any Netting Member, including their Sponsoring Member, or customer of any Netting Member in clearing.	Executing Firm Customers can execute with any Netting Member, including their Agent Clearing Member or customer of any Netting Member in clearing.
Customer Trade Submission	Sponsoring Members act as the processing agent for their Sponsored Member(s) and submit to FICC their Sponsored Member(s)' side of a trade.	Agent Clearing Members act as the processing agent for their Executing Firm Customer(s) and submit to FICC their Executing Firm Customer(s)' side of a trade.	Sponsored Member Trades are submitted to FICC by the Sponsoring Members.	Agent Clearing Trades are submitted to FICC by the Agent Clearing Members.
Margin Calculation	Sponsored Member Trades are gross-margined (i.e., no offset between positions of different Sponsored Members).	Agent Clearing Trades are net-margined with other trades (inclusive of any proprietary trades) in the Agent Clearing Member's Netting Account ¹ .	Margin on Sponsored Member Trades is calculated on a gross basis (i.e., no offsets between positions of different Sponsored Members).	Margin on Agent Clearing Trades is calculated at the Agent Clearing Member level and on a net basis with all other activity (inclusive of proprietary trades) in the same account ¹ .
Responsible Party to FICC for Margin Posting	Sponsoring Members are responsible for posting margin to FICC arising from the activity in their Netting Member Accounts and their Sponsoring Member Omnibus Accounts	Agent Clearing Members are responsible for posting margin to FICC arising from Agent Clearing Trades of their Executing Firm Customers.	Sponsored Members are not responsible for posting margin to FICC.	Executing Firm Customers are not responsible for posting margin to FICC.
Reporting	FICC provides real-time trade status messages, reporting to the Sponsoring Member of its Sponsored Member Trades. Sponsored Member Trades reports include: <ul style="list-style-type: none"> › Compared and Uncompared Trade Report at the Sponsored Member level › Intraday and EOD MTM/Haircut report for Sponsored Member repo Trades › Intraday and EOD VaR report at the Sponsored Member level. 	FICC provides real-time trade status messages, reporting to the Agent Clearing Member of its Agent Clearing Trades. Agent Clearing Trades reports include: <ul style="list-style-type: none"> › Compared and Uncompared Trade Report at the Executing Firm Customer level › Intraday and EOD VaR report at the Executing Firm Customer level. 	FICC provides all reporting related to Sponsored Member Trades to the Sponsoring Member. Sponsored Members can subscribe to FICC's API to receive Trade Novation Status for their Sponsored Member Trades.	FICC provides all reporting related to Agent Clearing Trades to the Agent Clearing Member.
CCLF	Sponsoring Members are responsible to FICC for CCLF obligations arising from settlement obligations in their Sponsoring Member Omnibus Accounts.	Agent Clearing Members are responsible to FICC for CCLF obligations arising from settlement obligations in the Netting Member Accounts ¹ through which the Agent Clearing Trades of their Executing Firm Customers are processed.	Sponsored Members are not responsible to FICC for CCLF obligations.	Executing Firm Customers are not responsible to FICC for CCLF obligations.
FICC Fees	Sponsoring Members are responsible for FICC fees arising from Sponsored Member Trades.	Agent Clearing Members are responsible for FICC fees arising from Agent Clearing Trades.	Sponsored Members are not responsible for FICC fees.	Executing Firm Customers are not responsible for FICC fees.



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¹ This requirement may be reevaluated under the Treasury Clearing proposal.