



Important Notice
National Securities Clearing Corporation

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P&S:	8961
Date:	February 12 th , 2024
To:	All Participants
From:	Equity Risk
Attention:	Director of Operations, CFM Contacts
Subject:	Changes to Volatility Haircut Schedule for Illiquid Securities

Effective February 26th, 2024, NSCC will implement a change to the volatility charge haircuts applicable to positions in Illiquid Securities. The change is a result of NSCC's annual recalibration. Following implementation of this change, the calculation of these components of the Clearing Fund will remain within the parameters set forth in Procedure XV, Sections I(A)(1)(a) and (2)(a) of the NSCC Rules and Procedures. The change, which could have an impact on the calculated margin for certain portfolios, is as follows:

- The haircut-based volatility charge applicable to Illiquid Securities will change as set forth in the table below (see Procedure XV, Sections I(A)(1)(a)(ii)(B)(I) and (2)(a)(ii)(B)(I)):

Price Range	Current Haircut Rate	New Haircut Rate
<= \$0.01, Long	52%	57%
<= \$0.01, Short	119%	125%
\$0.01 - \$1.00	59%	59%
\$1.00 - \$5.00	37%	39%
> \$5.00	18%	19%

Any questions related to this notice should be directed to Equity Risk at (212) 855-5770.

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