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Page 1 of * 63

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 006

Amendment No. (req. for Amendments *)

Filing by Fixed Income Clearing Corporation

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input checked="" type="checkbox"/> 19b-4(f)(4)
<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010
Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Make Corrections, Clarifications and Certain Other Changes to the GSD Rules, MBSD Rules, and EPN Rules

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Last Name *

Title *

E-mail *

Telephone * Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Fixed Income Clearing Corporation has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date (Title *)

By

(Name *)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Date: 2026.03.17
12:57:33 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

Add Remove View

Narrative - FICC Rules Cleanup - Fin

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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Exhibit 1A - FICC Rules Cleanup - Fin

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

Exhibit 5 - FICC Rules Cleanup - Final

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) The proposed rule change of Fixed Income Clearing Corporation (“FICC”) is included in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Deputy General Counsel of FICC on March 17, 2026, pursuant to delegated authority from FICC’s Board of Directors.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

FICC is proposing to (i) make certain corrections and clarifications in the Government Securities Division (“GSD”) Rulebook (the “GSD Rules”), Mortgage-Backed Securities Division (“MBSD”) Clearing Rules (the “MBSD Rules”) and MBSD EPN Rules (the “EPN Rules,” and collectively with the GSD Rules and the MBSD Rules, the “Rules”)¹ and (ii) make certain changes to harmonize the language in the GSD Rules, MBSD Rules and the EPN Rules with each other and with the rules of FICC’s two clearing agency affiliates, The Depository Trust Company (“DTC”) and National Securities Clearing Corporation (“NSCC”).

FICC has conducted a review of its Rules to improve transparency and consistency and to harmonize language in its Rules with similar language in the Rules, By-Laws and Organization Certificate of DTC (“DTC Rules”) and the NSCC Rules & Procedures (“NSCC Rules”).² DTC and NSCC have also conducted similar reviews of their respective rulebooks. As a result of the reviews, FICC is proposing the following changes to the Rules.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
GSD Rule 1	Add the following defined terms to Rule 1 (Definitions) of the Rules which are used in the Rules but are defined elsewhere in the Rules:

¹ Each capitalized term used herein and not otherwise defined shall have the meaning set forth in the GSD Rules, MBSD Clearing Rules or the EPN Rules, as applicable, available at www.dtcc.com/legal/rules-and-procedures.

² Each capitalized term used herein and not otherwise defined shall have the meaning set forth in the DTC Rules or the NSCC Rules, as applicable, available at www.dtcc.com/legal/rules-and-procedures.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
	<p><i>Excess Capital Premium</i></p> <p><i>VaR Floor</i></p> <p><i>VaR Floor Percentage Amount</i></p> <p>Correct a link to the SIFMA MRA in the definition of “SIFMA MRA”.</p> <p>Change the definition of “Watch List” to reflect an expanded scale used for the Credit Risk Rating Matrix (“CRRM”). The CRRM is currently based on a scale of 1 through 7. The CRRM is also currently calculated internally using a more granular scale of 1 through 18 which corresponds to the current 1 through 7 scale (e.g., credit rating 6 on the current scale is equivalent to credit ratings 12 and 13 on the more granular scale). The proposed changes would not change how Members are analyzed with respect to the Watch List.</p>
GSD Rule 3A	Correct duplicative section reference, remove a reference to GSD Rule 31 (Distribution Facilities) which Rule no longer references Distribution Facilities and correct the title of GSD Rule 42 (Extension, Waiver or Suspension of Rules).
GSD Rule 3B	<p>Remove the references to the Enforceability Opinion and Insolvency Opinion to add a more general reference to opinions required by FICC for CCIT Members similar to the more general descriptions of opinion requirements for other GSD membership types. FICC reviews its opinion requirements for membership periodically and may not always require an enforceability or insolvency opinion and may require other opinions that are not listed in the GSD Rule.</p> <p>Correct the name of the Federal Deposit Insurance Corporation Improvement Act of 1991, remove a reference to Rule 31 (Distribution Facilities) which Rule no longer references Distribution Facilities and correct the title of GSD Rule 42 (Extension, Waiver or Suspension of Rules).</p>
GSD Rule 4	Remove “Registered” from “Registered Broker” and “Registered Dealer” to reflect the current defined terms for Broker and Dealer.
GSD Rule 5	Add “Customer” to “Executing Firm” in two places to reflect that the provision is referencing Executing Firm Customers.
GSD Rule 8	Clarify that Agent Clearing Members provide a representation that the Executing Firm Customer has authorized the Agent Clearing Member to submit trade data rather than providing a copy of the written authorization.
GSD Rule 13	Remove a reference to Section 3 which Section had been previously removed and correct the title of GSD Rule 42 (Extension, Waiver or Suspension of Rules).
GSD Rule 22A	Change the phrase “Schedule for Deletion of Trade Data Submitted to the Comparison System” to “Schedule for Deletion of Trade Data From the

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
	Comparison System” to match the proposed changes to the name of that schedule referenced below.
GSD Rule 22B	Add a provision clarifying that in accordance with Section 17 of Rule 3A (Sponsoring Members and Sponsored Members), Sponsored Members, in their capacities as such, are Members for purposes of Rule 22B (Corporation Default).
GSD Rule 22C	Correct the name of the Federal Deposit Insurance Corporation Improvement Act of 1991.
GSD Rule 33	Remove the provision that Members shall be given 10 Business Days’ notice of any proposed amendment to the Procedures to harmonize the language with a similar provision in NSCC Rule 33 (Procedures) and DTC Rule 27 (Procedures). The Procedures referenced in GSD Rule 33 (Procedures) are subject to the rule change process applicable to FICC in its capacity as a registered clearing agency under Section 17A of the Securities Exchange Act of 1934 (the “Act”), ^a and self-regulatory organization subject to Section 19 of the Act. ^b FICC believes that a separate 10-Business Day notice requirement is neither necessary nor practical because Members already receive adequate notice of any changes or proposed changes to such Procedures through the Act’s rule change process. In this context, the Procedures referenced in GSD Rule 33 constitute “rules” of FICC for purposes of the Act that would require following the rule change process under the Act to change.
GSD Rule 35	Revise the language to clarify the process used by FICC relating to financial reports and to harmonize with similar language in MBSD Rule 26 (Financial Reports and Internal Accounting Reports), EPN Article V Rule 5 (Financial Reports), DTC Rule 15 (Reports) and NSCC Rule 35 (Financial Reports). These proposed changes are consistent with certain changes being proposed to MBSD Rule 26 and EPN Article V Rule 5 described below as FICC uses the same processes for GSD, MBSD and EPN. In addition, the changes will be consistent with language in NSCC Rule 35 ^c and changes that DTC is in the process of making to DTC Rule 15 as the same processes are used by FICC, NSCC and DTC with respect to financial reports.
GSD Rule 36	Revise to reflect that Funds-Only Settling Bank Members are entitled to the notification and comment provisions in the Rule in addition to Members.
GSD Rule 38	Remove unnecessary references to Sponsoring Member, Sponsored Member and CCIT Members as those members are covered by the reference to “Member.”
GSD Rule 39	Revise the Rule to clarify and to conform to harmonize similar language in DTC Rule 6 (Services), NSCC Rule 39 (Reliance on Instructions), NSCC Rule 58 (Limitations on Liability), and MBSD Rule 30 (Limitations of Liability) to reflect that the Cross Guaranty Agreements contain obligations between GSD and MBSD. The proposed changes include (i)

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
	removing specific references to the methods that are used to provide information or instructions to FICC, some of which are outdated, and (ii) adding a provision stating that, with respect to instructions given to FICC by a Member or its Agent, FICC is not responsible for the completeness or accuracy and shall have no liability for errors in the course of transmissions or recording of any transmissions or which may exist in any document or other media delivered to FICC, which changes are consistent with changes being proposed to MBSB Rule 30 as described below and consistent with language in DTC Rule 6, NSCC Rule 39, and NSCC Rule 58. The proposed changes also include (a) adding a reference to the Cross Guaranty Agreements with respect to liability between the GSD and MBSB divisions and (b) adding a provision stating that no Member shall be entitled to set off against any liability to FICC any liability FICC may have to such Member pursuant to GSD Rule 39, which proposed changes are consistent with provisions currently in MBSB Rule 30 and provisions relating to set off in NSCC Rule 58.
GSD Rule 40	Capitalize “transactions” to reflect the defined term.
GSD Rule 44	Use the correct title for the President and Chief Executive Officer and remove “of” for improved readability.
GSD Rule 45	Revise the language to clarify the process used by FICC relating to notices, remove outdated language, harmonize to similar language in MBSB Rule 35 (Notices) consistent with changes being proposed to MBSB Rule 35 (Notices) as described below as FICC uses the same processes for GSD and MBSB. Correct reference relating to notices from GSD Rule 22 (Insolvency of a Member) to GSD Rule 22A (Procedures for When the Corporation Ceases to Act) which contains notice provisions.
GSD Schedule of Timeframes	Add reference to A.M. Clearing Fund call to reflect the commonly used name for the deadline referenced.
GSD Schedule of GCF Repo Timeframes	Separate out the line item for the beginning of the collateral allocation process and provide a further description of that process and separate out the line item for the deadline for Net Funds Payors to satisfy their cash obligations for clarity.
GSD Schedule of Sponsored GC Trade Timeframes	Create separate line items for times by which settlement output and margining output is made available to Sponsoring Members and clarify the descriptions of those line items and remove “requirements” to be consistent with similar language in the GSD Schedule of Timeframes.
GSD Schedule for the Deletion of Trade Data	Change the title to clarify that the data is being deleted from the Comparison System. Revise the language to clarify that trade data (including Yield Comparison Trades) that have been compared but are not eligible for netting shall be deleted during the same processing cycle which such comparison has occurred. Remove the sentence relating to notice of changes as the schedule is subject to notice provisions relating to rule changes (GSD Rule 36 (Rule Changes)) and to conform to other schedules which do not have separate notice provisions for changes.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
GSD Schedule of Required Match Data	Capitalize titles of items in schedule for consistency.
GSD Schedule of Required Data Submission Items	Capitalize titles of items in schedule for consistency.
GSD Schedule of Required and Other Data Submission Items for GCF Repo Transactions	Change title of schedule to reflect that the schedule refers to CCIT items to reflect proposed language regarding CCIT Transactions. Remove language that no longer describes the GCF Repo Transactions process and add language relating to CCIT Transactions.
GSD Schedule of Money Tolerances	Add “and at the end of the day” and “applicable at end of day” to clarify that the line items are applicable at the end of the day. Move the language relating to Rule 10 (Enhanced Comparison Processes Presumed Match Data) at the end of the schedule to clarify it applies to the entire schedule and clarify that the schedule does not apply to Netting-Eligible Auction Purchases, GCF Repo Transactions, CCIT Transactions and Sponsored GC Trades.
GSD Schedule of GC Comparable Securities	Make “Federal Home Loan Bank” plural to reflect that there are multiple banks and add the word “Agent” in footnote to reflect the correct defined term for a Sponsored GC Clearing Agent Bank.
GSD Fee Structure	Change “Non-Member” to lower case to reflect that it is not a defined term.
GSD Interpretive Guidance With Respect To Settlement Finality	Add quotation marks around “Master Account” in two footnotes, remove a duplicative reference link to location of Operating Circular 1 in a footnote and clarify that “Transfer” has the meaning referenced in Operating Circular 7 for clarity and to harmonize language with MBSD Interpretive Guidance With Respect To Settlement Finality consistent with certain changes being proposed to the MBSD Interpretive Guidance with Respect to Settlement Finality described below.

^a 15 U.S.C. 78q-1.

^b 15 U.S.C. 78s.

^c See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002) (describes proposed changes to NSCC Rules that have now been implemented including changes to NSCC Rule 35).

<i>Proposed Changes to MBSD Rules</i>	
Rule	Proposed Changes
MBSD Rule 1	<p>Revise definition of “Intraday Mark-to-Market Charge” to remove a reference to subsection (c) of the definition which subsection no longer contains parameter adjustments.</p> <p>Clarify the definitions of “SBO” and “SBON” and remove the definition of “SBO Net Open Position” to clarify the meaning of those terms and to reflect proposed changes being made to those terms in MBSD Rule 6 (TBA Netting).</p> <p>Change the definition of “Watch List” to reflect an expanded scale used for the CRRM. The CRRM is currently based on a scale of 1 through 7. The CRRM is also currently calculated internally using a more granular scale of 1 through 18 which corresponds to the current 1 through 7 scale (e.g., a credit rating of 6 on the current scale is equivalent to the credit ratings 12 and 13 on the more granular scale). The proposed changes would not change how Members are analyzed with respect to the Watch List.</p>
MBSD Rule 6	Clarify the language for the process relating to SBO-Destined Trades that cannot be offset.
MBSD Rule 14	Add “or” to “fine other charge” as a grammatical correction.
MBSD Rule 19	Add dashes in “time to time” and add a comma after “Members” for improved readability.
MBSD Rule 22	Replace the phrase “The foregoing notwithstanding” with “Notwithstanding the foregoing” for improved readability.
MBSD Rule 26	Revise the language to clarify the process used by FICC relating to financial reports and internal accounting control reports and to harmonize with similar language in GSD Rule 35 (Financial Reports), EPN Article V Rule 5 (Financial Reports), DTC Rule 15 (Reports) and NSCC Rule 35 (Financial Reports). These proposed changes are consistent with certain changes being proposed to GSD Rule 35 described above and EPN Article V Rule 5 described below as FICC uses the same processes for GSD, MBSD and EPN. In addition, the changes will be consistent with language in NSCC Rule 35* and changes that DTC is in the process of making to DTC Rule 15 as the same processes are used by FICC, NSCC and DTC with respect to financial reports.
MBSD Rule 27	Add comma after “proposal” to improve readability.
MBSD Rule 29	Replace “from” with “by” in the phrase “delivered to or from the Corporation” to improve readability.
MBSD Rule 30	Revise the Rule to clarify and to conform to harmonize similar language in DTC Rule 6 (Services), NSCC Rule 39 (Reliance on Instructions), NSCC Rule 58 (Limitations on Liability) and GSD Rule 39 (Limitations of Liability). The proposed changes include (i) removing specific references to the methods that are used to provide information or instructions to FICC, some of which are outdated, and (ii) adding a provision stating that, with respect to instructions given to FICC by a Member or its Agent, FICC

<i>Proposed Changes to MBSD Rules</i>	
Rule	Proposed Changes
	is not responsible for the completeness or accuracy and shall have no liability for errors in the course of transmissions or recording of any transmissions or which may exist in any document or other media delivered to FICC, which changes are consistent with changes being proposed to GSD Rule 39 described above and consistent with language in DTC Rule 6, NSCC Rule 39 and NSCC Rule 58.
MBSD Rule 34	Use the correct title for the President and Chief Executive Officer, add a comma and remove “or” for improved readability.
MBSD Rule 35	Revise the language to clarify the process used by FICC relating to notices, remove outdated language and to conform to similar language in GSD Rule 45 (Notices) consistent with changes being proposed to GSD Rule 45 as described above as FICC uses the same processes for GSD and MBSD.
MBSD Rule 36	Revise the language to conform to similar language in GSD Rule 46 (Interpretation of Terms) as FICC uses the same processes for GSD and MBSD.
MBSD Interpretative Guidance With Respect to Settlement Finality	Revise the language to clarify the meaning of certain defined terms and to harmonize with similar language in GSD Interpretive Guidance with Respect to Settlement Finality consistent with certain changes being proposed to the GSD Interpretive Guidance with Respect to Settlement Finality described above.

* See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002) (describes proposed changes to NSCC Rules that have now been implemented including changes to NSCC Rule 35).

<i>Proposed Changes to EPN Rules</i>	
Rule	Proposed Changes
EPN Article 1 Rule 1	Add defined term “SEC” as that term is used in the EPN Rules elsewhere and not currently defined.
EPN Article III Rule 1	Revise language relating to qualification and approval of applicants to clarify the approval process and requirements.
EPN Article V Rule 1	Use the correct title for the President and Chief Executive Officer.
EPN Article V Rule 5	Revise the language to clarify the process used by FICC relating to financial reports and to conform to similar language in GSD Rule 35 (Financial Reports), MBSD Rule 26 (Financial Reports and Internal Accounting Control Reports), DTC Rule 15 (Reports) and NSCC Rule 35 (Financial Reports). These proposed changes are consistent with certain changes being proposed to the GSD Rule 35 and MBSD Rule 26 described above as FICC uses the same processes for GSD, MBSD and EPN. In addition, the changes will be consistent with language in NSCC Rule 35 [†] and changes that DTC is in the process of making to DTC Rule 15 as the

<i>Proposed Changes to EPN Rules</i>	
Rule	Proposed Changes
	same processes are used by FICC, NSCC and DTC with respect to financial reports.
EPN Article V Rule 6	Use the defined term “SEC” proposed to be added in EPN Article 1, Rule 1 (Definitions) for Securities and Exchange Commission.
EPN Article V Rule 9	Replace “from” with “by” in the phrase “delivered to or from the Corporation” to improve readability.
EPN Article V Rule 10	Use the defined term “SEC” proposed to be added in EPN Article 1, Rule 1 (Definitions) for Securities and Exchange Commission.
EPN Article V Rule 16	Revise the language to clarify the process used by FICC relating to notices, remove outdated language, and to conform to similar language in GSD Rule 45 (Notices) and MBSD Rule 35 (Notices) as FICC uses the same processes for EPN, GSD and MBSD.

† See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002) (describes proposed changes to NSCC Rules that have now been implemented including changes to NSCC Rule 35).

(b) Statutory Basis

Section 17A(b)(3)(F) of the Act requires, in part, that the Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.³

FICC believes that the proposed changes to (i) correct or clarify language in the Rules, and (ii) harmonize the language in the GSD Rules, MBSD Rules and the EPN Rules with each other and with the rulebooks of FICC’s two clearing agency affiliates, DTC and NSCC, are consistent with Section 17(A)(b)(3)(F) of the Act⁴ because such changes would enhance the clarity and transparency of the Rules. By enhancing the clarity and transparency of the Rules, the proposed changes would allow Members to more efficiently and effectively conduct their business in accordance with the Rules, which FICC believes would promote the prompt and accurate clearance and settlement of securities transactions. As such, FICC believes that the proposed changes would be consistent with Section 17A(b)(3)(F) of the Act.⁵

4. Self-Regulatory Organization’s Statement on Burden on Competition

FICC does not believe the proposed rule changes would impact competition. The proposed rule changes described above would merely enhance the clarity and transparency of the Rules and would not significantly affect FICC’s operations or the rights and obligations of the

³ 15 U.S.C. 78q-1(b)(3)(F).

⁴ Id.

⁵ Id.

membership. As such, FICC believes the proposed rule changes would not have any impact on competition and would be consistent with Section 17A(b)(3)(I) of the Act.⁶

5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

FICC has not received or solicited any written comments relating to this proposal. If any written comments are received by FICC, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Securities and Exchange Commission (“Commission”) does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission’s instructions on how to submit comments, available at www.sec.gov/rules-regulations/how-submit-comment. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission’s Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

FICC reserves the right to not respond to any comments received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

(a) The proposed rule changes are to take effect immediately upon filing pursuant to paragraph A of Section 19(b)(3)⁷ of the Act and subparagraph (f)(4)⁸ of Rule 19b-4 under the Act.

(b) The proposed rule change effects a change in an existing service of FICC that (A) does not adversely affect the safeguarding of securities or funds in the custody or control of FICC or for which it is responsible and (B) does not significantly affect the respective rights or obligations of FICC or Members because the proposed rule change would not affect the rights or obligations of the Members or FICC other than to correct or clarify certain aspects of the Rules

⁶ 15 U.S.C. 78q-1(b)(3)(I).

⁷ 15 U.S.C 78s(b)(3)(A).

⁸ 17 CFR 240.19b-4(f)(4).

to enhance the clarity and transparency of the Rules and to harmonize the Rules with each other and with the rulebooks of DTC and NSCC.⁹

At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

(c) Not applicable.

(d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

While the proposal is not based on the rules of another self-regulatory organization or of the Commission, FICC affiliate, DTC will be filing a similar proposal to adopt comparable rule changes. On February 12, 2026, the Commission published its Notice of Filing and Immediate Effectiveness of NSCC's comparable proposal.¹⁰

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing, and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Not applicable.

Exhibit 1A – Notice of proposed rule change for publication in the Federal Register.

Exhibit 2 – Not applicable.

Exhibit 3 – Not applicable.

Exhibit 4 – Not applicable.

⁹ Id.

¹⁰ See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002).

Exhibit 5 – Proposed changes to the Rules.

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-[_____]; File No. SR-FICC-2026-006)

[DATE]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Make Corrections, Clarifications and Certain Other Changes to the GSD Rules, MBSD Rules, and EPN Rules

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on March __, 2026, Fixed Income Clearing Corporation (“FICC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. FICC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(4) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

FICC is proposing to (i) make certain corrections and clarifications in the Government Securities Division (“GSD”) Rulebook (the “GSD Rules”), Mortgage-Backed Securities Division (“MBSD”) Clearing Rules (the “MBSD Rules”) and MBSD EPN Rules (the “EPN Rules,” and collectively with the GSD Rules and the MBSD Rules,

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(4).

the “Rules”)⁵ and (ii) make certain changes to harmonize the language in the GSD Rules, MBSD Rules and the EPN Rules with each other and with the rules of FICC’s two clearing agency affiliates, The Depository Trust Company (“DTC”) and National Securities Clearing Corporation (“NSCC”).

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

FICC is proposing to (i) make certain corrections and clarifications in the Rules and (ii) make certain changes to harmonize the language in the GSD Rules, MBSD Rules and the EPN Rules with each other and with the rules of FICC’s two clearing agency affiliates, DTC and NSCC.

FICC has conducted a review of its Rules to improve transparency and consistency and to harmonize language in its Rules with similar language in the Rules, By-Laws and Organization Certificate of DTC (“DTC Rules”) and the NSCC Rules &

⁵ Each capitalized term used herein and not otherwise defined shall have the meaning set forth in the GSD Rules, MBSD Clearing Rules or the EPN Rules, as applicable, available at www.dtcc.com/legal/rules-and-procedures.

Procedures (“NSCC Rules”).⁶ DTC and NSCC have also conducted similar reviews of their respective rulebooks. As a result of the reviews, FICC is proposing the following changes to the Rules.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
GSD Rule 1	<p>Add the following defined terms to Rule 1 (Definitions) of the Rules which are used in the Rules but are defined elsewhere in the Rules:</p> <p><i>Excess Capital Premium</i></p> <p><i>VaR Floor</i></p> <p><i>VaR Floor Percentage Amount</i></p> <p>Correct a link to the SIFMA MRA in the definition of “SIFMA MRA”.</p> <p>Change the definition of “Watch List” to reflect an expanded scale used for the Credit Risk Rating Matrix (“CRRM”). The CRRM is currently based on a scale of 1 through 7. The CRRM is also currently calculated internally using a more granular scale of 1 through 18 which corresponds to the current 1 through 7 scale (e.g., credit rating 6 on the current scale is equivalent to credit ratings 12 and 13 on the more granular scale). The proposed changes would not change how Members are analyzed with respect to the Watch List.</p>
GSD Rule 3A	<p>Correct duplicative section reference, remove a reference to GSD Rule 31 (Distribution Facilities) which Rule no longer references Distribution Facilities and correct the title of GSD Rule 42 (Extension, Waiver or Suspension of Rules).</p>
GSD Rule 3B	<p>Remove the references to the Enforceability Opinion and Insolvency Opinion to add a more general reference to opinions required by FICC for CCIT Members similar to the more general descriptions of opinion requirements for other GSD membership types. FICC reviews its opinion requirements for membership periodically and may not always require an enforceability or</p>

⁶ Each capitalized term used herein and not otherwise defined shall have the meaning set forth in the DTC Rules or the NSCC Rules, as applicable, available at www.dtcc.com/legal/rules-and-procedures.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
	<p>insolvency opinion and may require other opinions that are not listed in the GSD Rule.</p> <p>Correct the name of the Federal Deposit Insurance Corporation Improvement Act of 1991, remove a reference to Rule 31 (Distribution Facilities) which Rule no longer references Distribution Facilities and correct the title of GSD Rule 42 (Extension, Waiver or Suspension of Rules).</p>
GSD Rule 4	Remove “Registered” from “Registered Broker” and “Registered Dealer” to reflect the current defined terms for Broker and Dealer.
GSD Rule 5	Add “Customer” to “Executing Firm” in two places to reflect that the provision is referencing Executing Firm Customers.
GSD Rule 8	Clarify that Agent Clearing Members provide a representation that the Executing Firm Customer has authorized the Agent Clearing Member to submit trade data rather than providing a copy of the written authorization.
GSD Rule 13	Remove a reference to Section 3 which Section had been previously removed and correct the title of GSD Rule 42 (Extension, Waiver or Suspension of Rules).
GSD Rule 22A	Change the phrase “Schedule for Deletion of Trade Data Submitted to the Comparison System” to “Schedule for Deletion of Trade Data From the Comparison System” to match the proposed changes to the name of that schedule referenced below.
GSD Rule 22B	Add a provision clarifying that in accordance with Section 17 of Rule 3A (Sponsoring Members and Sponsored Members), Sponsored Members, in their capacities as such, are Members for purposes of Rule 22B (Corporation Default).
GSD Rule 22C	Correct the name of the Federal Deposit Insurance Corporation Improvement Act of 1991.
GSD Rule 33	Remove the provision that Members shall be given 10 Business Days’ notice of any proposed amendment to the Procedures to harmonize the language with a similar provision in NSCC Rule 33 (Procedures) and DTC Rule 27 (Procedures). The Procedures referenced in GSD Rule 33 (Procedures) are subject to the rule change process applicable to FICC in its capacity as a registered clearing agency under Section 17A of the Act, ^a and self-regulatory organization subject to Section 19 of the Act. ^b FICC believes that a separate 10-Business Day notice requirement is neither necessary nor practical because Members already receive adequate notice of any changes or proposed changes to such Procedures through the Act’s rule change process. In this context, the Procedures referenced in GSD Rule 33 constitute “rules” of FICC for purposes of the Act that would require following the rule change process under the Act to change.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
GSD Rule 35	Revise the language to clarify the process used by FICC relating to financial reports and to harmonize with similar language in MBSB Rule 26 (Financial Reports and Internal Accounting Reports), EPN Article V Rule 5 (Financial Reports), DTC Rule 15 (Reports) and NSCC Rule 35 (Financial Reports). These proposed changes are consistent with certain changes being proposed to MBSB Rule 26 and EPN Article V Rule 5 described below as FICC uses the same processes for GSD, MBSB and EPN. In addition, the changes will be consistent with language in NSCC Rule 35 ^c and changes that DTC is in the process of making to DTC Rule 15 as the same processes are used by FICC, NSCC and DTC with respect to financial reports.
GSD Rule 36	Revise to reflect that Funds-Only Settling Bank Members are entitled to the notification and comment provisions in the Rule in addition to Members.
GSD Rule 38	Remove unnecessary references to Sponsoring Member, Sponsored Member and CCIT Members as those members are covered by the reference to “Member.”
GSD Rule 39	Revise the Rule to clarify and to conform to harmonize similar language in DTC Rule 6 (Services), NSCC Rule 39 (Reliance on Instructions), NSCC Rule 58 (Limitations on Liability), and MBSB Rule 30 (Limitations of Liability) to reflect that the Cross Guaranty Agreements contain obligations between GSD and MBSB. The proposed changes include (i) removing specific references to the methods that are used to provide information or instructions to FICC, some of which are outdated, and (ii) adding a provision stating that, with respect to instructions given to FICC by a Member or its Agent, FICC is not responsible for the completeness or accuracy and shall have no liability for errors in the course of transmissions or recording of any transmissions or which may exist in any document or other media delivered to FICC, which changes are consistent with changes being proposed to MBSB Rule 30 as described below and consistent with language in DTC Rule 6, NSCC Rule 39, and NSCC Rule 58. The proposed changes also include (a) adding a reference to the Cross Guaranty Agreements with respect to liability between the GSD and MBSB divisions and (b) adding a provision stating that no Member shall be entitled to set off against any liability to FICC any liability FICC may have to such Member pursuant to GSD Rule 39, which proposed changes are consistent with provisions currently in MBSB Rule 30 and provisions relating to set off in NSCC Rule 58.
GSD Rule 40	Capitalize “transactions” to reflect the defined term.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
GSD Rule 44	Use the correct title for the President and Chief Executive Officer and remove “of” for improved readability.
GSD Rule 45	Revise the language to clarify the process used by FICC relating to notices, remove outdated language, harmonize to similar language in MBSD Rule 35 (Notices) consistent with changes being proposed to MBSD Rule 35 (Notices) as described below as FICC uses the same processes for GSD and MBSD. Correct reference relating to notices from GSD Rule 22 (Insolvency of a Member) to GSD Rule 22A (Procedures for When the Corporation Ceases to Act) which contains notice provisions.
GSD Schedule of Timeframes	Add reference to A.M. Clearing Fund call to reflect the commonly used name for the deadline referenced.
GSD Schedule of GCF Repo Timeframes	Separate out the line item for the beginning of the collateral allocation process and provide a further description of that process and separate out the line item for the deadline for Net Funds Payors to satisfy their cash obligations for clarity.
GSD Schedule of Sponsored GC Trade Timeframes	Create separate line items for times by which settlement output and margining output is made available to Sponsoring Members and clarify the descriptions of those line items and remove “requirements” to be consistent with similar language in the GSD Schedule of Timeframes.
GSD Schedule for the Deletion of Trade Data	Change the title to clarify that the data is being deleted from the Comparison System. Revise the language to clarify that trade data (including Yield Comparison Trades) that have been compared but are not eligible for netting shall be deleted during the same processing cycle which such comparison has occurred. Remove the sentence relating to notice of changes as the schedule is subject to notice provisions relating to rule changes (GSD Rule 36 (Rule Changes)) and to conform to other schedules which do not have separate notice provisions for changes.
GSD Schedule of Required Match Data	Capitalize titles of items in schedule for consistency.
GSD Schedule of Required Data Submission Items	Capitalize titles of items in schedule for consistency.
GSD Schedule of Required and Other Data Submission Items for GCF	Change title of schedule to reflect that the schedule refers to CCIT items to reflect proposed language regarding CCIT Transactions. Remove language that no longer describes the GCF Repo Transactions process and add language relating to CCIT Transactions.

<i>Proposed Changes to GSD Rules</i>	
Rule	Proposed Changes
Repo Transactions	
GSD Schedule of Money Tolerances	Add “and at the end of the day” and “applicable at end of day” to clarify that the line items are applicable at the end of the day. Move the language relating to Rule 10 (Enhanced Comparison Processes Presumed Match Data) at the end of the schedule to clarify it applies to the entire schedule and clarify that the schedule does not apply to Netting-Eligible Auction Purchases, GCF Repo Transactions, CCIT Transactions and Sponsored GC Trades.
GSD Schedule of GC Comparable Securities	Make “Federal Home Loan Bank” plural to reflect that there are multiple banks and add the word “Agent” in footnote to reflect the correct defined term for a Sponsored GC Clearing Agent Bank.
GSD Fee Structure	Change “Non-Member” to lower case to reflect that it is not a defined term.
GSD Interpretive Guidance With Respect To Settlement Finality	Add quotation marks around “Master Account” in two footnotes, remove a duplicative reference link to location of Operating Circular 1 in a footnote and clarify that “Transfer” has the meaning referenced in Operating Circular 7 for clarity and to harmonize language with MBSD Interpretive Guidance With Respect To Settlement Finality consistent with certain changes being proposed to the MBSD Interpretive Guidance with Respect to Settlement Finality described below.

^a 15 U.S.C. 78q-1.

^b 15 U.S.C. 78s.

^c See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002) (describes proposed changes to NSCC Rules that have now been implemented including changes to NSCC Rule 35).

<i>Proposed Changes to MBSD Rules</i>	
Rule	Proposed Changes
MBSD Rule 1	<p>Revise definition of “Intraday Mark-to-Market Charge” to remove a reference to subsection (c) of the definition which subsection no longer contains parameter adjustments.</p> <p>Clarify the definitions of “SBO” and “SBON” and remove the definition of “SBO Net Open Position” to clarify the meaning of those terms and to reflect proposed changes being made to those terms in MBSD Rule 6 (TBA Netting).</p> <p>Change the definition of “Watch List” to reflect an expanded scale used for the CRRM. The CRRM is currently based on a scale of 1 through 7. The CRRM is also currently calculated internally using</p>

<i>Proposed Changes to MBSD Rules</i>	
Rule	Proposed Changes
	a more granular scale of 1 through 18 which corresponds to the current 1 through 7 scale (e.g., a credit rating of 6 on the current scale is equivalent to the credit ratings 12 and 13 on the more granular scale). The proposed changes would not change how Members are analyzed with respect to the Watch List.
MBSD Rule 6	Clarify the language for the process relating to SBO-Destined Trades that cannot be offset.
MBSD Rule 14	Add “or” to “fine other charge” as a grammatical correction.
MBSD Rule 19	Add dashes in “time to time” and add a comma after “Members” for improved readability.
MBSD Rule 22	Replace the phrase “The foregoing notwithstanding” with “Notwithstanding the foregoing” for improved readability.
MBSD Rule 26	Revise the language to clarify the process used by FICC relating to financial reports and internal accounting control reports and to harmonize with similar language in GSD Rule 35 (Financial Reports), EPN Article V Rule 5 (Financial Reports), DTC Rule 15 (Reports) and NSCC Rule 35 (Financial Reports). These proposed changes are consistent with certain changes being proposed to GSD Rule 35 described above and EPN Article V Rule 5 described below as FICC uses the same processes for GSD, MBSD and EPN. In addition, the changes will be consistent with language in NSCC Rule 35* and changes that DTC is in the process of making to DTC Rule 15 as the same processes are used by FICC, NSCC and DTC with respect to financial reports.
MBSD Rule 27	Add comma after “proposal” to improve readability.
MBSD Rule 29	Replace “from” with “by” in the phrase “delivered to or from the Corporation” to improve readability.
MBSD Rule 30	Revise the Rule to clarify and to conform to harmonize similar language in DTC Rule 6 (Services), NSCC Rule 39 (Reliance on Instructions), NSCC Rule 58 (Limitations on Liability) and GSD Rule 39 (Limitations of Liability). The proposed changes include (i) removing specific references to the methods that are used to provide information or instructions to FICC, some of which are outdated, and (ii) adding a provision stating that, with respect to instructions given to FICC by a Member or its Agent, FICC is not responsible for the completeness or accuracy and shall have no liability for errors in the course of transmissions or recording of any transmissions or which may exist in any document or other media delivered to FICC, which changes are consistent with changes being proposed to GSD Rule 39 described above and consistent with language in DTC Rule 6, NSCC Rule 39 and NSCC Rule 58.
MBSD Rule 34	Use the correct title for the President and Chief Executive Officer, add a comma and remove “or” for improved readability.

<i>Proposed Changes to MBSD Rules</i>	
Rule	Proposed Changes
MBSD Rule 35	Revise the language to clarify the process used by FICC relating to notices, remove outdated language and to conform to similar language in GSD Rule 45 (Notices) consistent with changes being proposed to GSD Rule 45 as described above as FICC uses the same processes for GSD and MBSD.
MBSD Rule 36	Revise the language to conform to similar language in GSD Rule 46 (Interpretation of Terms) as FICC uses the same processes for GSD and MBSD.
MBSD Interpretative Guidance With Respect to Settlement Finality	Revise the language to clarify the meaning of certain defined terms and to harmonize with similar language in GSD Interpretative Guidance with Respect to Settlement Finality consistent with certain changes being proposed to the GSD Interpretative Guidance with Respect to Settlement Finality described above.

* See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002) (describes proposed changes to NSCC Rules that have now been implemented including changes to NSCC Rule 35).

<i>Proposed Changes to EPN Rules</i>	
Rule	Proposed Changes
EPN Article 1 Rule 1	Add defined term “SEC” as that term is used in the EPN Rules elsewhere and not currently defined.
EPN Article III Rule 1	Revise language relating to qualification and approval of applicants to clarify the approval process and requirements.
EPN Article V Rule 1	Use the correct title for the President and Chief Executive Officer.
EPN Article V Rule 5	Revise the language to clarify the process used by FICC relating to financial reports and to conform to similar language in GSD Rule 35 (Financial Reports), MBSD Rule 26 (Financial Reports and Internal Accounting Control Reports), DTC Rule 15 (Reports) and NSCC Rule 35 (Financial Reports). These proposed changes are consistent with certain changes being proposed to the GSD Rule 35 and MBSD Rule 26 described above as FICC uses the same processes for GSD, MBSD and EPN. In addition, the changes will be consistent with language in NSCC Rule 35 [†] and changes that DTC is in the process of making to DTC Rule 15 as the same processes are used by FICC, NSCC and DTC with respect to financial reports.
EPN Article V Rule 6	Use the defined term “SEC” proposed to be added in EPN Article 1, Rule 1 (Definitions) for Securities and Exchange Commission.
EPN Article V Rule 9	Replace “from” with “by” in the phrase “delivered to or from the Corporation” to improve readability.

<i>Proposed Changes to EPN Rules</i>	
Rule	Proposed Changes
EPN Article V Rule 10	Use the defined term “SEC” proposed to be added in EPN Article 1, Rule 1 (Definitions) for Securities and Exchange Commission.
EPN Article V Rule 16	Revise the language to clarify the process used by FICC relating to notices, remove outdated language, and to conform to similar language in GSD Rule 45 (Notices) and MBSD Rule 35 (Notices) as FICC uses the same processes for EPN, GSD and MBSD.

† See Securities Exchange Act Release No. 104831 (Feb. 12, 2026), 91 FR 7567 (Feb. 18, 2026) (SR-NSCC-2026-002) (describes proposed changes to NSCC Rules that have now been implemented including changes to NSCC Rule 35).

2. Statutory Basis

Section 17A(b)(3)(F) of the Act requires, in part, that the Rules be designed to promote the prompt and accurate clearance and settlement of securities transactions.⁷

FICC believes that the proposed changes to (i) correct or clarify language in the Rules, and (ii) harmonize the language in the GSD Rules, MBSD Rules and the EPN Rules with each other and with the rulebooks of FICC’s two clearing agency affiliates, DTC and NSCC, are consistent with Section 17(A)(b)(3)(F) of the Act⁸ because such changes would enhance the clarity and transparency of the Rules. By enhancing the clarity and transparency of the Rules, the proposed changes would allow Members to more efficiently and effectively conduct their business in accordance with the Rules, which FICC believes would promote the prompt and accurate clearance and settlement of securities transactions. As such, FICC believes that the proposed changes would be consistent with Section 17A(b)(3)(F) of the Act.⁹

⁷ 15 U.S.C. 78q-1(b)(3)(F).

⁸ Id.

⁹ Id.

(B) Clearing Agency's Statement on Burden on Competition

FICC does not believe the proposed rule changes would impact competition. The proposed rule changes described above would merely enhance the clarity and transparency of the Rules and would not significantly affect FICC's operations or the rights and obligations of the membership. As such, FICC believes the proposed rule changes would not have any impact on competition and would be consistent with Section 17A(b)(3)(I) of the Act.¹⁰

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

FICC has not received or solicited any written comments relating to this proposal. If any written comments are received by FICC, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on how to submit comments, available at www.sec.gov/rules-regulations/how-submit-comment. General questions regarding the rule filing process or logistical questions regarding this

¹⁰ 15 U.S.C. 78q-1(b)(3)(I).

filing should be directed to the Main Office of the Commission's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

FICC reserves the right to not respond to any comments received.

III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)¹¹ of the Act and paragraph (f) of Rule 19b-4 thereunder.¹² At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (www.sec.gov/rules/sro.shtml); or

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FICC-2026-006 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-FICC-2026-006. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (www.sec.gov/rules/sro.shtml). Copies of the filing will be available for inspection and copying at the principal office of FICC and on DTCC's website (www.dtcc.com/legal/sec-rule-filings). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR-FICC-2026-006 and should be submitted on or before [insert date 21 days after publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Secretary

¹³ 17 CFR 200.30-3(a)(12).

Bold and underlined text indicates proposed added language

~~Bold and strikethrough text~~ indicates proposed deleted language

FIXED INCOME CLEARING CORPORATION

GOVERNMENT SECURITIES DIVISION RULEBOOK

RULE 1 – DEFINITIONS*

Unless the context requires otherwise, the terms defined in this Rule shall, for all purposes of these Rules, have the meanings herein specified.

* * *

Excess Capital Differential

The term “Excess Capital Differential” shall have the meaning given that term in the Margin Component Schedule.

Excess Capital Premium

The term “Excess Capital Premium” shall have the meaning given that term in the Margin Component Schedule.

* * *

SIFMA MRA

The term “SIFMA MRA” means the September 1996 Securities Industry and Financial Markets Association Master Repurchase Agreement, available at <https://www.sifma.org/resources/general/mra-and-gmra-documentation>~~<http://www.sifma.org/services/standard-forms-and-documentation/mra, gmra, msla and msftas/>~~.

* * *

VaR Charge

The term “VaR Charge” shall have the meaning given such term in the Margin Component Schedule.

VaR Floor

The term “VaR Floor” shall have the meaning given that term in the Margin Component Schedule.

* All products and services provided by the Corporation referenced in these Rules are either registered trademarks or servicemarks of, or trademarks or servicemarks of, The Depository Trust & Clearing Corporation or its affiliates. Other names of companies, products or services appearing in these Rules are the trademarks or servicemarks of their respective owners.

VaR Floor Percentage Amount

The term “VaR Floor Percentage Amount” shall have the meaning given that term in the Margin Component Schedule.

* * *

Watch List^π

The term “Watch List” means, at any time and from time to time, the list of Members whose credit ratings derived from the Credit Risk Rating Matrix are ~~6 or 7~~**12 through 18**, as well as Members that, based on the Corporation’s consideration of relevant factors, including those set forth in Section 12(d) of Rule 3, are deemed by the Corporation to pose a heightened risk to the Corporation and its Members.

* * *

RULE 3A – SPONSORING MEMBERS AND SPONSORED MEMBERS

* * *

Section 13 – Restrictions on Access to Services by a Sponsored Member

* * *

(d) If the Corporation determines to cease to act for the Sponsored Member, the provisions of Rule 22A shall apply in the same way as they would apply to a Netting Member.

~~(de)~~ Notwithstanding the foregoing, if the Corporation ceases to act for a CIL Funds Lender, the Corporation may, in lieu of applying the provisions of Rule 22A in relation to one or more Sponsored GC CIL Trades (or a portion of any such trade), exercise its rights as a secured party in relation to some or all of the Purchased GC Repo Securities in respect of the Sponsored GC CIL Trades of such CIL Funds Lender and, in connection therewith, instruct the Sponsored GC Clearing Agent Bank to remove such Purchased GC Repo Securities from the account of such CIL Funds Lender (x) in an amount no greater than the Margin Excess Amount or (y) in an amount the Corporation determines to be equal to the amount payable to the CIL Funds Lender in connection with its GC Collateral Return Obligation corresponding to such Purchased GC Repo Securities.

* * *

^π Being placed on the Watch List may result in Clearing Fund-related consequences as well as other consequences under the Rules. Please refer to the Interpretive Guidance with Respect to Watch List Consequences in this rulebook.

Section 17 – Other Applicable Rules, Schedules, Interpretations and Statements

* * *

(b) Rule 22D (Wind-down of the Corporation), Rule 27 (Admission to Premises of the Corporation, Powers of Attorney, Etc.), Rule 28 (Forms), Rule 29 (Release of Clearing Data), Rule 30 (Lists to be Maintained), ~~Rule 31 (Distribution Facilities)~~, Rule 32 (Signatures), Rule 33 (Procedures), Rule 34 (Insurance), Rule 35 (Financial Reports), Rule 36 (Rule Changes), Rule 37 (Hearing Procedures), Rule 38 (Governing Law and Captions), Rule 39 (Limitations of Liability), Section 3 of Rule 40 (General Provisions), Rule 41 (Cross-Guaranty Agreements), Rule 42 (Extension, Waiver or Suspension of Rules), Rule 44 (Action by the Corporation), Rule 45 (Notices), Rule 46 (Interpretation of Terms), Rule 47 (Interpretation of Rules), Rule 48 (Disciplinary Proceedings), Rule 50 (Market Disruption and Force Majeure) and Rule 50A (Systems Disconnect: Threat of Significant Impact to the Corporation's Systems) shall apply to, or with respect to, Sponsored Members and Sponsoring Members.

* * *

**RULE 3B – CENTRALLY CLEARED INSTITUTIONAL
TRIPARTY SERVICE**

* * *

Section 2 – Eligibility, Qualifications and Standards for Membership: CCIT Member

(a) The Corporation may approve an application of an eligible Person, other than a Registered Investment Company, to become a CCIT Member upon a determination that the applicant meets the following requirements:

* * *

(vi) ~~Enforceability~~ Opinion of Counsel – The applicant provides the Corporation with an opinion of counsel acceptable to the Corporation in its sole discretion, ~~that the Corporation's Rules will be enforceable against such applicant if it becomes a CCIT Member.~~

~~(vii) Insolvency Opinion – The Corporation has (or is able to obtain from the applicant or otherwise) an opinion of counsel acceptable to the Corporation in its sole discretion that, in the event the Corporation ceases to act for the applicant after such applicant becomes a CCIT Member, the Corporation will be able to exercise the remedies described in these Rules, including those specified in Section 11(e) of this Rule 3B. The Corporation may determine in its discretion that the opinion described in this Section 2(a)(vii) is not required in respect of an applicant.~~

* * *

Section 17 – Other Applicable Rules, Schedules, Interpretations and Statements

(a) Rule 1 (Definitions), Rule 22B (Corporation Default), Rule 22C (Interpretation in Relation to the Federal Deposit Insurance Corporation **Improvement** Act of 1991), Rule 22D (Wind-down of the Corporation), Rule 23 (Fine Payments), Rule 25 (Bills Rendered), Rule 27 (Admission to Premises of the Corporation, Powers of Attorney, Etc.), Rule 28 (Forms), Rule 29 (Release of Clearing Data), ~~Rule 31 (Distribution Facilities)~~, Rule 32 (Signatures), Rule 33 (Procedures), Rule 34 (Insurance), Rule 35 (Financial Reports), Rule 36 (Rule Changes), Rule 37 (Hearing Procedures), Rule 38 (Governing Law and Captions), Rule 39 (Limitations of Liability), Rule 40 (General Provisions), Rule 41 (Cross Guaranty Agreements), Rule 42 (**Extension, Waiver or** Suspension of Rules), Rule 44 (Action by the Corporation), Rule 45 (Notices), Rule 46 (Interpretation of Terms), Rule 47 (Interpretation of Rules), Rule 48 (Disciplinary Proceedings), Rule 50 (Market Disruption and Force Majeure) and Rule 50A (Systems Disconnect: Threat of Significant Impact to the Corporation’s Systems) shall apply to CCIT Members with respect to CCIT Transactions in the same way as these provisions apply to Netting Members.

* * *

RULE 4 – CLEARING FUND AND LOSS ALLOCATION

* * *

Section 1a – Segregated Customer Margin

Each Netting Member shall deposit Segregated Customer Margin with the Corporation in an amount equal to its Segregated Customer Margin Requirement, which requirement shall be determined in accordance with this Rule and the Margin Component Schedule. The timing of the satisfaction of the Segregated Customer Margin Requirement shall be determined in accordance with the provisions of Section 9 of this Rule.

The Corporation shall establish and maintain on its books and records a Segregated Customer Margin Custody Account corresponding to each Segregated Indirect Participants Account. All Segregated Customer Margin deposited with the Corporation to support the obligations arising under the Transactions recorded in a Segregated Indirect Participants Account shall be credited to the corresponding Segregated Customer Margin Custody Account. The Segregated Customer Margin credited to a Segregated Customer Margin Custody Account shall be used exclusively to secure Transactions recorded in the corresponding Segregated Indirect Participants Account and satisfy payment and delivery obligations owing to the Corporation (including liquidating or otherwise using such Segregated Customer Margin to obtain relevant cash or securities) in connection with a default in respect of such Transactions. Each Segregated Customer Margin Custody Account shall be titled or otherwise designated on the Corporation’s books and records a “Special Clearing Account for the Exclusive Benefits of the Customers of [the relevant Sponsoring Member or Agent Clearing Member].” The Corporation will provide to each Netting Member that is a ~~Registered~~-Broker or ~~Registered~~-Dealer and has designated an Account as a Segregated Indirect Participants Account, a notice that Segregated Customer Margin deposited by the Netting Member with the Corporation is being held by the Corporation

for the exclusive benefit of the Segregated Indirect Participants of the Netting Member in accordance with the regulations of the SEC and is being kept separate from any other accounts maintained by the Netting Member or any other Member at the Corporation.

* * *

RULE 5 – COMPARISON SYSTEM

Section 1 – General

Trade comparison, which consists of the reporting, validating, and, in some cases, matching by the Corporation of the long and short sides of a securities trade, including a Repo Transaction, to ensure that the details of such trade are in agreement between the parties, is the first step in the clearance and settlement process for securities transactions. A Member of the Comparison System must submit to the Corporation for comparison trade data on all of its trades that are of the type processed by the Corporation (including trades executed and settled on the same day), calling for delivery of Eligible Securities, between it or an Executing Firm **Customer** on whose behalf it is acting, and another Member or an Executing Firm **Customer** on whose behalf it or another Member is acting. If the Corporation determines that a Comparison-Only Member has, without good cause, violated its obligations pursuant to this section, such Comparison-Only Member may be reported to the appropriate regulatory body, placed on the Watch List and/or subject to an additional fee. In addition, the Corporation may discipline a Comparison-Only Member for a violation of this section in accordance with Rule 48.

* * *

RULE 8 – AGENT CLEARING SERVICE

* * *

Section 3 – Executing Firm Customer Relationships

(a) A Person shall be an “Executing Firm Customer”, as such term is used in the Rules, if an Agent Clearing Member submits to the Corporation on behalf of the Executing Firm Customer and in the manner described in this Rule 8 data on trades entered into by the Executing Firm Customer.

(b) Agent Clearing Members shall provide the following to the Corporation with respect to each Executing Firm Customer for which that Agent Clearing Member proposes to act pursuant to this Rule 8: (i) the legal entity name and executing firm symbol of the Executing Firm Customer; (ii) ~~written authorization of representation that~~ the Executing Firm Customer **has authorized** the Agent Clearing Member to submit trade data to the Corporation on its behalf and the effective date of such authorization; (iii) an LEI for the Executing Firm Customer; (iv) confirmation that the Executing Firm Customer and the Agent Clearing Member have entered into an agreement that binds the Executing Firm Customer to the applicable provisions of the Rules, as required by paragraph (e) below; and (v) confirmation that the Executing Firm Customer understands, acknowledges and agrees to each of the Executing Firm Customer Acknowledgments set forth in, and as required by Section 6 of this Rule 8.

* * *

RULE 13 – FUNDS-ONLY SETTLEMENT

Section 1 – General

* * *

~~Except as otherwise provided in Section 3, a~~All funds-only payment obligations and collection rights that arise pursuant to this Rule shall be satisfied each Business Day on a net total basis through payment or collection, as set forth in Section 2 of this Rule, of the Funds-Only Settlement Amount.

* * *

Section 4 – Funds-Only Settling Bank Members

* * *

(m) In addition to this Rule 13 and applicable provisions of Rule 1, the following Rules and any relevant schedules cited therein shall apply to Funds-Only Settling Bank Members in the same manner as they apply to Netting Members: Rule 22D (Wind-down of the Corporation), Rule 29 (Release of Clearing Data), Rule 32 (Signatures), Rule 33 (Procedures), Rule 36 (Rule Changes), Rule 37 (Hearing Procedures), Rule 38 (Governing Law and Captions), Rule 39 (Limitations of Liability), Rule 42 (Extension, Waiver or Suspension of Rules), Rule 44 (Action by the Corporation), Rule 45 (Notices), Rule 46 (Interpretation of Terms), Rule 47 (Interpretation of Rules), Rule 48 (Disciplinary Proceedings), Rule 50 (Market Disruption and Force Majeure) and Rule 50A (Systems Disconnect: Threat of Significant Impact to the Corporation's Systems).

* * *

RULE 22A – PROCEDURES FOR WHEN THE CORPORATION CEASES TO ACT

Section 1 – Notification

When the Corporation has ceased to act for a Member, it shall provide Members and the SEC with notice stating the Corporation's decision to cease to act for the Member. The Corporation may provide in such notice or a subsequent notice the steps to be taken as well as how pending transactions shall be affected.

Section 2 – Action by the Corporation

Except as otherwise may be determined by the Board in any particular case, from and after the time the Corporation ceases to act for a Member, the following shall apply:

(a) Notwithstanding anything to the contrary in the Schedule for Deletion of Trade Data ~~Submitted to~~From the Comparison System that is published from time to time by the Corporation, trades to which the Member is a party the data on which have been submitted to the Corporation that have not been deemed Compared Trades upon receipt by the Corporation pursuant to these Rules or that have not been reported by the Corporation to Members as Compared Trades shall be deleted from the Comparison System, unless otherwise determined by the Board in order to promote an orderly settlement.

* * *

RULE 22B – CORPORATION DEFAULT

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(c) In accordance with Section 17 of Rule 3A, Sponsored Members, in their capacities as such, are Members for purposes of this Rule 22B.

* * *

RULE 22C – INTERPRETATION IN RELATION TO THE FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991

The Corporation and the Members intend that these Rules be interpreted in relation to certain terms (identified below) that are defined or used in the Federal Deposit Insurance Corporation Improvement Act of 1991, as amended, as follows:

* * *

RULE 33 – PROCEDURES

The Board of Directors shall, pursuant to these Rules, prescribe from time-to-time Procedures and other regulations in respect of the business of the Corporation. The Board of Directors may, by resolution, delegate to an Officer of the Corporation the power to prescribe Procedures and regulations. Each Member will be bound by such Procedures and regulations and any amendment thereto in the same manner as it is bound by the provisions of these Rules. ~~Members shall be given 10 Business Days' notice of any proposed amendment to the Procedures.~~

* * *

RULE 35 – FINANCIAL REPORTS

Section 1 – Financial Reports

As soon as practicable after the end of each ~~calendar~~fiscal year, the Corporation shall ~~make available~~provide to Members audited U.S. GAAP financial statements of the Corporation, ~~including audited and covered by a report prepared by the independent public accountants~~ accountants' report on the financial statements for such ~~calendar~~fiscal

year. The Corporation shall undertake to ~~make available~~provide such financial statements and report to Members within 60 days following the ~~close~~last day of the Corporation's fiscal year.

The Corporation shall also ~~undertake to make available~~provide to Members unaudited U.S. GAAP financial statements of the Corporation within 30 days following the ~~close~~last day of the Corporation's fiscal quarter for each of the first three ~~calendar~~fiscal quarters of each ~~calendar~~fiscal year.

Section 2 – Internal Accounting Controls Reports

A study and evaluation of the Corporation's system of internal accounting controls with respect to the safeguarding of participants' assets, prompt and accurate clearance and settlement of securities transactions, and the reliability of related records shall be conducted annually by independent public accountants. Such study and evaluation shall be conducted in accordance with the standards established by the American Institute of Certified Public Accountants and shall be made available to all Members within a reasonable time upon receipt from the Corporation's independent accountants.

* * *

RULE 36 – RULE CHANGES

The Corporation shall promptly notify all Members, Funds-Only Settling Bank Members and Registered Clearing Agencies of any proposal it has made to change, revise, add or repeal any Rule, and of the text or a brief description of the proposed Rule and its purpose and effect, by posting such proposal on its website. Members, Funds-Only Settling Bank Members and Registered Clearing Agencies may submit to the Corporation for its consideration their comments with respect to any such proposal, and such comments shall be filed with the Corporation's records and copies thereof delivered to the SEC.

* * *

RULE 38 – GOVERNING LAW AND CAPTIONS

Section 1 – Governing Law

These Rules, and all agreements and other documents entered into between a Member, ~~Sponsoring Member, Sponsored Member, CCIT Member~~ or Funds-Only Settling Bank Member and the Corporation, or otherwise delivered to or by the Corporation pursuant to these Rules, and the rights and obligations thereunder, shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed and performed therein, unless otherwise expressly provided.

* * *

RULE 39 – LIMITATIONS OF LIABILITY

Section 1 – Reliance of the Corporation upon Instructions Containing Errors

The Corporation may accept or rely upon any information or instruction given to the Corporation by a Member ~~including wire transmission, physical delivery or delivery by other means of information or instructions recorded on magnetic tape or other media or of facsimile copies of information or instructions~~, in any form acceptable to the Corporation and in accordance with the Rules, which reasonably is understood by the Corporation to have been delivered to the Corporation by the Member.

The Corporation may accept and rely upon any information or instruction given to the Corporation by a Member, a Demand Trade Source, a Locked-In-Trade Source or a Designee on behalf of another Member (each hereinafter referred to as the “Agent”), ~~including wire transmission, physical delivery or delivery by other means of information or instructions~~, in a form acceptable to the Corporation and in accordance with the Rules, which reasonably is understood by the Corporation to have been delivered to the Corporation by the Agent, and the Corporation shall be entitled to act pursuant to any such information or instruction as though such information or instruction had been received from the Member for which the Agent is acting.

With respect to instructions given to the Corporation by a Member or its Agent, the Corporation will not be responsible for the completeness or accuracy of any instructions and shall have no responsibility or liability for any errors which may occur in the course of transmissions or recording of any transmissions or which may exist in any document or other media so delivered to the Corporation.

* * *

Section 2 – Limitation on Liability of the Corporation for the Obligations of Affiliated Entities

* * *

(b) Notwithstanding the Corporation being the owner of both the Government Securities Division and the Mortgage-Backed Securities Division:

(i) the Government Securities Division shall not be liable for any obligations of the Mortgage-Backed Securities Division nor shall the Clearing Fund or other assets of the Government Securities Division be available to the Mortgage-Backed Securities Division or any Mortgage-Backed Securities Division Participant for any purpose **(except as provided in Rule 41 (Cross Guaranty Agreements))**, and no Mortgage-Backed Securities Division Participant shall assert against the Government Securities Division any claim based upon any obligations of the Mortgage-Backed Securities Division to such Mortgage-Backed Securities Division Participant; and

(ii) the Mortgage-Backed Securities Division shall not be liable for any obligations of the Government Securities Division nor shall any participants fund, user fund or other assets of the Mortgage-Backed Securities Division be available to the

Government Securities Division or any Member for any purpose **(except as provided in Rule 41 (Cross Guaranty Agreements))**, and no Member shall assert against the Mortgage-Backed Securities Division any claim based upon the obligations of the Government Securities Division to such Member.

* * *

Section 4 – No Right to Set Off

No Member shall be entitled to set off against any liability to the Corporation any liability that the Corporation may have to such Member pursuant to this Rule.

* * *

RULE 40 – GENERAL PROVISIONS

* * *

Section 2

A Member may appoint one or more persons as its agent(s) with respect to all contracts or **Transactions** compared through or by the Corporation and all matters relating thereto, provided that such appointment has been consented to by the Corporation and is evidenced by such appointments, authorizations, certifications and other agreements in such form as may be required by the Corporation.

* * *

RULE 44 – ACTION BY THE CORPORATION

Where action by the Board of Directors is required by these Rules, the Corporation may act, to the full extent permitted by law, by the Chairman of the Board, the President **and Chief Executive Officer** or any ~~of~~ Managing Director or Executive Director or by such other Person or Persons, whether or not employed by the Corporation as may be designated by the Board of Directors from time to time.

* * *

RULE 45 – NOTICES

Section 1 – Notice to an Interested Person

Any notice pursuant to these Rules from the Corporation to an Interested Person shall be sufficiently served on such Interested Person if the notice is in writing, and is mailed to the Interested Person's office address **or emailed to the Interested Person's email address, is sent via electronic mail to the Interested Person's electronic mail address or is transmitted by facsimile machine to a facsimile machine located either in the Interested Person's office or elsewhere as designated by such Interested Person.** Any notice to an Interested Person, if

mailed, shall be deemed to have been given when deposited in the United States Postal Service, with postage thereon prepaid, directed to the Interested Person at its office address, and if ~~emailed sent via electronic mail~~, shall be deemed given when routed to the emailelectronic mail address of the Interested Person. ~~Any notice to an Interested Person, if transmitted by facsimile machine as provided above, shall be deemed to have been given when such transmission is verified on the facsimile machine of the Corporation as having been transmitted.~~

Notwithstanding anything in these Rules to the contrary, the Corporation may distribute notices to all Interested Persons by posting such notices on the Corporation's website. The Corporation shall deem a notice sufficiently served once such notice is successfully posted to the website, and it is the responsibility of the Interested Persons to retrieve notices daily from the Corporation's website.

Section 2 – Notice to the Corporation

Any notice from an Interested Person to the Corporation shall be sufficiently served on the Corporation if the notice is in writing and is delivered or mailed to the Corporation at its principal place of business, Attention: Secretary, or such other place as it designates, with a copy of the notice sent by emailelectronic mail to the General Counsel's Office of the Corporation at gcocontractnotices@dtcc.com. Any such notice to the Corporation shall be deemed to have been given when received.

Section 3 – Notice by the Corporation of Certain Actions

Any notice required to be given by the Corporation pursuant to Rule 21, Rule 22A or Rule 48 shall set forth the specific grounds under consideration upon which any action taken by the Corporation pursuant to such Rule or Rules may be based and shall contain notice to the Member of its right to request a hearing, such request to be filed by such Member with the Corporation pursuant to Rule 37.

* * *

SCHEDULE OF TIMEFRAMES*

(all times are New York City times)

- 8:00 p.m.** Deadline for final input by Members to FICC of trade data.
- 2:00 a.m.** Time by which FICC's comparison, netting, and settlement output is made available to Members.

* All times may be extended as needed by the Corporation to (i) address operational or other delays that would reasonably prevent members or the Corporation from meeting the deadline or timeframe, as applicable, or (ii) allow the Corporation time to operationally exercise its existing rights under these Rules. In addition, times applicable to the Corporation are standards and not deadlines; actual processing times may vary slightly, as necessary.

- 7:00 a.m.** The Corporation begins processing trade data for the current Business Day.
- 7:05 a.m.** Time by which the Corporation's margining output is made available to Netting Members.
- 9:15 a.m.** Netting-eligible auction purchases are received by FICC from the Federal Reserve Banks and are immediately redelivered to Netting Members in a Net Long Position.
- 9:30 a.m.** Deadline for satisfaction of a Clearing Fund deficiency call: **(A.M. Clearing Fund call)**.

* * *

SCHEDULE OF GCF REPO TIMEFRAMES*

(all times are New York City times)

* * *

- 3:30 p.m.** Every Collateral Allocation Entitlement and Collateral Allocation Obligation that was established by the Corporation on the previous Business Day shall be netted with the current Business Day's Collateral Allocation Obligation and/or Collateral Allocation Entitlement; Netting Members shall have the obligation to settle such new net settlement amounts. ~~Collateral obligations begin.~~
- 3:30 p.m.** **Netting Members begin the collateral allocations process to settle new net collateral allocation obligations.**
- 4:30 p.m.** Deadline for Netting Member allocation of collateral to satisfy obligations, after which a late fee will be imposed and after which FICC shall process Collateral Allocation Obligations on a good faith basis only.
- 4:30 p.m.** Deadline for Net Funds Payors to satisfy their cash obligations, after which a late fee will be imposed.

* * *

* All times may be extended as needed by the Corporation to (i) address operational or other delays that would reasonably prevent members or the Corporation from meeting the deadline or timeframe, as applicable, or (ii) allow the Corporation time to operationally exercise its existing rights under these Rules. In addition, times applicable to the Corporation are standards and not deadlines; actual processing times may vary slightly, as necessary.

SCHEDULE OF SPONSORED GC TRADE TIMEFRAMES* ** ***

(all times are New York City times)

~~10:30 p.m.~~ ~~Time during which reports will be made available with respect to the end of day Clearing Fund requirements and funds-only settlement requirements.~~

~~to 2:00 a.m.~~ FICC's comparison and funds-only settlement output is made available to Sponsoring Members.

7:05 a.m. Time by which the Corporation's margining output is made available to Sponsoring Members.

* * *

2:00 p.m. Time during which reports will be made available with respect to the intraday Clearing Fund requirements, and intraday funds-only settlement requirements.

* * *

SCHEDULE FOR ~~THE~~ DELETION OF TRADE DATA FROM THE COMPARISON SYSTEM

Trade data on transactions other than Repo Transactions that remain uncomparing shall pend in the Comparison System until the later of: (a) for trades in new issues and re-issues, the issue date or re-issue date for such trades, or (b) the processing cycle after the second Business Day after the date of submission of such data. Trade Data on Repo Transactions other than Sponsored GC Trades that remain uncomparing shall pend in the Comparison System until the later of: (a) the processing cycle after the second Business Day after the Repo Start Date, or (b) the processing cycle after the second Business Day after the date of submission of such data. Trade data on trades (including Yield Comparison Trades) that have been compared but that are not eligible for netting that compare (prior to being deleted) are shall be deleted during the same processing cycle during which such comparison has occurred is reported to Members. Data on trades eligible for netting that compare shall pend until (and shall be deleted during) the processing cycle prior to the Scheduled Settlement Date for such trades. Trade data on Sponsored GC Trades that remain uncomparing on a given Business Day shall pend in the Comparison System until the Corporation's deadline for final input by Sponsoring Members of

* The time by which a GC Funds Lender is required to deliver any securities to a GC Funds Borrower in connection with Section 8(b)(iii) of Rule 3A shall be determined by the relevant Sponsored GC Clearing Agent Bank.

** All times may be extended as needed by the Corporation to (i) address operational or other delays that would reasonably prevent members or the Corporation from meeting the deadline or timeframe, as applicable, or (ii) allow the Corporation time to operationally exercise its existing rights under these Rules. In addition, times applicable to the Corporation are standards and not deadlines; actual processing times may vary slightly, as necessary.

*** Any accrued GC Daily Repo Interest that is due on the settlement day of the End Leg of the related Sponsored GC Trade shall be paid in connection with the settlement of the End Leg.

Sponsored GC Trade data (as provided in the Schedule of Sponsored GC Trade Timeframes) on such Business Day. Trade data on Sponsored GC Trades, which have been compared in the Comparison System pursuant to Rule 6A but the Start Legs of which have not fully settled at a Sponsored GC Clearing Agent Bank by the deadline set forth in the Corporation's Schedule of Sponsored GC Trade Timeframes, shall be deleted from the Comparison System during the same processing cycle as the Repo Start Date for such Sponsored GC Trades.

~~The timeframes for deletion of trade data that are set forth in this schedule may be changed by the Corporation upon the provision by it of 15 Business Days' prior notice of such to all Members.~~

* * *

SCHEDULE OF REQUIRED MATCH DATA

These Required Match Data items are applicable to all Transactions, including Repo Transactions, except as otherwise noted below:

- (1) Contra Member **i**dentifying **n**umber
- (2) CUSIP Number
- (3) Member's **i**dentifying **n**umber
- (4) Par **a**mount (this is not applicable to General Collateral Repo Transactions)
- (5) Settlement **a**mount (final money) - if this field is left blank, the Corporation will calculate the settlement amount using: (a) for Repo Transactions, the start amount, the Contract Repo Rate, and the number of days from start date to settlement date, and (b) for buy/sell transactions, the par value, price, and accrued interest
- (6) Settlement **d**ate - must contain a valid, settlement date
- (7) Transaction **t**ype - an indication of the type of transaction (i.e., buy, sell, repo, or reverse)

In addition, these Required Match Data items are applicable only to Repo Transactions:

- (8) Start **a**mount - the Contract Value for the start leg of the Repo Transaction
- (9) Start **d**ate - the settlement date for the start leg of a Repo Transaction

This schedule does not apply to Netting-Eligible Auction Purchases, CCIT Transactions and GCF Repo Transactions. Also, notwithstanding the above, the requirements of this schedule are superseded by the provisions of Rule 10 to the extent that they are inconsistent with that Rule.

* * *

SCHEDULE OF REQUIRED DATA SUBMISSION ITEMS

In addition to the data items listed in the Schedule of Required Match Data, the following data items are required, as indicated below, to be submitted by Members when they submit trade data to the Corporation:

- (1) Broker **r**Reference **n**Number – the reference number used by a Repo Broker submitting data to uniquely identify the matching short and long sides of a Brokered Transaction
- (2) Contra **e**Executing **f**Firm **s**Symbol – if this field is left blank, the Corporation will fill this field with the identifier of the contra Agent Clearing Member or Sponsoring Member, as applicable
- (3) Executing **f**Firm **s**Symbol – the Executing Firm Customer or Sponsored Member identifier; this field is required for all Sponsored Member Trades and Agent Clearing Transactions
- (4) External **r**Reference **n**Number – the reference number used by a Member submitting data to uniquely identify the transaction
- (5) Price (rate) – as regards Repo Transaction, the repo rate must be submitted in this field
- (6) Pricing **m**Method – for buy/sell transactions, this field must be submitted with either a “D” (discount), “P” (price), or “Y” (yield), while for Repo Transactions, this field must be submitted with an “R” (rate)
- (7) Trade **d**Date – the date on which the trade was executed must be submitted in this field

This schedule does not apply to Netting Eligible Auction Purchases and GCF Repo Transactions, and items (1) and (2) above are not required for Sponsored Member Trades.

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SCHEDULE OF REQUIRED AND OTHER DATA SUBMISSION ITEMS FOR GCF REPO TRANSACTIONS AND CCIT TRANSACTIONS

The following data items are required to be received by the Corporation from a GCF-Authorized Inter-Dealer Broker as regards a GCF Repo Transaction in order for such GCF Repo Transaction to be compared by the Corporation:

Broker Reference Number – The GCF-Authorized Inter-Dealer Broker’s unique reference number for the GCF Repo Transaction.

End Date - The settlement date for the End Leg.

Start Money – The Start Leg settlement amount.

Contract Repo Rate – The underlying interest rate.

Broker’s Reverse Member ID – Member identifying number of the GCF Counterparty from whom the Broker is reversing in securities.

Broker’s Repo Member ID – Member identifying number of the GCF Counterparty to whom the Broker is repoing out securities.

CUSIP – The nine-digit Generic CUSIP Number.

The following fields will be automatically populated by the Corporation with default data, which may be overridden by the GCF-Authorized Inter-Dealer Broker as required:

Trade Date – The current date will automatically populate this field.

Start Date – The current date will automatically populate this field.

~~The following fields will be automatically calculated and/or populated by the Corporation, and cannot be overridden by the GCF-Authorized Inter-Dealer Broker:~~

~~GSD TID—The Corporation’s unique transaction identifier, automatically assigned to a new GCF Repo Transaction by the Corporation.~~

~~Final Money—The Corporation will automatically calculate the End Leg settlement money for the GCF Repo Transaction using start money, rate and term (based on start date and end date).~~

~~Security Description—Automatically displayed by the Corporation based upon Generic CUSIP Number submitted.~~

~~Broker’s Reverse Member Name Automatically displayed by the Corporation based upon the identification number entered in the “Broker’s Reverse Member ID” field.~~

~~Broker’s Repo Member Name Automatically displayed by the Corporation based upon the ID entered in the “Broker’s Repo Member ID” field.~~

~~Term—Total number of days that the GCF Repo Transaction is scheduled to be outstanding, automatically calculated and displayed by the Corporation.~~

~~Interest—The total repo interest (i.e., the difference between the repo start and end money) automatically calculated and displayed by the Corporation.~~

~~Accrued to Date—The repo interest accrued to date automatically calculated and displayed by the Corporation.~~

This schedule shall also apply to CCIT Transactions except that Broker specific information shall not apply to CCIT Transactions. For the avoidance of doubt, the following data items are required to be received by the Corporation from CCIT Members and/or Netting Members as regards a CCIT Transactions for which the Member is a party:

- (1) Contra Member Identifying Number
- (2) CUSIP Number
- (3) Member's Identifying Number
- (4) Start Money
- (5) Contract Repo Rate
- (6) End Date

* * *

SCHEDULE OF MONEY TOLERANCES

The following Money Tolerances have been established by the Corporation:

- (1) Settlement amount – \$0.10 per \$1 million for Repo Transactions (applicable in Real Time and at the end of day). Notwithstanding this tolerance, any money difference of \$1.00 or less in the settlement amount of a trade will not prevent the trade from being matched.

Settlement amount – \$2 per \$1 million for buy/sell transactions (applicable in Real Time)
- (2) Settlement amount – \$40 per \$1 million for buy-/sell transactions (applicable at end of day~~in connection with the Corporation's presumption of a match of data pursuant to Rule 10~~)
- (3) Start amount (applies only to Repo Transactions) – \$1 per Repo Transaction

This schedule is in connection with the Corporation's presumption of a match of data, pursuant to Rule 10. Also, notwithstanding the above, this schedule does not apply to Netting-Eligible Auction Purchases, GCF Repo Transactions, CCIT Transactions and Sponsored GC Trades.

* * *

SCHEDULE OF GC COMPARABLE SECURITIES^{1 2 3 4}

Generic Security Type	GC Repo Security Number	Description	GC Comparable Securities
TU10	84910LAB2	U.S. TREASURIES < 10 YR MATURITY	U.S. Treasury bills, notes and bonds ⁵ (including U.S. Treasury floating rate notes) maturing in a time frame no greater than that of the securities that have been traded
TU30	84910LAA4	U.S. TREASURIES < 30 YR MATURITY	U.S. Treasury bills, notes and bonds (including U.S. Treasury floating rate notes) maturing in a time frame no greater than that of the securities that have been traded
AGCY	84910LAC0	NON-MORTGAGE BACKED U.S. AGENCY SECURITIES	<p>Non-Mortgage Backed Securities issued by:</p> <ul style="list-style-type: none"> • Federal Farm Credit Banks • Federal Home Loan Banks • Federal Home Loan Mortgage Corporation • Federal National Mortgage Association • U.S. Treasury bills, notes and bonds (excluding U.S. Treasury floating rate notes)
FFFIX	84910LAD8	FEDERAL NATIONAL	Fannie Mae and Freddie Mac

¹ Please refer to the Sponsored GC Clearing **Agent** Bank for details regarding the Fed “tickers” applicable to GC Comparable Securities.

² Government National Mortgage Association (“Ginnie Mae”) serial notes are not eligible as GC Comparable Securities.

³ U.S. Agency Real Estate Mortgage Investment Conduits (“REMICs”) and U.S. Agency Collateralized Mortgage Obligations (“CMOs”) are not eligible as GC Comparable Securities.

⁴ Eligible Securities with a maturity date of the next Business Day are not eligible as GC Comparable Securities.

⁵ For purposes of this Schedule, the references to U.S. Treasury bills, notes or bonds shall not include U.S. Treasury inflation-protected securities (“TIPS”) or U.S. Treasury Separate Trading of Registered Interest and Principal Securities (“STRIPS”).

Generic Security Type	GC Repo Security Number	Description	GC Comparable Securities
		MORTGAGE ASSOCIATION (“FANNIE MAE”) & FEDERAL HOME LOAN MORTGAGE CORPORATION (“FREDDIE MAC”) FIXED RATE MORTGAGE- BACKED SECURITIES	Fixed Rate Mortgage-Backed Securities U.S. Treasury bills, notes and bonds (excluding U.S. Treasury floating rate notes)
FFARM	84910LAE6	FANNIE MAE & FREDDIE MAC ADJUSTABLE RATE MORTGAGE-BACKED SECURITIES	Fannie Mae and Freddie Mac Fixed Rate and Adjustable Rate Mortgage--Backed Securities Ginnie Mae Fixed Rate and Adjustable Rate Mortgage-Backed Securities U.S. Treasury bills, notes and bonds (excluding U.S. Treasury floating rate notes)
GNMA	84910LAF3	GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (“GINNIE MAE”) FIXED RATE MORTGAGE-BACKED SECURITIES	Ginnie Mae Fixed Rate Mortgage-Backed Securities U.S. Treasury bills, notes and bonds (excluding U.S. Treasury floating rate notes)
GNARM	84910LAG1	GINNIE MAE ADJUSTABLE RATE MORTGAGE-BACKED SECURITIES	Ginnie Mae Adjustable Rate and Ginnie Mae Fixed Rate Mortgage-Backed Securities U.S. Treasury bills, notes and bonds (excluding U.S. Treasury floating rate notes)
TIPS	84910LAH9	U.S. TREASURY INFLATION-PROTECTED	U.S. Treasury inflation- protected notes and bonds U.S. Treasury bills, notes, and

Generic Security Type	GC Repo Security Number	Description	GC Comparable Securities
		SECURITIES (“TIPS”)	bonds (excluding U.S. Treasury floating rate notes)
STRP	84910LAJ5	U.S. TREASURY SEPARATE TRADING OF REGISTERED INTEREST AND PRINCIPAL OF SECURITIES (“STRIPS”)	U.S. Treasury STRIPS U.S. Treasury bills, notes and bonds (excluding U.S. Treasury floating rate notes)

* * *

FEE STRUCTURE*

I. TRANSACTION FEES

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G. Locked-In Trade Data

Data received by the Corporation on a locked-in basis from a Locked-In Trade Source related to a side of a buy/sell transaction entered into by a Member, or entered into by a Non-Member that the Member is clearing for, shall result in the charges established by the “Transaction Processing” fees in Section I.A. above. These fees are for the processing and reporting of Locked-In Trade data by the Corporation to the Member. This charge shall not apply to GCF Repo Transactions or CCIT Transactions.

* * *

INTERPRETIVE GUIDANCE WITH RESPECT TO SETTLEMENT FINALITY

1. *Interpretive Guidance With Respect to Settlement Finality – Funds-Only Settlement*

The point of finality for funds-only settlement by the Corporation is defined by the Federal Reserve Bank Operating Circular 12,⁶ which governs NSS processing by the FRB. The

* Fees stated to apply to CCIT Members shall be applied at the Joint Account level for CCIT Members participating through a Joint Account.

⁶ Federal Reserve Banks Operating Circular 12, as promulgated from time to time by the FRB (hereinafter, “Operating Circular 12”), available at <https://www.frbservices.org>.

Corporation and each Member's Funds-Only Settling Bank is a "Settler" and together are in a "Settlement Arrangement" (each term as defined in Operating Circular 12) for purposes of funds-only settlement.⁷ DTC, as the Settlement Agent (as defined in the Rules and in Operating Circular 12), provides the Settlement File (as defined in Operating Circular 12) to the FRB.⁸ Each Settler maintains a Master Account (as defined in Operating Circular 12) with the FRB.⁹ The point of finality in accordance with Operating Circular 12 is, for debits, the time at which the Settler's Master Account is debited by the FRB,¹⁰ and, for credits, the time at which the Settler's Master Account is credited by the FRB.¹¹

Therefore, the point of finality with respect to funds-only settlement by the Corporation is the point at which each of the Master Accounts for the Corporation and the Funds-Only Settling Banks designated by each of the Members have been debited and credited through NSS pursuant to the Settlement File provided by the Settlement Agent.

2. *Interpretive Guidance With Respect to Settlement Finality – Settlement for Securities Deliveries and Related Payment Obligations.*

* * *

(c) *Point of Finality on the Fedwire System.*

The point of finality relating to settlement of securities deliveries and related payment obligations that occurs through the Fedwire system is defined by the Federal Reserve Banks Operating Circular No. 7,¹² which governs book entry security account maintenance and transfers. The Corporation's clearing bank and each Member's clearing bank is a "Participant" and maintains a "Securities Account" and a "Master Account" with the FRB (each term as defined in Operating Circular 7).¹³

Operating Circular 7 provides that all debits and credits in connection with a Transfer **(as defined in Operating Circular 7)** become final at the time the debits and credits are posted to both the Sender's and Receiver's Securities Accounts and, in case of Transfer Against Payment (as defined in Operating Circular 7), their corresponding Master Accounts.¹⁴ For purposes of

⁷ See defined terms set forth in Operating Circular 12.

⁸ See *id.*

⁹ See *id.* See also definition of "Master Account" in Federal Reserve Banks Operating Circular 1, as promulgated from time to time by the FRB (hereinafter, "Operating Circular 1"), available at <https://www.frbservices.org>.

¹⁰ See description of posting debit balances set forth in Operating Circular 12.

¹¹ See description of posting credit balances set forth in Operating Circular 12.

¹² Federal Reserve Banks Operating Circular 7, as promulgated from time to time by the FRB (hereinafter, "Operating Circular 7"), available at <https://www.frbservices.org>.

¹³ See defined terms set forth in Operating Circular 7. See also definition of "Master Account" in Operating Circular 1, available at <https://www.frbservices.org>.

¹⁴ See description of finality set forth in Operating Circular 7.

settlement of securities deliveries and related payment obligations, the clearing banks designated by the Corporation and each Member to deliver and receive securities and related funds on behalf of the Corporation and each Member, respectively, are the Senders and Receivers described in Operating Circular 7.

* * *

FIXED INCOME CLEARING CORPORATION
MORTGAGE-BACKED SECURITIES DIVISION
CLEARING RULES

RULE 1 – DEFINITIONS*

Unless the context requires otherwise, the terms defined in this Rule shall, for all purposes of these Rules, have the meanings herein specified.

* * *

Intraday Mark-to-Market Charge

* * *

- (c) The Corporation may waive the imposition of the Intraday Mark-to-Market Charge, or may decrease or increase the amount of the Intraday Mark-to-Market Charge, in circumstances where the Corporation determines that the adverse change to the Clearing Member's Mark-to-Market and/or the breaches of the Parameters referred to in subsection (a) or as adjusted pursuant to subsection (b) ~~or (c)~~ do not accurately reflect the Corporation's risk exposure to the Clearing Member's intraday Mark-to-Market fluctuation. Examples of circumstances that the Corporation may consider with respect to the determination in the previous sentence, may include, but shall not be limited to, large Mark-to-Market fluctuations arising out of trade errors. Any decrease to such Intraday Mark-to-Market Charge shall not reduce the Clearing Member's Required Fund Deposit below the amount reported to the Clearing Member at the start of day. Any increase to the Intraday Mark-to-Market Charge shall not cause the Intraday Mark-to-Market Charge to be greater than two times its calculated amount.

* * *

SBO

The term "SBO" means the settlement balance orders that constitute the net positions of a Clearing Member as a result of the TBA Netting process. ~~The resulting transactions from this TBA Netting process are identified as SBON Trades.~~

SBO-Destined Trade

The term "SBO-Destined Trade" means a TBA transaction in the Clearing System intended for TBA Netting in accordance with the provisions of these Rules.

~~SBO Net Open Position~~

~~The term "SBO Net Open Position" means any SBO-Destined Trade that cannot be offset pursuant to these Rules.~~

* All products and services provided by the Corporation referenced in these Rules are either registered trademarks or servicemarks of, or trademarks or servicemarks of, The Depository Trust & Clearing Corporation or its affiliates. Other names of companies, products or services appearing in these Rules are the trademarks or servicemarks of their respective owners.

SBON Trade

The term “SBON Trade” means a settlement balance order that offsets an SBO Net Open Position pursuant to these Rules. A Member which has one or more “Long SBON Trades” in a particular CUSIP number is a net purchaser with respect to that CUSIP number, as the case may be; a Member which has one or more “Short SBON Trades” is a net seller. SBON Trades settle directly with the Corporation.

* * *

Watch List^π

The term “Watch List” means, at any time and from time to time, the list of Members whose credit ratings derived from the Credit Risk Rating Matrix are ~~6 or 7~~ **12 through 18**, as well as Members that, based on the Corporation’s consideration of relevant factors, including those set forth in Section 11(d) of Rule 3, are deemed by the Corporation to pose a heightened risk to the Corporation and its Members.

* * *

RULE 6 – TBA NETTING

Section 1 – Netting

Each Clearing Member’s SBO-Destined Trades in each Account in the TBA Netting system (other than SBO-Destined Trades that have been converted to Trade-for-Trade Transactions as provided in this Rule) shall be netted by CUSIP number on a monthly basis. The TBA Netting system will generate SBON Trades. The Settlement Price of an SBON Trade shall be the System Price

To the extent that any of the Clearing Member’s purchase or sale **SBO-Destined Trades** cannot be offset (~~SBO Net Open Positions~~), the Corporation shall assign the Clearing Member one or more SBON Trades offsetting such **SBO-Destined Trades** ~~SBO Net Open Positions~~.

* * *

^π Being placed on the Watch List may result in Clearing Fund-related consequences as well as other consequences under these Rules. Please refer to the Interpretive Guidance with Respect to Watch List Consequences in this rulebook.

RULE 14 – RESTRICTIONS ON ACCESS TO SERVICES

Section 1 - Cause for Action by the Corporation

* * *

(e) the Member has failed to make to the Corporation, on a timely basis, any required payment, or deposit or delivery provided for in these Rules or in the Corporation's procedures, including any fee, fine or other charge, and a delivery of securities;

* * *

RULE 19 – BILLS RENDERED

Pursuant to such timeframes that the Corporation shall set forth from time-to-time, the Corporation will render bills to Members, which may reflect adjustments to prior bills, for charges on account of the actual business of a prior month, and for fines imposed during any month. Unless otherwise permitted by the Corporation, for each Member, payment of such bill is due upon its receipt, and each Member shall be obligated to pay the amount of the bill in accordance with timeframes set forth by the Corporation as a part of satisfying its Cash Settlement obligation.

* * *

RULE 22 – RELEASE OF CLEARING DATA

* * *

(e) ~~The foregoing notwithstanding~~Notwithstanding the foregoing, this Rule is not intended to, nor shall it be deemed to be in contravention, or a limitation, of the Corporation's obligations, as a self-regulatory organization, to cooperate and share data with other regulatory and self-regulatory organizations for regulatory purposes.

* * *

RULE 26 – FINANCIAL REPORTS AND
INTERNAL ACCOUNTING CONTROL REPORTS

Section 1 – Financial Reports

As soon as practicable after the end of each ~~calendar~~fiscal year, the Corporation shall ~~provide~~make available to Members audited U.S. GAAP financial statements of the Corporation,¹⁵ including the independent auditors' report on the financial statements

¹⁵ The Corporation's financial statements will be unconsolidated with any other entity, including DTCC.

~~audited and covered by a report prepared by independent public accountants~~ for such ~~calendar~~fiscal year. The Corporation shall undertake to ~~provide~~make available such financial statements and report to Members within 60 days following the last day~~close~~ of the Corporation's fiscal year. ~~The Corporation's financial statements will be prepared in accordance with Generally Accepted Accounting Principles and will include the following:~~

- ~~(a) — balance of the Clearing Fund and the breakdown of the Clearing Fund balance between the various forms of contributions to the Clearing Fund (i.e., cash and secured open account indebtedness);~~
- ~~(b) — types and amounts of investments made of the cash balance;~~
- ~~(c) — the amount, if any, charged to the Clearing Fund during the year in excess of a defaulting Member's Clearing Fund contribution; and~~
- ~~(d) — any other charge to the Clearing Fund during the year not directly related and chargeable to a specific participant's Fund contribution.~~

The Corporation shall also ~~undertake to make available~~provide to Members unaudited U.S. GAAP financial statements of the Corporation within 30 days following the last day~~close~~ of the Corporation's fiscal quarter for each of the first three ~~calendar~~fiscal quarters of each ~~calendar~~ year. The Corporation shall undertake to make available to Members Unaudited U.S. GAAP financial statements for the Corporation's fourth fiscal quarter of each ~~calendar~~fiscal year ~~will be provided to Members~~ within 60 days following the last day~~close~~ of the Corporation's fiscal year. ~~Quarterly financial statements will at the minimum consist of:~~

- ~~(a) — a statement of financial position as of the end of the most recent fiscal quarter and as of the end of the corresponding period of the preceding fiscal year;~~
- ~~(b) — a statement of cash flows for the period between the end of the last fiscal year and the end of the most recent fiscal quarter and for the corresponding period of the preceding fiscal year; and~~
- ~~(c) — a statement of results of operations, which may be condensed, for the most recent fiscal quarter and for the period between the end of the last fiscal year and the end of the most recent fiscal quarter and for the corresponding periods of the preceding fiscal year.~~

* * *

RULE 27 – RULE CHANGES

The Corporation shall promptly notify all Members and Registered Clearing Agencies of any proposal it has made to change, revise, add or repeal any Rule, and of the text or a brief description of the proposed Rule and its purpose and effect, by posting such proposal on its website. Members and Registered Clearing Agencies may submit to the Corporation for its consideration their comments with respect to any such proposal, and such comments shall be filed with the Corporation's records and copies thereof delivered to the SEC.

* * *

RULE 29 – GOVERNING LAW AND CAPTIONS

Section 1 – Governing Law

These Rules, and all agreements and other documents entered into between a Member and the Corporation, or otherwise delivered to or ~~from~~by the Corporation pursuant to these Rules, and the rights and obligations thereunder, shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed and performed therein, unless otherwise expressly provided.

* * *

RULE 30 – LIMITATIONS OF LIABILITY

Section 1 – Reliance of the Corporation upon Instructions Containing Errors

The Corporation may accept or rely upon any information or instruction given to the Corporation by a Member ~~including wire transmission, physical delivery or delivery by other means of information or instructions recorded on magnetic tape or other media or of facsimile copies of information or instructions,~~ in any form acceptable to the Corporation and in accordance with the Rules, which reasonably is understood by the Corporation to have been delivered to the Corporation by the Member.

The Corporation may accept and rely upon any information or instruction given to the Corporation by a Member, or a Designee on behalf of the Member (each hereinafter referred to as the “Agent”), ~~including wire transmission, physical delivery or delivery by other means of information or instructions,~~ in a form acceptable to the Corporation and in accordance with the Rules, which reasonably is understood by the Corporation to have been delivered to the Corporation by the Agent, and the Corporation shall be entitled to act pursuant to any such information or instruction as though such information or instruction had been received from the Member for which the Agent is acting.

With respect to instructions given to the Corporation by a Member or its Agent, the Corporation will not be responsible for the completeness or accuracy of any instructions and shall have no responsibility or liability for any errors which may occur in the course of transmissions or recording of any transmissions or which may exist in any document or other media so delivered to the Corporation.

* * *

RULE 34 – ACTION BY THE CORPORATION

Where action by the Board of Directors is required by these Rules, the Corporation may act, to the fullest extent permitted by law, by the Chairman of the Board, the President **and Chief**

Executive Officer, ~~or~~ Managing Director or Executive Director or by such other Person or Persons, whether or not employed by the Corporation, as may be designated by the Board of Directors from time to time.

* * *

RULE 35 – NOTICES

Section 1 – Notice to an Interested Person

Any notice pursuant to these Rules from the Corporation to an Interested Person shall be sufficiently served on such Interested Person if the notice is in writing, and is mailed to the Interested Person's office address **or emailed to the Interested Person's email address, is sent via electronic mail to the Interested Person's electronic mail address or is transmitted by facsimile machine to a facsimile machine located either in the Interested Person's office or elsewhere as designated by such Interested Person.** Any notice to an Interested Person, if mailed, shall be deemed to have been given when deposited in the United States Postal Service, with postage thereon prepaid, directed to the Interested Person at its office address, and if **emailed sent via electronic mail,** shall be deemed given when routed to the **electronic mail email** address of the Interested Person. ~~Any notice to an Interested Person, if transmitted by facsimile machine as provided above, shall be deemed to have been given when such transmission is verified on the facsimile machine of the Corporation as having been transmitted.~~

Notwithstanding anything in these Rules to the contrary, the Corporation may distribute notices to all Interested Persons by posting such notices on the Corporation's website. The Corporation shall deem a notice sufficiently delivered once such notice is successfully posted to the website, and it is the responsibility of the Interested Persons to retrieve notices daily from the Corporation's website.

Section 2 – Notice to the Corporation

Any notice from an Interested Person to the Corporation shall be sufficiently served on the Corporation if the notice is in writing and is delivered or mailed to the Corporation at its principal place of business, Attention: Secretary, or such other place as the Corporation designates, with a copy of the notice sent by **electronic mail email** to the General Counsel's Office of the Corporation at gcocontractnotices@dtcc.com. Any such notice to the Corporation shall be deemed to have been given when received.

Section 3 – Notice by the Corporation of Certain Actions

Any notice required to be given by the Corporation pursuant to Rule 14, Rule ~~16~~ **17**, or Rule 38; shall set forth the specific grounds under consideration upon which any action taken by the Corporation pursuant to such Rule or Rules may be based and shall contain notice to the Member of its right to request a hearing, such request to be filed by such Member with the Corporation pursuant to Rule 28.

* * *

RULE 36 – INTERPRETATION OF TERMS

Notwithstanding the use of words such as **“borrow”**, “collateral”, **“lend”**, “purchase”, “secure”, and “sell”, and other words derived from those words, which reflect terminology commonly used in the market for transactions of the kind processed by the Corporation under these Rules, the use of such words in these Rules, or in agreements entered into by the Corporation with Members pursuant to these Rules, shall not be deemed to affect the intent of the Members as to their characterization of such transactions in agreements entered into by the Members with one another or with third parties in respect of such transactions.

* * *

INTERPRETIVE GUIDANCE WITH RESPECT TO SETTLEMENT FINALITY

1. Interpretive Guidance With Respect to Settlement Finality – Cash Settlement

The point of finality for Cash Settlement by the Corporation is defined by the Federal Reserve Bank Operating Circular 12,¹⁶ which governs NSS processing by the FRB. The Corporation and each Member’s Cash Settling Bank is a “Settler” and together are in a “Settlement Arrangement” (each term as defined in Operating Circular 12) for purposes of Cash Settlement.¹⁷ DTC, as the Settlement Agent (as defined in the Rules and in Operating Circular 12), provides the Settlement File (as defined in Operating Circular 12) to the FRB.¹⁸ Each Settler maintains a Master Account (as defined in Operating Circular 12) with the FRB.¹⁹ The point of finality in accordance with Operating Circular 12 is, for debits, the time at which the Settler’s Master Account is debited by the FRB,²⁰ and, for credits, the time at which the Settler’s Master Account is credited by the FRB.²¹

* * *

¹⁶ **Federal Reserve Banks Operating Circular 12**, as promulgated from time to time by the FRB, **(hereinafter, “Operating Circular 12”)**, available at <https://www.frbservices.org> ~~**(hereinafter, “Operating Circular 12”)**~~.

¹⁷ See defined terms set forth in Operating Circular 12.

¹⁸ See id.

¹⁹ See id. See also definition of “Master Account” in Federal Reserve Banks Operating Circular 1, as promulgated from time to time by the FRB, **(hereinafter, “Operating Circular 1”)**, available at <https://www.frbservices.org> ~~**(hereinafter, “Operating Circular 1”)**~~.

²⁰ See description of posting debit balances set forth in Operating Circular 12.

²¹ See description of posting credit balances set forth in Operating Circular 12.

2. *Interpretive Guidance With Respect to Settlement Finality – Settlement for Securities Deliveries and Related Payment Obligations.*

(b) *Point of Finality on the Fedwire System.*

The point of finality relating to settlement of securities deliveries and related payment obligations that occurs through the Fedwire system is defined by the Federal Reserve Banks Operating Circular No. 7,²² which governs book entry security account maintenance and transfers. The Corporation's clearing bank and each Member's clearing bank is a "Participant" and maintains a "Securities Account" and a "Master Account" with the FRB (each term as defined in Operating Circular 7).²³

Operating Circular 7 provides that all debits and credits in connection with a Transfer (**as defined in Operating Circular 7**) become final at the time the debits and credits are posted to **both** the Sender's and Receiver's Securities Accounts and, in case of Transfer Against Payment, (**as defined in Operating Circular 7**), their corresponding Master Accounts.²⁴ For purposes of settlement of securities deliveries and related payment obligations, the clearing banks designated by the Corporation and each Member to deliver and receive securities and related funds on behalf of the Corporation and each Member, respectively, are the Senders and Receivers described in Operating Circular 7.

Therefore, the point of finality of settlement of securities deliveries and related payment obligations is when each of the Securities Accounts and the Master Accounts of the clearing banks designated by the Corporation and each of the Members have been debited and credited through the Fedwire system in accordance with the settlement instructions provided by the Corporation.²⁵

* * *

²² Federal Reserve Banks Operating Circular 7, as promulgated from time to time by the FRB, (**hereinafter, "Operating Circular 7"**), available at <https://www.frbservices.org> (~~hereinafter, "Operating Circular 7"~~).

²³ See defined terms set forth in Operating Circular 7. **See also definition of "Master Account" in and** Operating Circular 1.

²⁴ See description of finality set forth in Operating Circular 7.

²⁵ Each Business Day, the Corporation makes available to each Member a Report that provides settlement information that the Corporation deems sufficient to enable each such Member to be able to settle its securities deliveries and related payment obligations and each Member is obligated to provide the appropriate instructions to its clearing bank to deliver and/or receive securities and related payments as set forth in the Report. Rule 9, Section 3.

**FIXED INCOME CLEARING CORPORATION
MORTGAGE-BACKED SECURITIES DIVISION
EPN RULES**

**ARTICLE I
DEFINITIONS AND GENERAL PROVISIONS***

Rule 1. Definitions

Unless the context requires otherwise, the terms defined in this Rule shall, for all purposes of these EPN Rules, have the meanings herein specified.

* * *

Reportable Event

The term “Reportable Event” means an event that would effect a change in control of an EPN User or could have a substantial impact on such EPN User’s business and/or financial condition, including, but not limited to: (a) material organizational changes including mergers, acquisitions, changes in corporate form, name changes, changes in the ownership of an EPN User or its affiliates, and material changes in management, and (b) status as a defendant in litigation, which could reasonably impact the EPN User’s financial condition or ability to conduct business.

SEC

The term “SEC” means the Securities and Exchange Commission.

* * *

**ARTICLE III
EPN USERS**

Rule 1. Requirements Applicable to EPN Users

Sec. 1. Applicants Eligible to Become EPN Users

The Corporation shall provide services to those organizations, entities or persons who apply to the Corporation to become an EPN User, who qualify as an EPN User under these EPN Rules and whose EPN User Profiles are approved by the Corporation.

* All products and services provided by the Corporation referenced in the EPN Rules are either registered trademarks or servicemarks of, or trademarks or servicemarks of, The Depository Trust & Clearing Corporation or its affiliates. Other names of companies, products or services appearing in the EPN Rules are the trademarks or servicemarks of their respective owners.

Sec. 2. Qualification and Approval of Applicants

Subject to the limitations set forth in this Rule 1, ~~T~~the Corporation ~~shall~~ may approve an EPN User Profile, submitted by an applicant, to become an EPN User ~~if the applicant~~ upon a determination that such applicant meets the following requirements:

- (a) Operational Capability. ~~T~~the applicant has affirmatively shown that it has the ability to satisfactorily communicate with the Corporation, fulfill anticipated commitments to and meet the operational requirements of the Corporation with necessary promptness and accuracy, and conform to any condition and requirement that the Corporation reasonably deems necessary for its protection or that of its Participants. The applicant agrees that it must fulfill, within the timeframes established by the Corporation, operational testing requirements (the scope of such testing to be determined by the Corporation in its sole discretion) and related reporting requirements (such as reporting test results to the Corporation in a manner specified by the Corporation) that may be imposed by the Corporation to ensure the continuing operational capability of the applicant;
- (b) Testing. ~~Each~~The applicant must have the successful completion of network and connectivity testing at the current FICC standards (the scope of such testing to be determined by the Corporation in its sole discretion); and
- (c) Cybersecurity. The applicant has completed and delivered to the Corporation a Cybersecurity Confirmation.

* * *

**ARTICLE V
MISCELLANEOUS**

Rule 1. Action by the Corporation

Where action by the Board of Directors is required by these EPN Rules, the Corporation may act, to the fullest extent permitted by law, by the Chairman of the Board, by its President and Chief Executive Officer, any Managing Director or any Executive Director or by such person or persons, whether or not employed by the Corporation, as may be designated from time to time by the Board of Directors.

* * *

Rule 5. Financial Reports

As soon as practicable after the end of each ~~calendar~~fiscal year, the Corporation shall ~~provide~~make available to EPN Users ~~financial statements of the Corporation audited U.S. GAAP financial statements of the Corporation, including the independent auditors' report on the and covered by a report prepared by independent public accountants for such calendar year. The Corporation shall undertake to provide such~~ financial statements for such fiscal year. The Corporation shall undertake to make available such financial

statements and report to EPN Users within 60 days following the ~~el~~se~~last~~ day of the Corporation's fiscal year.

The Corporation shall also undertake to make available~~provide~~ to EPN Users unaudited U.S. GAAP financial statements of the Corporation within 30 days following the ~~el~~se~~last~~ day of the Corporation's fiscal quarter for each of the first three ~~e~~a~~l~~e~~n~~dar fiscal quarters of each ~~e~~a~~n~~dar-year.

Rule 6. Limitation on Liability of the Corporation; Fidelity Bond

* * *

Sec. 3. Fidelity Bond

The Corporation shall use its best efforts to maintain, or arrange for the maintenance by the Corporation of such insurance, including fidelity bonds, in such amounts and having such coverage regarding the business of the Corporation, as the Board shall deem appropriate. The insurance policies or contracts pursuant to which such insurance is provided shall be open to the inspection of the Members at the offices of the Corporation during regular business hours on Business Days. If the Corporation shall materially reduce the amount or coverage of any such insurance or the persons providing such insurance shall notify the Corporation of a material reduction in the amount of coverage thereof, the Corporation shall promptly notify each Member and the ~~SEC~~Securities and Exchange Commission thereof stating the effective date of such reduction.

* * *

Rule 9. Governing Law and Captions

Sec. 1.

These EPN Rules, and all agreements and other documents entered into between an EPN User and the Corporation, or otherwise delivered to or ~~from~~by the Corporation pursuant to these EPN Rules, and the rights and obligations thereunder, shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed and performed therein, unless otherwise expressly provided.

Sec. 2.

Captions to any EPN Rules are for information and guidance only, are not part of any EPN Rule and are to be given no consideration in applying or construing any EPN Rules.

Rule 10. Amendment of EPN Rules

The Corporation shall promptly notify all EPN Users and Registered Clearing Agencies of any proposal it has made to change, revise, add or repeal any EPN Rule, and of the text or a brief description of the proposed EPN Rule and its purpose and effect, by posting such proposal on its website. EPN Users and Registered Clearing Agencies may submit to the Corporation for its consideration their comments with respect to any such proposal, and such comments shall be

filed with the Corporation's records and copies thereof delivered to the ~~SEC~~**Securities and Exchange Commission**.

* * *

Rule 16. Notices

Any notice pursuant to these EPN Rules from the Corporation to an Interested Person shall be sufficiently served on such Interested Person if the notice is in writing, and is mailed to the Interested Person's office address or emailed to the Interested Person's email address, is sent via electronic mail to the Interested Person's electronic mail address or is transmitted by facsimile machine to a facsimile machine located either in the Interested Person's office or elsewhere as designated by such Interested Person. Any notice to an Interested Person, if mailed, shall be deemed to have been given when deposited in the United States Postal Service, with postage thereon prepaid, directed to the Interested Person at its office address, and if emailed sent via electronic mail, shall be deemed given when routed to the electronic mail email address of the Interested Person. ~~Any notice to an Interested Person, if transmitted by facsimile machine as provided above, shall be deemed to have been given when such transmission is verified on the facsimile machine of the Corporation as having been transmitted.~~

Notwithstanding anything in these EPN Rules to the contrary, the Corporation may distribute notices to all Interested Persons by posting such notices on the Corporation's website. The Corporation shall deem a notice sufficiently served once such notice is successfully posted to the website, and it is the responsibility of the Interested Persons to retrieve notices daily from the Corporation's website.

Any notice from an Interested Person to the Corporation shall be sufficiently served on the Corporation if the notice is in writing and is delivered or mailed to the Corporation at its principal place of business, Attention: Secretary, or such other place as the Corporation designates, with a copy of the notice sent by ~~electronic mail~~email to the General Counsel's Office of the Corporation at gcocontractnotices@dtcc.com. Any such notice to the Corporation shall be deemed to have been given when received.

Any notice required to be given by the Corporation pursuant to Article III Rule 3 shall set forth the specific grounds under consideration upon which any action taken by the Corporation pursuant to such Rule may be based and shall contain notice to the EPN User of its right to request a hearing, such request to be filed by such EPN User with the Corporation pursuant to Article V Rule 7.

* * *