



NATIONAL  
SECURITIES  
CLEARING  
CORPORATION

RULES & PROCEDURES

TEXT OF PROPOSED RULE CHANGE

**Bold and underlined text** indicates proposed added language.

**~~Bold and strikethrough text~~** indicates proposed deleted language.

NATIONAL SECURITIES CLEARING CORPORATION RULES

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RULE 2B. ONGOING MEMBERSHIP REQUIREMENTS AND MONITORING

**[Changes to Rule 2B, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 2B.]**

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SEC. 2. DATA TO BE FILED WITH THE CORPORATION

A. Reports and Information

Each Member, Mutual Fund/Insurance Services Member, Fund Member, and Insurance Carrier/Retirement Services Member (each hereinafter in this rule referred to collectively as “participants”) shall submit to the Corporation the following reports and information as applicable to such participant, together with all addenda and amendments applicable thereto, within the time periods prescribed by the Corporation from time to time. (Unless specifically set forth below, the time periods prescribed by the Corporation are set forth in the form of notices posted at the NSCC Website. Pursuant to Section 7 of Rule 45, it is the participant’s responsibility to retrieve all notices daily from the NSCC Website.):

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The Corporation may from time to time require the submission of additional reports and other information as it may deem necessary or advisable. Reports and information provided to the Corporation pursuant to this Rule shall be provided in the form and to the persons or departments specified by the Corporation from time to time and the provisions of Rule 45 shall not apply thereto.

**Any non-public information furnished to the Corporation pursuant to this Rule shall be held in confidence as may be required under the laws, rules and regulations applicable to the Corporation that relate to the confidentiality of records.**

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#### RULE 4. CLEARING FUND

**[Changes to Rule 4, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 4.]**

SEC. 1. *Required Fund Deposits.* Each Member shall make and maintain on an ongoing basis a deposit to the Clearing Fund.<sup>1</sup> The amount of each Member's required deposit shall be determined by the Corporation in accordance with Procedure XV and other applicable Rules and Procedures (the "Required Fund Deposit"). The minimum Required Fund Deposit, excluding Required SFT Deposit, for each Member shall be \$250,000. The Corporation may require any such Member to deposit additional amounts to the Clearing Fund pursuant to Rule 15. A Member may in its discretion maintain additional deposits at the Corporation, subject to any Procedures or other requirements the Corporation may establish for such excess amounts. For purposes of these Rules and Procedures, such additional deposits shall be deemed to be part of the Clearing Fund and the Member's Actual Deposit but shall not be deemed to be part of the Member's Required Fund Deposit.

The Corporation may permit Members to satisfy their Required Fund Deposit obligations through a combination of cash and open account indebtedness secured by Eligible Clearing Fund Securities, as further described in Procedure XV<sup>21</sup>. The

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<sup>4</sup> ~~Clearing Fund deposits for Sponsored Accounts (as defined in Procedure IX.B.) relative to such Sponsored Accounts' DTC activity will be calculated and held by DTC in accordance with their procedures, and shall not be included in determining the Required Fund Deposit or the minimum cash requirement.~~

<sup>21</sup> In addition, the Corporation reserves the right to require participants to post a letter of credit in an instance where the Corporation, in its discretion, believes the participant presents legal risk. In such circumstances the Corporation may require part of a participant's deposit to be evidenced by an open account indebtedness supported by one or more irrevocable letters of credit with a maturity of no more than one year issued on behalf of the participant in favor of the Corporation (i) under which a bank, trust company or United States branch or agency of a foreign bank (hereinafter, an "Issuer"), in each case approved by the Corporation for such purpose, is obligated to honor drafts up to a specified amount drawn on it by the Corporation and (ii) the terms and conditions of which the Corporation determines are acceptable to the Corporation in its sole discretion (each such letter of credit, an "Eligible Letter of Credit"). Any amount drawn on any Eligible Letters of Credit shall be deposited into, and constitute an additional cash deposit to, the Clearing Fund and shall reduce the participant's open account indebtedness by a corresponding amount. Within ten (10) calendar days prior to the stated expiration date of any such Eligible Letter of Credit or within such time as the Corporation shall direct upon receipt by the Corporation of written notice from an approved bank of an earlier expiration date of any Eligible Letter of Credit supporting a participant's open account indebtedness, such participant shall make a substitution for the Eligible Letter of Credit, in accordance with the provisions of this Rule, in the amount required, effective upon or prior to the expiration of the Eligible Letter of Credit.

aggregate of cash deposited, the collateral value of pledged Eligible Clearing Fund Securities determined in accordance with Section III of Procedure XV, and the face amount of any Eligible Letters of Credit shall not at any time be less than the Member's Required Fund Deposit.

Each Member grants to the Corporation a first priority perfected security interest in its right, title and interest in and to any Eligible Clearing Fund Securities, funds and assets pledged to the Corporation to secure the Member's open account indebtedness or placed by a Member in the possession of the Corporation (or its agents acting on its behalf) (collectively with any Eligible Letters of Credit issued on behalf of a Member in favor of the Corporation, the Member's "Actual Deposit"), in each case to secure all such Member's obligations to the Corporation. The Corporation shall be entitled to exercise the rights of a pledgee under common law and a secured party under Articles 8 and 9 of the New York Uniform Commercial Code with respect to such assets. Eligible Clearing Fund Securities pledged to secure a Member's open account indebtedness shall be delivered to the Corporation's account at DTC, or on such other terms and conditions as the Corporation may require. The Corporation may in its discretion hold pledged Eligible Clearing Fund Securities in its account at a financial institution designated by the Corporation.

*SEC. 2. Permitted Use, Investment, and Maintenance of Clearing Fund Assets.* The Clearing Fund shall only be used by the Corporation (i) to secure each Member's performance of obligations to the Corporation, including each Member's obligations with respect to any loss allocations as set forth in Section 4 of this Rule, (ii) to provide liquidity to the Corporation to meet its settlement obligations, including, without limitation, through the direct use of cash in the Clearing Fund or through the pledge or rehypothecation of pledged Eligible Clearing Fund Securities in order to secure liquidity, and (iii) for investment as set forth in this section.

Each time the Corporation uses any part of the Clearing Fund pursuant to clause (ii) in the preceding paragraph for more than 30 calendar days, the Corporation, at the close of business on the 30<sup>th</sup> calendar day (or on the first Business Day thereafter) from the day of such use, shall consider the amount used but not yet repaid as a loss to the Clearing Fund incurred as a result of a Defaulting Member Event and immediately allocate such loss in accordance with Section 4 of this Rule.

The Corporation may invest any cash in the Clearing Fund, including (i) cash deposited by a Member as part of its Actual Deposit, (ii) the proceeds of (x) any loans made to the Corporation secured by the pledge by the Corporation of Eligible Clearing Fund Securities pledged to the Corporation or (y) any sales of Eligible Clearing Fund Securities pledged to the Corporation, (iii) cash receipts from any investment of, repurchase or reverse repurchase agreements relating to, or liquidation of, Clearing Fund assets, and (iv) cash payments on Eligible Letters of Credit (collectively, "Clearing Fund Cash"), in accordance with the Clearing Agency Investment Policy adopted by the Corporation.

The Corporation shall not be required to segregate each Member's Actual Deposit, but shall maintain books and records concerning the assets that constitute each Member's Actual Deposit.

Each Member shall be entitled to any interest earned or paid on Clearing Fund cash deposits.<sup>3</sup> Any interest on pledged Eligible Clearing Fund Securities that is received by the Corporation shall be credited to the Member's cash deposit to the Clearing Fund, except in the event of a default by such Member on any obligations to the Corporation, in which case the Corporation may exercise its rights under Section 3 of this Rule.

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*SEC. 7. Return of Members' Clearing Fund Deposits.* If a Member gives notice to the Corporation of its election to withdraw from membership, the Member's Actual Deposit in the form of (i) cash or securities shall be returned to it within thirty (30) calendar days and (ii) Eligible Letters of Credit shall be returned to it within ninety (90) calendar days, after all of its transactions have settled and all matured and contingent obligations to the Corporation for which the Member was responsible while a Member have been satisfied. **~~Notwithstanding the foregoing, the Corporation may retain for up to two (2) years the Actual Deposits from Members who have Sponsored Accounts at DTC.~~**

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#### RULE 15. ASSURANCES OF FINANCIAL RESPONSIBILITY AND OPERATIONAL CAPABILITY

**[Changes to Rule 15, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 15.]**

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SEC. 4. A participant's failure to furnish information or otherwise comply with the requirements of this Rule may subject the participant to **~~the imposition of a fine pursuant to Rule 17,~~** restrictions on access to the Corporation's services pursuant to

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<sup>3</sup> ~~Sponsored Accounts (as defined in Procedure IX.B.) will receive interest earned or paid on their Clearing Fund deposits held at DTC at such rate or rates as DTC pays to its participants.~~

Rule 46 or **the imposition of a fine or** disciplinary proceedings pursuant to Rule 48, amongst other rights of the Corporation as provided under these Rules.

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**RULE 17. ~~FINE PAYMENTS~~(RULE NUMBER RESERVED FOR FUTURE USE)**

**[Changes to Rule 17, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 17.]**

~~The Corporation may impose a fine on a Member or Limited Member pursuant to these Rules. Fines shall be payable in the manner and at such time as determined by the Corporation from time to time.~~

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**RULE 27. ADMISSION TO PREMISES OF THE CORPORATION –  
POWERS OF ATTORNEY, ETC.**

**[Changes to Rule 27, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 27.]**

No Person will be permitted to enter the premises of the Corporation as the representative of any Member, Mutual Fund/Insurance Services Member, Municipal Comparison Only Member, Insurance Carrier/Retirement Services Member, TPA Member, TPP Member, Investment Manager/Agent Member, Fund Member, Data Services Only Member or AIP Member (each hereinafter referred to as a “participant” for purposes of this Rule 27) unless he has first been approved by the Corporation and has been issued such credentials as the Corporation may from time to time prescribe and such credentials have not been canceled or revoked. Such credentials must be shown on demand, **and to gain entry to the Corporation’s premises, must be prominently displayed while on said premises,** and may limit the portions of the premises to which access is permitted thereunder. Any credentials issued pursuant to this Rule may be revoked at any time by the Corporation in its discretion, and prompt

notice of such revocation shall be given to the employer of the person whose credentials have been so revoked.

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#### RULE 29. QUALIFIED SECURITIES DEPOSITORIES

**[Changes to Rule 29, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 29.]**

Each Member shall be a participant in a Qualified Securities Depository. If any such Member shall not at any time be a participant in a Qualified Securities Depository, the Corporation may cease to act for such Member pursuant to Rule 46. Unless permitted to take summary action pursuant to Rule 46 the Corporation shall promptly hold a hearing prior to ceasing to act. During the interim between the time that such Member is no longer a participant in a Qualified Securities Depository and the time that the Corporation ceases to act for such Member, such Member shall be required to effect securities settlement by physical delivery ~~or in the discretion of the Corporation through a Sponsored Account.~~

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#### RULE 39. RELIANCE ON INSTRUCTIONS

**[Changes to Rule 39, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 39.]**

The Corporation may accept or rely upon any instruction given to the Corporation by a Member, Sponsored Member, Mutual Fund/Insurance Services Member, Municipal Comparison Only Member, Fund Member, Insurance Carrier/Retirement Services Member, TPA Member, TPP Member, Data Services Only Member, AIP Member or Special Representative, Index Receipt Agent or Approved SFT Submitter (each hereinafter referred to as a "participant" for purposes of this Rule 39), ~~including wire transmission, physical delivery or delivery by other means of instructions~~

~~recorded on magnetic tape or other media or of facsimile copies of instructions,~~ in any form acceptable to the Corporation and in accordance with the Procedures, which reasonably is understood by the Corporation to have been delivered to the Corporation by such participant. In the case of instructions given by a Special Representative, Index Receipt Agent or Approved SFT Submitter, Investment Manager/Agent Member, TPP Member, or TPA Member, the Corporation shall be entitled to act pursuant to any such instruction as though such instruction had been received from the Member or Sponsored Member for which the Special Representative, Index Receipt Agent or Approved SFT Submitter or TPP Member, TPA Member or Investment Manager/Agent Member is acting.

Any participant delivering instructions as provided above, or on whose behalf a Special Representative, Approved SFT Submitter, TPA Member, TPP Member, or Investment Manager/Agent Member, shall deliver instructions as provided above, shall indemnify the Corporation, and any of its employees, officers, directors, shareholders, agents, and participants who may sustain any loss, liability or expense as a result of (a) any act done in reliance upon the authenticity of any instruction received by the Corporation, (b) the inaccuracy of the information contained therein or (c) effecting transactions in reliance upon such information or instruction against any such loss, liability or expense so long as such transactions are effected in accordance with such information and instructions even though they are inaccurate or not authentic and so long as the person asserting a right to indemnification shall not have knowledge of such inaccuracy or lack of authenticity at the time of the event or events giving rise to such loss, liability or expense.

Notwithstanding the foregoing, the Corporation will not act upon any instruction purporting to have been given by a participant ~~which is received by wire transmission or in the form of facsimile copies or magnetic tape or media other than written instructions~~ or from a Special Representative, Approved SFT Submitter, TPA Member, TPP Member, or Investment Manager/Agent Member, commencing one Business Day after the Corporation receives written notice from the participant that the Corporation shall not accept such instructions until such time as the participant shall withdraw such notice.

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RULE 46. RESTRICTIONS ON ACCESS TO SERVICES

**[Changes to Rule 46, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 46.]**

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SEC. 4. Any action taken by the Corporation pursuant to this Rule may include, but shall not be limited to, any one or more of the following actions:

(a) ceasing to act for the participant pursuant to Rule 18; **and**

(b) limiting or excluding the participant's participation in one or more classes of transactions or services which are, depending on membership type, available to the participant, including but not limited to (i) envelope "receive" transactions, (ii) CNS positions or Balance Order obligations of the Member, or (iii) transactions involving ancillary services of the Corporation;

~~(c) requiring the participant to effect securities settlement through a Sponsored Account of National Securities Clearing Corporation at The Depository Trust Company, rather than through its own depository account.~~

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RULE 48. DISCIPLINARY PROCEEDINGS

**[Changes to Rule 48, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 48.]**

SEC. 1. The Corporation may discipline any Member or Limited Member (each hereinafter referred to as a "participant" for purposes of this Rule 48) for a violation of any provision of the Rules or the Procedures of the Corporation, such participant's agreements with the Corporation, or for any error, delay or other conduct detrimental to the operations of the Corporation, or for not providing adequate facilities for such participant's business with the Corporation, by expulsion, suspension, limitation of or restriction on activities, functions and operations, fine or censure or any other fitting

sanction; provided, however, that the fine for any single offense shall not exceed the sum of \$20,000. **Fines shall be payable in the manner and at such time as determined by the Corporation from time to time.**

SEC. 2. Before imposing any disciplinary sanction on a participant pursuant to this Rule, the Corporation shall notify such participant pursuant to Section 6 of Rule 45 of the charges against such participant and its right to a hearing.

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#### RULE 54. DTCC LIMIT MONITORING RISK MANAGEMENT TOOL

**[Changes to Rule 54, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 54.]**

##### SEC. 1. General

NSCC may provide its Members with a risk management tool called DTCC Limit Monitoring that will enable Members to monitor trading activity on an intraday basis of their organizations and/or their correspondent firms through review of post-trade data. DTCC Limit Monitoring will be available to all Members. ~~Members required to register for DTCC Limit Monitoring include: (1) any Member that clears trades for others; (2) any Member that submits transactions to NSCC's trade capture system either as a Qualified Special Representative (QSR) or Special Representative, pursuant to Procedure IV (Special Representative Service); and (3) any Member that has established a 9A/9B relationship in order to allow another Member (either a QSR or Special Representative) to submit locked in trade data on its behalf.~~

DTCC Limit Monitoring will provide Members with: (i) post-trade data relating to unsettled equity and debt securities trades for a given day that have been compared or recorded through the Corporation's trade capture mechanisms on that day ("LM Trade Date Data"), and (ii) other information as provided in this Rule and the DTCC Limit Monitoring Procedure. The trade capture mechanisms utilized in the production of LM Trade Date Data shall be as determined by the Corporation from time to time.

A Member is able to access LM Trade Date Data and other information through DTCC Limit Monitoring only with respect to its own account(s) at the Corporation. Through the utilization of filtering criteria known as "Risk Entities", a Member can define activity it seeks to monitor through the risk management tool, including that of its

correspondents, or other entities or groups for which LM Trade Date Data is processed through the Members' account, including relating to subgroups within its own business.<sup>4</sup>

Members using the tool will have the ability to input or load start of day and/or intra-day position data representing open activity from prior days into DTCC Limit Monitoring on their own ("LM Member-provided Data") (LM Trade Date Data and LM Member-provided Data shall collectively be referred to as "LM Transaction Data"). Through its definition of Risk Entities, and as otherwise provided in the Procedures, a Member may create rules for the aggregation of LM Transaction Data, set parameters for the monitoring of each Risk Entities' activity in relation to LM Transaction Data, and receive alerts for the display of parameter brakes relating to the LM Transaction Data. These functions, and the responsibilities of the Corporation and Members with respect to DTCC Limit Monitoring are further described in the DTCC Limit Monitoring Procedure (Procedure XVII).

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#### RULE 56. SECURITIES FINANCING TRANSACTION CLEARING SERVICE

**[Changes to Rule 56, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 56.]**

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SEC. 18. Other Applicable Rules, Procedures, and Addendums. In addition to this Rule 56, the Rules, Procedures, and Addendums referenced in this section shall also apply to SFTs and SFT Members, unless expressly stated otherwise.

Rule 1 (Definitions and Descriptions), Rule 2 (Members, Limited Members and Sponsored Members), Rule 5 (General Provisions), Rule 12 (Settlement), Rule 13 (Exception Processing), ~~Rule 17 (Fine Payments)~~, Rule 19 (Miscellaneous Rights of the Corporation), Rule 21 (Honest Broker), Rule 22 (Suspension of Rules), Rule 23 (Action by the Corporation), Rule 24 (Charges for Services Rendered), Rule 26 (Bills Rendered), Rule 27 (Admission to Premises of the Corporation - Powers of Attorney, Etc.), Rule 28 (Forms), Rule 29 (Qualified Securities Depositories), Rule 32 (Signatures), Rule 33 (Procedures), Rule 34 (Insurance), Rule 35 (Financial Reports),

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<sup>4</sup> The Corporation does not distinguish a Member's overall activity from that of the Member's customers or other groups. Therefore, a Member's ability to receive LM Trade Date Data organized by Risk Entity is entirely dependent upon the Member's provision of defining criteria in accordance with this Rule and the DTCC Limit Monitoring Procedure.

Rule 36 (Rule Changes), Rule 37 (Hearing Procedures), Rule 38 (Governing Law and Captions), Rule 39 (Reliance on Instructions), Rule 40 (Wind-Down of a Member, Fund Member or Insurance Carrier/Retirement Services Member), Rule 41 (Corporation Default), Rule 42 (Wind-down of the Corporation), Rule 45 (Notice), Rule 47 (Interpretation of Rules), Rule 48 (Disciplinary Proceedings), Rule 49 (Release of Clearing Data and Clearing Fund Data), Rule 55 (Settling Banks and AIP Settling Banks), Rule 58 (Limitations on Liability), Rule 60 (Market Disruption and Force Majeure), Rule 60A (Systems Disconnect: Threat of Significant Impact to the Corporation's Systems), Rule 63 (SRO Regulatory Reporting), Procedure I (Introduction), Procedure VIII (Money Settlement Service), Procedure XII (Time Schedule), Procedure XIII (Definitions), Procedure XIV (Forms, Media and Technical Specifications), Procedure XV (Clearing Fund Formula and Other Matters), Addendum B (Qualifications and Standards of Financial Responsibility, Operational Capability and Business History), Addendum H (Interpretation of the Board of Directors Release of Clearing Data), Addendum L (Statement of Policy Pertaining to Information Sharing), and Addendum P (Fine Schedule) shall apply to SFTs and SFT Members, unless the context otherwise requires.

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#### RULE 61. INTERNATIONAL LINKS

**[Changes to Rule 61, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 61.]**

The Corporation may establish links with one or more Foreign Financial Institutions and may make available to such Foreign Financial Institutions for the benefit or on behalf of the Foreign Financial Institution's participants and members such services of the Corporation which the Corporation in its sole discretion shall determine to provide. ~~To the extent that the Corporation provides access to a Qualified Security Depository to a Foreign Financial Institution, the Foreign Financial Institution shall be required to collateralize its settlement obligations to the Corporation on such terms and by such means as agreed to between the Corporation and the Foreign Financial Institution.~~ The Corporation may enter into such agreements as it may deem appropriate with any such Foreign Financial Institution which agreement and the Rules of the Corporation, as well as the rules, procedures and other documents of the Foreign Financial Institution shall govern link transactions between participants and members of such Foreign Financial Institutions and the Members of the Corporation. The Corporation may from time to time establish procedures which shall be applicable to the operation of such links which procedure

may be amended from time to time and such procedures shall be a part of the Rules and Procedures of the Corporation.

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**RULE 62. ~~GLOBAL CLEARANCE NETWORK SERVICE~~(RULE NUMBER RESERVED FOR FUTURE USE)**

**[Changes to Rule 62, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Rule 62.]**

~~The Corporation may establish a foreign clearing, settlement and custody service in conjunction with banks, trust companies and other entities to be known as the Global Clearance Network Service and may provide such service to any Member which is qualified to be a customer of the bank, trust company or other entity and has executed such agreement with the Corporation as the Corporation may require providing, among other things, a guarantee to the bank, trust company or other entity for the services. The Corporation may from time to time establish procedures for the operation of the service.~~

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## NATIONAL SECURITIES CLEARING CORPORATION PROCEDURES

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### PROCEDURE VII. CNS ACCOUNTING OPERATION

**[Changes to Procedure VII, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Procedure VII.]**

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#### D. Controlling Deliveries to CNS

As noted in subsection C, the delivery of securities from a Member's Designated Depository account to satisfy short positions is an automatic process and requires no action on the part of the Member. Securities are removed from the Member's Designated Depository account to the extent that a sufficient quantity is on deposit.

In order for a Member to avoid segregation violations and to meet other delivery needs, a procedure is provided to control this automatic system. The first phase of this procedure provides the Member with its projected positions due for settlement the following day. The second phase involves the submission of instructions by the Member indicating which short positions it does not wish to settle. Members are required to provide instructions to exempt from delivery any transactions compared or received on SD-1 or thereafter, including cash or next day transactions, which are processed for next day or same day settlement and which create or increase a short position. This exemption shall hereinafter be referred to as the "One Day Settling Exemption".

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#### 2. Exemptions

Except as described below, each Member has the ability to elect to deliver all or part of any short position. It controls this process by Exemptions. By indicating a particular quantity as an Exemption, the Member directs the Corporation not to settle certain short positions or portions thereof. Exemptions govern short positions in the CNS Stock Record and not Designated Depository positions. All short positions or positions thereof for which no Exemption is indicated are settled automatically to the extent that the Member has made such securities available in the Member's Designated Depository account or they become

available in its Designated Depository account through other depository activity. Notwithstanding the above, a Member may not exempt delivery of any securities available in an agency account established at a Qualified Securities Depository for the processing of transactions through the ID Net Service.

(a) Types of Exemption

The CNS system provides for two levels of Exemption. By proper use of the Projection Report and Exemptions, Members can utilize current inventory as well as securities received from other sources on settlement day in order to satisfy delivery requirements.

- (i) Level 1 Exemption - By submitting a Level 1 Exemption, the Member indicates that the portion of the short position exempted should not be automatically settled against its current Designated Depository position or against any securities which may be received into its Designated Depository account as a result of other depository activity.
- (ii) Level 2 Exemption - The submission of a Level 2 Exemption is an instruction by the Member that the portion of the short position exempted should not be automatically settled against its current depository position. Such a position may be satisfied, however, by certain types of "qualified" activity in its Designated Depository account.

(b) Qualified Activity

There are four types of qualified activity which allow short positions carrying Level 2 Exemptions to be settled:

- (i) Coded Deposits - The Member deposits securities into its Designated Depository account in the normal manner, but by using a special deposit ticket which indicates that these securities are available for settling Level 2 Exemption quantities.
- (ii) Coded Collateral Loan Releases - A Member may release securities from its Designated Depository collateral loan account and wish those securities to be used in settling a Level 2 Exemption quantity. In this case, the Member uses a special Collateral Loan Release form which authorizes such use.
- (iii) Receipts from Banks - All securities received against payment from banks are eligible to settle Level 2 Exemption quantities. Settlement of such items is automatic and no special instruction by the Member is required.

~~(iv) Receipts from Member's Sub-Account – As a result of CNS sub-accounting (see subsection I of this Section), a Member may have a long position in a given security in one CNS account and a short position in the same security in another CNS account. Since both CNS accounts settle against a single Designated Depository Account, the Member may receive securities from itself.~~

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#### E. Influencing Receipts from CNS

After securities are received by the Corporation from Members with short positions, they are allocated to other Members which have long positions. The allocation of these securities is designed so as not to benefit any one Member. Members may change their relative rank by submitting Priority Requests. The submission of a Buy-In Intent will also affect the priority of a Member's long position in that particular security.

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#### 5. Fully-Paid-For Account

(Procedures for Movements to the Long Free Account)

The Corporation's processing day is divided into two parts. It begins with a night cycle on the evening preceding the settlement day for which the work is being processed and is followed by a day cycle which ends on the settlement day for which the work is processed. If a Member with a long position and/or a position due for settlement on the next settlement day, in anticipation of receiving securities from the Corporation (other than municipal securities, as that term is defined by the Exchange Act), as a result of the allocation process during the night or day cycle for that settlement day, instructs that securities within its possession or control (other than municipal securities) be delivered on the next day and is subsequently not allocated the securities during the night or following day cycle, the Member may, in order to meet the "customer segregation" requirements of Rule 15c3-3 of the Exchange Act, instruct the Corporation, during the day cycle for that settlement day by the time specified by the Corporation, to transfer the position(s) which has not been allocated to a special CNS sub-account (the "Long Free Account"). The Corporation will then debit the Member's settlement account for the value of the position in the Long Free Account. The Long Free Account will be guaranteed by the Corporation and will be marked daily.

All funds which the Corporation receives from debiting the Member's settlement account for the value of a position moved into the Long Free Account and all marks credited to the Long Free Account as a result of marking positions to the market daily, will be segregated by the Corporation from all other funds received by the Corporation. Any time that a Member determines that he no longer needs



the position(s) in the Long Free Account for 15c3-3 purposes, he may instruct the Corporation to transfer back the position(s) to its Long Valued Account and make the appropriate adjustment to its settlement account.

**~~NOTE: The SEC has stated that: "any broker/dealer that takes advantage of proposed rule NSCC-82-25 must recall deficits from bank loan within shorter time intervals than those presently allowed under Rule 15c3-3(d)(1) of the Exchange Act. In the case of bank loan, broker/dealers will be expected to effect a recall within one Business Day instead of the two Business Days presently allowed.~~**

\* \* \*

J. Recording of CNS Buy-Ins

1. Equity Securities and Corporate Debt Securities

\* \* \*

CNS Allocation Priority and CNS Retransmittal Notices

Original Buy-In Intent (expiring on N+2):

A Buy-In Position on an Original Buy-In Intent is given high priority for CNS allocation from N+1 through the daytime allocation on N+2. If a Buy-in Position remains unfilled after the night allocation on N+1, the Corporation issues CNS Retransmittal Notices on the morning of N+1 to a sufficient number of Members with Short Positions. Such CNS Retransmittal Notices shall specify the originator and the remaining portion of the Buy-In Position not yet received and demand delivery from each such Member of a specified quantity of securities. CNS Retransmittal Notices are issued in an aggregate quantity at least equal to the Buy-in Position. In no case will the Buy-In Liability of a Member exceed the Buy-in Position or the total Short Position of the Member. If several Members have Short Positions with the same age, all such Members are issued CNS Retransmittal Notices, even if the total of their Short Positions exceeds the Buy-in Position.

Buy-In Retransmittal Notice (expiring on N+1):

A Member that has a Long Position in CNS at the end of any day and that has received a Buy-In Intent initiated outside of the CNS System in that same CUSIP, may submit a Buy-In Retransmittal Notice to the Corporation for execution on N+1 as described below. ~~The Buy-In Retransmittal Notices~~ shall **include such information as the Corporation may determine from time to time, including be submitted in such form and within such times as determined by the Corporation and include** the identity of the entity that initiated the Buy-In

against the Member. A Buy-In Position on a Buy-In Retransmittal Notice is given high priority for CNS allocation from N through the daytime allocation on N+1.

Upon receipt of the Buy-In Retransmittal Notice on N, the Corporation issues CNS Retransmittal Notices to a sufficient number of Members with Short Positions. Such CNS Retransmittal Notices shall specify the originator and the remaining portion of the Buy-In Position not yet received and demand delivery from each such Member of a specified quantity of securities. CNS Retransmittal Notices are issued in an aggregate quantity at least equal to the Buy-in Position. In no case will the Buy-In Liability of a Member exceed the Buy-in Position or the total Short Position of the Member. If several Members have Short Positions with the same age, all such Members are issued CNS Retransmittal Notices, even if the total of their Short Positions exceeds the Buy-In Position.

A Member's Buy-In Liability may be satisfied by the actual settlement of the Short Position up to the time on N+1 (for a Buy-In Retransmittal Notice), or N+2 (for an Original Buy-In Intent). If a deposit of securities is required to satisfy the Short Position, that deposit should be made prior to the Designated Depository daytime deposit cut-off time on the expiration date of the Buy-In Intent and prior to the time specified below. Going from a Short Position to a flat or Long Position due to settling trades, stock dividends, or other activity on N through N+2 does not free a Member from Buy-In Liability.

Prior to the execution of a Buy-In, the originator must accept and pay for any portion or all the remaining securities delivered to the originator.

\* \* \*

PROCEDURE IX. ~~SPECIAL SERVICES~~(RESERVED FOR FUTURE USE)

[Changes to Procedure IX, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Procedure IX.]

~~A. Clearing Centers~~

~~The Corporation provides Clearing Centers in a number of cities for the convenience of Members. Such offices may be operated by the Corporation, agents of the Corporation or through the facilities of a correspondent organization.~~

~~Clearing Centers serve as input/output facilities for Members located near that office. The use of a Clearing Center by any Member is voluntary and may be used for certain services but not for others at the Member's option.~~

~~Each Member is, however, required to select a primary Clearing Center. The Corporation provides output records at the destination chosen by the Member. Physical securities which are requested by a Member are directed to its primary Clearing Center.~~

#### ~~B — Sponsored Accounts~~

~~For those Members which choose not to maintain direct membership in a Qualified Securities Depository, the Corporation makes Qualified Securities Depository facilities available through the use of Sponsored Accounts. Each such Member is assigned a Qualified Securities Depository account number and uses that account as if it were a direct depository participant. The account is under the jurisdiction of the Corporation, however, which is solely responsible for all liabilities arising from the use of the account including the payment of fees to the Qualified Securities Depository.~~

~~Members which choose to use Sponsored Accounts may deposit and withdraw securities, receive and deliver securities by book-entry for CNS obligations, receive and deliver securities by book-entry with other Qualified Securities Depository participants, collateralize bank loans through the pledge of securities, and generally make use of all services and facilities offered by the Qualified Securities Depository to its direct participants.~~

~~At the discretion of the Corporation, all securities to be deposited in a Sponsored Account and all depository input documents including deposit tickets, book-entry delivery instructions, withdrawal tickets and collateral loan forms may be required to be submitted by the Member to the Corporation. If submitted by the Member to the Corporation, the Corporation may verify such items for accuracy and reasonableness before submitting them to the Qualified Securities Depository for processing. The Corporation may reject any item which, in its opinion, creates a liability inconsistent with the Member's normal level of business or financial capability.~~

~~All money settlement obligations in a Sponsored Account are settled directly between the Corporation and the Qualified Securities Depository. The Corporation consolidates the Member's obligations from its Sponsored Account with its Settlement obligation and effects a single money settlement representing the net of the two obligations.~~

\* \* \*

### PROCEDURE XIII. DEFINITIONS

**[Changes to Procedure XIII, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Procedure XIII.]**

**Clearing Center - A branch facility of the Corporation.**

\* \* \*

**Primary Clearing Center - The Clearing Center designated as such by a Member.**

\* \* \*

### PROCEDURE XVII. DTCC LIMIT MONITORING PROCEDURE

**[Changes to Procedure XVII, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Procedure XVII.]**

#### A. Introduction

DTCC Limit Monitoring is a risk management tool available to Members as provided in Rule 54 and this Procedure.

**~~Members required to register for DTCC Limit Monitoring include: (1) any Member that clears trades for others; (2) any Member that submits transactions to NSCC's trade capture system either as a Qualified Special Representative (QSR) or Special Representative, pursuant to Procedure IV (Special Representative Service); and (3) any Member that has established a 9A/9B relationship in order to allow another Member (either a QSR or Special Representative) to submit locked in trade data on its behalf.~~**

Members registered for DTCC Limit Monitoring **are required to** create Risk Entities (as defined in Rule 54 and more fully described below) and other parameters that: (1) define the rules for the aggregation of trade data, (2) set parameters for the monitoring of each Risk Entities' activity in relation to such data, and (3) trigger alerts to Members of parameter breaks.

## B. DTCC Limit Monitoring Processing

### 1. Data Capture and Member Input

#### a. Data Capture

On each trade date, the Corporation may, within timeframes it may establish from time to time, populate DTCC Limit Monitoring with LM Trade Date Data which has been compared or recorded through trade capture mechanisms as it determines from time to time.<sup>5</sup>

#### b. Member Input

Members may, in their sole discretion, input or load LM Member-provided Data to DTCC Limit Monitoring. Such data shall be submitted by Members within such timeframes as determined by the Corporation from time to time and in format(s) deemed acceptable by the Corporation.

### 2. Establishing Risk Entities

Within timeframes as permitted by the Corporation from time to time, Members that are registered for DTCC Limit Monitoring **shall** establish Risk Entities. Members shall define Risk Entities utilizing strings of data elements (referred to as “trade arrays”) according to categories established for this purpose by the Corporation from time to time. Members may utilize multiple trade arrays in the definition of a single Risk Entity. Examples of data elements that a Member may select to be included in a trade array are clearing broker account number (i.e., the Member’s own main account or sub-account number(s)), executing broker symbol, market, and other identifying details as the Corporation may permit.

### 3. Processing

LM Transaction Data for each Member shall be aggregated and sorted by the Corporation by Risk Entity and made available to that Member at the Member’s own convenience. Intraday allocations in the settlement system are not taken into consideration as they are not effective until the Effective Time (as defined in Rule 12). LM Transaction Data may include values on a net notional basis, and as calculated on other bases as determined by the Corporation from time to time. LM Trade Date Data shall be carried at contract amount unless the Corporation otherwise has added a pricing methodology for the relevant security, and LM Member-provided Data shall include pricing as provided by the applicable Member.

---

<sup>5</sup> Such mechanisms include all new settling trades including trades compared and/or recorded by the Real-Time Trade Matching service and the Universal Trade Capture system. Transaction details submitted to the Obligation Warehouse are not forwarded to DTCC Limit Monitoring.

#### 4. Parameter Breach Warnings

Members registered for DTCC Limit Monitoring ~~are required to~~may designate parameters to associate with each Risk Entity from certain parameter types that are established or permitted by the Corporation from time to time. DTCC Limit Monitoring then sets “early warning” limits at 75% and 90% of the parameters set by Members for each Risk Entity.

Members ~~shall~~may review reports and alerts on an on-going basis and, as necessary, modify established parameters to reflect current trading activities within each of their Risk Entities. While Members are ultimately responsible for ensuring that the parameters set on trading activity are appropriate, NSCC staff may, in its sole discretion, review trade activity reports and alerts, and may contact Members to discuss any concerns if, for example, the parameters set are not aligned with recent average trading activity.

The Corporation maintains totals of the relevant information which it compares to the designated parameters. The identification of an early warning or parameter breach triggers an alert by the Corporation to the Member. An alert shall be issued within such timeframe as the Corporation deems reasonable and necessary for it to process, validate, and report the relevant data or information.

#### 5. End of Day and Monthly Reporting

The Corporation may provide Members end of day and monthly reports, which include Members’ current Risk Entity definitions, alert history, and other data or information as the Corporation determines to make available from time to time.

#### 6. Contacts for DTCC Limit Monitoring

Members ~~are required to~~may identify primary and secondary contacts within their firm for DTCC Limit Monitoring.

\* \* \*

ADDENDUM A

NATIONAL SECURITIES CLEARING CORPORATION

FEE STRUCTURE

[Changes to Addendum A, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Addendum A.]

\* \* \*

IV. OTHER SERVICE FEES

\* \* \*

I. ~~Global Clearance Network Service~~ (RESERVED FOR FUTURE USE)

1. ~~Instruction Processing Fees~~

- |    |  |                            |
|----|--|----------------------------|
| a. | <del>Receipt of transaction instructions from a Member via CPU/CPU or I.P.C.</del>       | <del>\$2.25 per item</del> |
| b. | <del>Rejects - each instruction submitted resulting in a rejection</del>                 | <del>\$.75 per item</del>  |
| c. | <del>Processing of Accepted Instructions - forwarding of instruction to agent bank</del> | <del>\$.75 per item</del>  |

2. ~~Reporting Fees~~

~~Receipt of Reports - fee charged each day a Member is sent a set of reports, per location, based on the method of distribution~~

- |    |  |                             |
|----|--|-----------------------------|
| a. | <del>Machine Readable Output (MRO)</del> | <del>\$10.00 per item</del> |
| b. | <del>Print Image Output</del>            | <del>\$20.00 per item</del> |
| c. | <del>Hardcopy or Mail</del>              | <del>\$50.00 per item</del> |

J. ~~INTERNATIONAL LINK SERVICE--~~ ~~PER AGREEMENT WITH LINK~~  
~~TRANSACTION FEES~~ ~~SERVICE PARTICIPANT~~

~~(RESERVED FOR FUTURE USE)~~

\* \* \*

V. PASS-THROUGH AND OTHER FEES

A. Participant Fees - represents the monthly fee for each number assigned to a Member or Municipal Comparison Only Member for participation by each Member or Municipal Comparison Only Member under such number in one or more of the specified services provided by the Corporation. The services and their related base fees are:

1. Trade Processing System

For Members

\$300.00 per month, per  
account

~~2. Global Clearance Network Service \$100.00 per month~~

~~3. International Link Service Per Agreement with Link  
Service Participant~~

\* \* \*

~~F. Global Clearing Network Service P.C.  
Access/Hunt group Fee \$125.00 per month~~

\* \* \*



## ADDENDUM J

### STATEMENT OF POLICY LOCKED-IN DATA FROM SERVICE BUREAUS

**[Changes to Addendum J, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Addendum J.]**

Rule 7, Section 6 permits the Corporation

to accept, from self-regulatory organizations (either directly or through a subsidiary or affiliated organizations) and/or service bureaus, initial or supplemental trade data on behalf of Members for input into the Corporation's Comparison Operation **(with respect to debt securities)** or compared trade data, which may reflect the netted results of other transactions, on behalf of Members for input into the Corporation's Accounting Operation provided that a Member is a party to the trade or transaction.

Pursuant to the provisions of this Rule, the Corporation presently accepts from ~~the NYSE, NYSE Alternext, and National Association of Securities Dealers, such self-regulatory organizations ("SROs") as it may determine, in its discretion,~~ locked-in trade data on a Member's behalf for input into the Corporation's ~~comparis~~**trade capture** system. The Corporation has received requests from Members to accept, in addition to locked-in trade data, two-sided trade data from service bureaus. Two-sided trade data would encompass the complete details of both sides of a trade.

~~The NYSE, NYSE Alternext and the National Association of Securities Dealers are self-regulatory organizations ("SROs") which~~**SROs** are regulated by the SEC. Consequently, they operate pursuant to recognized standards and therefore, the integrity of their operations is subject to periodic examination and review. Service bureaus, which are not SROs, are not subject to regulatory control.

Accordingly, in order to assure that the integrity of the Corporation's systems would not be jeopardized by the acceptance of two-sided trade data from service bureaus that are not SRO's, the Corporation has determined to adopt the following criteria which such a service bureau must meet in order to be approved to submit two-sided trade data pursuant to Rule 7, Section 6:

- ~~(1) — Service bureau would have to: (a) be or become a Member of the Corporation; or (b) be affiliated with a Member of the Corporation. The Member would have to make a Clearing Fund deposit with the Corporation and have adequate capitalization to insure its continuing ability to honor its commitments to the Corporation.~~

- (21) Service bureau would have to have an established business history of at least two years.
- (32) Service bureau would have to be able to submit the following data for each trade:
- (a) buy or sell;
  - (b) parties to trade;
  - (c) quantity;
  - (d) CUSIP number;
  - (e) executing price;
  - (f) net money;
  - (g) trade date;

and any additional data the Corporation may be called upon to provide to a regulatory body in connection with the Corporation's regulatory responsibilities (e.g., additional data required by a SRO for audit trail purposes).

- (43) Service bureau would be required to have at least ten (10) of the Corporation's Members as its subscribers.
- (54) Service bureau would be required to furnish to the Corporation such information and make available such books and records as the Corporation, in its sole discretion, deems necessary to evaluate service bureau's financial responsibility and operational capability.

\* \* \*

ADDENDUM U

**GLOBAL CLEARANCE NETWORK SERVICE  
DATA PROCESSING PROCEDURES(ADDENDUM LETTER RESERVED FOR  
FUTURE USE)**

**[Changes to Addendum U, as amended by File No. SR-NSCC-2022-012, are available at <https://www.dtcc.com/legal/sec-rule-filings>. These changes were effective upon filing, but have not yet been implemented. NSCC will implement the proposed changes no earlier than thirty (30) days after the date of filing, September 1, 2022, or such shorter time as the Securities and Exchange Commission may designate. Upon the implementation of these changes, this legend will automatically be removed from this Addendum U.]**

- ~~1. Global Clearance Network Service (“GCN Service”) participants may submit, in a format and by a communication vehicle acceptable to the Corporation, on a schedule determined by the Corporation, which may be changed from time to time, data relative to their GCN Service accounts.~~**
- ~~2. Data received by the Corporation will be validated and edited for such information as required by the Corporation from time to time. Data which does not pass the validation or edit shall be rejected and the participant shall be required to resubmit the data. Acceptable data shall be converted, if necessary, into ISO 7775 format (or such other format as determined by the Corporation from time to time) prior to routing to the appropriate GCN Service provider through telecommunication vehicles selected by the Corporation from time to time.~~**
- ~~3. The Corporation will receive confirmation that the data has been received by the GCN Service providers or that it has been transmitted through the Society For Worldwide Interbank Financial Telecommunication S.C. (“S.W.I.F.T”).~~**
- ~~4. If a service provider is unable to process data, the service provider will contact the participant directly.~~**
- ~~5. Each day, at such times as specified by the service provider, reports will be transmitted to the Corporation on behalf of the participants’ accounts. The Corporation will retransmit the reports to participants at such times as determined by the Corporation from time to time.~~**