



Important Notice

Fixed Income Clearing Corporation - MBSD

MBS #:	MBS1338-24
Date:	December 10, 2024
To:	Mortgage-Backed Securities Division Clearing Members
Category:	Service Update
Subject:	Capped Contingency Liquidity Facility (“CCLF”) Reset Reminder

The Mortgage-Backed Securities Division (“MBSD”) of Fixed Income Clearing Corporation (“FICC”) will reset the Defined Capped Liquidity Amount (“CCLF Cap”) for all Clearing Members that selected Option 1 or 2 on the Officer’s Certificate. The reset will be effective **January 1, 2025**.

With the reset, the look-back period parameter that is used to size each Clearing Member’s CCLF Cap will remain a 12-month period ¹ from January 1, 2024, to December 31, 2024.

Options 1 and 2 are defined as follows:

Option 1 - The member is eligible for and has established borrowing privileges at the Federal Reserve Bank Discount Window.

Option 2 - The member has an affiliate that is eligible for and has established borrowing privileges at the Federal Reserve Bank Discount Window for the member.

Clearing Members that selected Option 3 on the Officer’s Certificate will continue to have their CCLF Cap reset on a monthly basis. Option 3 is defined as follows:

Option 3 - The member is ineligible for or has not established borrowing privileges at the Federal Reserve Bank Discount Window either directly or through an affiliate.

All Clearing Members are reminded that:

¹Important Notice MBS1292-23 - <https://www.dtcc.com/-/media/Files/pdf/2023/12/14/Important-Notice---MBS1292-23-Reset-2024-Jan-1st.pdf>

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.

1. Each Clearing Member has certified in its respective Officer's Certificate that its CCLF Cap will be incorporated into such Clearing Member's liquidity planning.
2. On a daily basis, each Clearing Member's CCLF Cap is available via the "MBS Liquidity" section of the Report Center.
3. Each Clearing Member is expected to track its settlement activities that generate a liquidity need across all trading desks and will notify FICC of anticipated significant changes in such activity. Such notifications may be made to FICC Liquidity Risk Management via email at LiquidityProductRisk@dtcc.com.

For any Liquidity or CCLF specific questions, please contact Liquidity Risk Management (LiquidityProductRisk@dtcc.com) or your Relationship Manager.