



A #:	8831
P&S:	8404
Date:	March 23, 2020
To:	All Participants
From:	Equity Risk
Attention:	Director of Operations, CFM Contacts
Subject:	ENHANCEMENT TO THE CALCULATION OF FAMILY ISSUED SECURITIES MARGIN CHARGE

NSCC has proposed to enhance the calculation of the Family-Issued Securities margin charge, which is applied to long positions in Family-Issued Securities (“FIS Charge”). The proposed change would apply the same haircut percentage to all Members and would no longer use Members’ ratings on the Credit Risk Rating Matrix (“CRRM”) in calculating this charge.

NSCC plans to implement this enhancement effective March 30, 2020, subject to SEC approval of proposed rule change SR-NSCC-2020-002 and advance notice SR-NSCC-2020-801 (“Rule Filing”).

Following implementation of this change, the amount of Clearing Fund required with respect to long Net Unsettled Positions in Family-Issued Securities shall be determined by multiplying the absolute value of such positions by (A) 80% for long Net Unsettled Positions in fixed income securities that are Family-Issued Securities, and (B) 100% for long Net Unsettled Positions in equity securities that are Family-Issued Securities.

The full text of the Rule Filing may be obtained by visiting the DTCC website at www.dtcc.com/legal/sec-rule-filings.aspx.

Any questions related to this notice should be directed to Equity Risk at (212) 855-5770.

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