



Important Notice

National Securities Clearing Corporation

A#:	A9029
P&S#:	P&S8602
DATE:	JULY 22, 2021
TO:	ALL MEMBERS AND LIMITED MEMBERS
FROM:	GENERAL COUNSEL'S OFFICE
ATTENTION:	MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; COMPLIANCE OFFICER
SUBJECT:	ESTABLISH THE SECURITIES FINANCING TRANSACTION CLEARING SERVICE (SR-NSCC-2021-010 AND SR-NSCC-2021-803)

On July 22, 2021, National Securities Clearing Corporation (“NSCC”) filed a proposed rule change (SR-NSCC-2021-010) (“Rule Filing”) with the Securities and Exchange Commission (“SEC”) pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934, and an advance notice filing (SR-NSCC-2021-803) (“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 (i) establish new membership categories and requirements for sponsoring members and sponsored members whereby existing Members would be permitted to sponsor certain institutional firms into membership, (ii) establish a new membership category and requirements for agent clearing members whereby existing Members would be permitted to submit, on behalf of their customers, transactions to NSCC for novation, (iii) establish the securities financing transaction clearing service to make central clearing available at NSCC for equity securities financing transactions, which are, broadly speaking, transactions where the parties exchange equity securities against cash and simultaneously agree to exchange the same securities and cash, plus or minus a rate payment, on a future date, and (iv) make other amendments and clarifications to the Rules.

The full text of the Filings may be obtained by visiting the DTCC website at www.dtcc.com/legal/sec-rule-filings.aspx. Written comments on the Filings may be addressed 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. Please include File Numbers SR-NSCC-2021-010 and SR-NSCC-2021-803 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 RuleFilingAdmin@dtcc.com.

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