DTCC

Important Notice

Fixed Income Clearing Corporation - GOV

GOV #:	GOV1372-22
Date:	November 15, 2022
To:	Government Securities Division Members
Category:	Service Updates
Subject:	Foreign affiliate trading reporting requirement – Reminder

Fixed Income Clearing Corporation ("FICC") would like to remind Netting Members of their requirement to report certain Government Securities Division ("GSD") netting-eligible activity engaged in by such Netting Members' foreign affiliates.

Specifically, Netting Members must report in writing and on an annual basis whether and to what extent any of their foreign affiliates are engaging in GSD netting-eligible activity that exceeds the de minimis amount specified in the GSD Rulebook (i.e., less than an average of 30 eligible trades per business day per month within the prior twelve-month period). This requirement applies with respect to trading by the foreign affiliate with (1) counterparties that are other GSD Netting Members, (2) "covered" affiliates of such other Netting Members (i.e., U.S. banks, broker-dealers or futures commission merchants), and (3) foreign affiliates of such other Netting Members, in each case, as applicable. The reporting requirement does not apply to trades executed between a Netting Member and its affiliate or between affiliates of the same Netting Member.

Netting Members are required to submit the requisite information to FICC by January 31, 2023 for trading activity conducted by their foreign affiliates during the entire year of 2022. Netting Members are expected to complete and return the forms even if such Netting Members do not have any activity to report.

The attached forms are provided to facilitate each Netting Member's reporting obligation.

Please be sure to complete the attached (1) new spreadsheet (see Attachment 1)[1] and the accompanying certification (see Attachment 2).

Please e-mail the completed forms to: **GSDForeignAffiliateReporting@DTCC.com** **no later than January 31, 2023.**

As previously stated in Important Notice # GOV1180.21, a Netting Member's failure to submit the requisite information on a timely basis will subject such Netting Member to the consequences set forth in the GSD Rules.

Questions regarding this Important Notice should be directed to your DTCC Relationship Manager.

[1] Please note that the spreadsheet must be completed in Excel format.

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