



<b>A#:</b>	<b>A8495</b>
<b>P&amp;S#:</b>	<b>8070</b>
<b>DATE:</b>	<b>DECEMBER 18, 2017</b>
<b>TO:</b>	<b>ALL MEMBERS AND LIMITED MEMBERS</b>
<b>FROM:</b>	<b>GENERAL COUNSEL'S OFFICE</b>
<b>ATTENTION:</b>	<b>MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; COMPLIANCE OFFICER</b>
<b>SUBJECT:</b>	<b>ENHANCEMENTS TO THE LOSS ALLOCATION RULES (SR-NSCC-2017-018 AND SR-NSCC-2017-806)</b>

On December 18, 2017, National Securities Clearing Corporation (“NSCC”) filed a proposed rule change (SR-NSCC-2017-018) (“Rule Filing”) with the Securities and Exchange Commission (“SEC”) pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934, as amended, and an advance notice filing (SR-NSCC-2017-806) (“Advance Notice”, together with the Rule Filing, the “Filings”) with the SEC and the Board of Governors of the Federal Reserve System pursuant to Section 806(e)(1) of Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act entitled the Payment, Clearing, and Settlement Supervision Act of 2010.

The Filings consist of modifications to the NSCC Rules & Procedures that would enhance the loss allocation rules as well as other amendments and clarifications.

The full text of the Filings may be obtained by visiting the DTCC website at [www.dtcc.com/legal/sec-rule-filings.aspx](http://www.dtcc.com/legal/sec-rule-filings.aspx). Written comments on the Filings may be addressed to National Securities Clearing Corporation, c/o General Counsel’s Office, 55 Water Street, New York, New York 10041, Attention: Rosa Chang, Executive Director and Associate General Counsel. All such comments will be forwarded to the SEC.

You may also address your written comments to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington DC 20549. Electronic comments may be submitted using the SEC’s Internet comment form (<http://www.sec.gov/rules/sro.shtml>) or by sending an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Numbers SR-NSCC-2017-018 and SR-NSCC-2017-806 on the subject line. We request that you provide NSCC with a copy of your comments.

Questions or inquiries regarding this Important Notice may be addressed to your Relationship Manager. Questions or inquiries regarding the Filings may be addressed to Rosa Chang, Executive Director and Associate General Counsel, at (212) 855-4985.

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit [http://www.dtcc.com/subscription\\_form.php](http://www.dtcc.com/subscription_form.php).