

GOV #:	GOV1033-21
Date:	January 20, 2021
To:	Government Securities Division Members
Category:	Service Updates
Subject:	Approval for Rule Filing SR-FICC-2020-015 and No Objection to Advance Notice Filing SR-FICC-2020-803 – Amendments to Include Same-Day Settling Trades in the Risk Management, Novation, Guarantee, and Settlement Services of GSD's DVP Service, and Make Other Changes

On January 19, 2021, the Securities and Exchange Commission ("SEC") issued an order approving proposed rule change SR-FICC-2020-015 ("Rule Filing"), which was filed pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934. On January 14, 2021, the SEC issued a notice of no objection to advance notice filing SR-FICC-2020-803 (the "Advance Notice", together with the Rule Filing, the "Filings"), which was filed 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 purpose of the Filings is to amend the FICC Government Securities Division ("GSD") Rulebook in order to (i) include Same-Day Settling Trades¹ in the risk management, Novation, guarantee, and settlement services of GSD's delivery-versus-payment service ("DVP Service"), (ii) provide that FICC would attempt to settle, on a reasonable efforts basis, any Same-Day Settling Trades that are compared in the timeframe specified by FICC in notices made available to Members from time to time, (iii) introduce an optional service that would allow GSD to systematically pair-off certain Members' failed Securities Settlement Obligations between approximately 3:32 p.m. and 4:00 p.m., (iv) change the time of intraday funds-only settlement ("FOS") processing from 3:15 p.m. to 4:30 p.m., and (v) make certain technical changes.

The Filings were described in Important Notice GOV1000-20 dated November 19, 2020. The full text of the Filings may be obtained by visiting the DTCC website at www.dtcc.com/legal/sec-rule-filings.aspx.

Please be advised that FICC will implement the approved changes on **Monday, February 1, 2021**. FICC will provide additional details on the implementation of the approved changes in a subsequent Important Notice.

Questions regarding this Important Notice may be addressed to your Relationship Manager. Questions regarding the Filings may be addressed to Kristen Lam, Director and Assistant General Counsel, at (212) 855-5258.

¹ "Same-Day Settling Trades" means: (i) a Start Leg of a Netting Member's Repo Transaction where the Scheduled Settlement Date of the Start Leg is the current Business Day, (ii) an As-Of Trade of a Netting Member where the Scheduled Settlement Date of the Start Leg is the previous Business Day and the End Leg is the current Business Day or thereafter, and (iii) a Sponsored Member Trade within the meaning of section (b) of that definition that meets the requirements of either (i) or (ii) above.