

GOV #:	GOV1082-21
Date:	April 20, 2021
To:	Government Securities Division (“GSD”) Netting Members
Category:	Service Update
Subject:	REMINDER: Capped Contingency Liquidity Facility Test – April 2021

As mentioned in the Important Notice [GOV1051-21](#), Capped Contingency Liquidity Facility (“CCLF[®]”) is an integral part of the Fixed Income Clearing Corporation’s (“FICC”) role as central counterparty under the Government Securities Division (“GSD”) and the Mortgage-Backed Securities Division (“MBSD”). On an annual basis, FICC conducts a mandatory CCLF test with all GSD Netting Members and MBSD Clearing Members in order to satisfy the requirements of a covered clearing agency with respect to its management of the liquidity risk. The main objectives of the test are:

1. Increase Members’ awareness of the potential capital commitment should a CCLF Event be declared;
2. Assess each Member’s understanding of a CCLF Event from an operational perspective; and
3. Test Members operations capacity to process Redistribution Repos.

The GSD CCLF and MBSD CCLF tests will take place on the same day. There will be two parts to the test as described in the [Annual CCLF Test Reference Guide](#) found on both the GSD and MBSD User Documentation pages on dtcc.com.

Test Dates

Part 1 of the test will take place on **Monday, April 26, 2021**.

Part 2 of the test will be conducted during the **week of April 26, 2021**. FICC has provided each firm with their Part 2 test date.

T-Bill for Annual Test

Treasury Bill CUSIP 9127965A3 for par of 25,000 will be the security used for part 2 of the test.

Delivery Instructions

- If your GSD account is being used for the test, then the instructions will be BK OF NYC/GSDCL.
- If you are an MBSD Only Member, then the instructions will be BK OF NYC/MBSDCL.

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Contact Information

GSD Netting Members and MBSD Clearing Members are **required** to provide their Relationship Manager with at least two (2) contacts that FICC may contact to discuss any issue that relates to the CCLF test. All Members must confirm these contacts as well as ensure they have the proper access to RTTM and Report Center prior to the test. Please contact your Relationship Manager if there are any changes to those contacts for the upcoming April 2021 test or if you have any questions regarding this Important Notice.