



## Important Notice

Fixed Income Clearing Corporation - MBSD

<b>MBS #:</b>	MBS1382-24
<b>Date:</b>	October 24, 2024
<b>To:</b>	Mortgage-Backed Securities Division Clearing Members
<b>Category:</b>	Service Updates
<b>Subject:</b>	MBSD Intraday VaR Charge Threshold Change

Starting on November 7<sup>th</sup>, 2024, FICC MBSD's thresholds used to assess Intraday VaR Charges during volatile market conditions will be changed. Currently, an Intraday VaR Charge is assessed when the change in the member's Intraday VaR Charge equals or exceeds \$40 million when compared to its most recent VaR Charge calculation. The threshold will change from \$40 million to \$30 million based on our regular review of margining methodologies (see [MBSD Rule 4, Section 3a](#)).

Intraday VaR Charge thresholds during normal market conditions will remain unchanged where Intraday VaR Charges will be assessed when (i) a change in the member's Intraday VaR Charge equals or exceeds \$1 million when compared to its most recent VaR Charge calculation and the Intraday VaR Charge equals or exceeds 100% of its most recent VaR Charge calculation or (ii) a change in the member's Intraday VaR Charge equals or exceeds \$80 million when compared to its most recent VaR Charge calculation.

FICC MBSD reviews its intraday margin collection thresholds on an annual basis to ensure that they provide adequate coverage but are also not overly cumbersome to its members. Any changes to the thresholds will be communicated to members promptly.

Please direct any questions to FICC Market Risk at 1-212-855-2020 or [FICCProductRisk@dtcc.com](mailto:FICCProductRisk@dtcc.com).

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit [http://www.dtcc.com/subscription\\_form.php](http://www.dtcc.com/subscription_form.php).