

GOV #:	GOV865-20
Date:	March 25, 2020
To:	Government Securities Division Members
Category:	Service Updates
Subject:	Submission of Rule Filing SR-FICC-2020-002 – Amendments to the GSD Rules Relating to the Legal Entity Identifier Requirement

On March 25, 2020, Fixed Income Clearing Corporation (“FICC”) filed a proposed rule change (SR-FICC-2020-002) (“Rule Filing”) with the Securities and Exchange Commission (“SEC”) pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934.

The Rule Filing would revise the FICC Government Securities Division Rulebook (“GSD Rules”) in order to require: (i) each applicant to become a Netting Member and CCIT Member to obtain and provide a “Legal Entity Identifier”¹ to FICC as part of its membership application, (ii) each Netting Member and CCIT Member to have a current Legal Entity Identifier on file with FICC at all times and to indemnify FICC for any losses and Legal Actions that arise due to the failure of a Netting Member or CCIT Member to do so, and (iii) each Sponsoring Member to provide FICC with a Legal Entity Identifier for each of their current Sponsored Members and for each newly added Sponsored Member going forward and to indemnify FICC for any losses and Legal Actions that arise due to the failure of a Sponsoring Member to do so.

The full text of the Rule Filing may be obtained by visiting the DTCC website at www.dtcc.com/legal/sec-rule-filings.aspx. Written comments on the Rule Filing may be addressed to Fixed Income Clearing Corporation, c/o General Counsel’s Office, 55 Water Street, New York, New York 10041, Attention: Nikki Poulos, Managing Director and Deputy General Counsel, and your 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 by using the SEC’s Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or by sending an email to rule-comments@sec.gov. Please include File Number SR-FICC-2020-002 on the subject line. We request that you provide FICC with a copy of your comments.

Questions regarding this Important Notice may be addressed to your Relationship Manager. Questions regarding the Rule Filing may be addressed to Nikki Poulos, Managing Director and Deputy General Counsel, at (212) 855-7633.

¹ A “Legal Entity Identifier” is a 20-character reference code to uniquely identify legally distinct entities that engage in financial transactions. The Legal Entity Identifier is based on the ISO 17442 standard developed by the International Organization for Standardization and satisfies the standards implemented by the Global Legal Entity Identifier Foundation. See <https://www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei>.