

Notice are consistent with Rule 17Ad-22(e)(6)(i) under the Exchange Act, which requires that NSCC establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market.<sup>69</sup> Furthermore, the Commission believes that the changes proposed in the Advance Notice are consistent with Rule 17Ad-22(e)(6)(v) under the Exchange Act, which requires that NSCC establish, implement, maintain and enforce written policies and procedures reasonably designed to use an appropriate method for measuring credit exposure that accounts for relevant product risk factors and portfolio effects across products.<sup>70</sup>

As described above, the Commission believes the proposed VaR calculation based on an evenly-weighted volatility estimation would enable NSCC to better manage its credit exposure to Members in certain market conditions with a rapid decrease in market price volatility levels; the proposed Gap Risk Measure would enable NSCC to better manage its credit exposure to Member portfolios that are more susceptible to Gap Risk Events; and the proposed Portfolio Margin Floor would enable NSCC to better manage its credit exposure to Members in certain scenarios, such as low market price volatility when a Member's portfolio holds either large gross market values or large net directional market values and market prices exhibit low volatility. Moreover, NSCC would assess a Member the largest of these three calculations as the Member's volatility component to its Required Deposit.

These three proposed volatility component calculations are designed to help improve NSCC's risk-based margin system by enabling NSCC to produce margin levels that are more commensurate with the risks and particular attributes of the relevant products, portfolios, and markets that NSCC serves. Additionally, as described above, the three proposed volatility component calculations are designed to use methods that are more appropriately tailored for measuring credit exposure that account for specific risk factors and portfolio effects. Therefore, the Commission finds that the changes proposed in the Advance Notice are

consistent with Rules 17Ad-22(e)(6)(i) and (v) under the Exchange Act.<sup>71</sup>

### III. Conclusion

*It is therefore noticed*, pursuant to Section 806(e)(1)(I) of the Clearing Supervision Act,<sup>72</sup> that the Commission *does not object* to advance notice SR-NSCC-2017-808 and that NSCC is *authorized* to implement the proposed change as of the date of this notice or the date of an order by the Commission approving proposed rule change SR-NSCC-2017-020 that reflects rule changes that are consistent with this Advance Notice, whichever is later.

By the Commission.

**Brent J. Fields,**

*Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82772; File No. SR-FINRA-2018-010]

### Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Revise the Securities Trader (Series 57) Examination

February 26, 2018.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on February 12, 2018, Financial Industry Regulatory Authority, Inc. ("FINRA") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as "constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule" under Section 19(b)(3)(A)(i) of the Act<sup>3</sup> and Rule 19b-4(f)(1) thereunder,<sup>4</sup> which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

<sup>71</sup> 17 CFR 240.17Ad-22(e)(6)(i) and (v).

<sup>72</sup> 12 U.S.C. 5465(e)(1)(I).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(i).

<sup>4</sup> 17 CFR 240.19b-4(f)(1).

### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

FINRA is proposing revisions to the content outline and selection specifications for the Securities Trader (Series 57) examination as part of the restructuring of the representative-level examination program.<sup>5</sup> In addition, FINRA is proposing to make changes to the format of the content outline. FINRA is not proposing any textual changes to the By-Laws, Schedules to the By-Laws or Rules of FINRA.

The revised Series 57 content outline is attached.<sup>6</sup> The revised Series 57 selection specifications have been submitted to the Commission under separate cover with a request for confidential treatment pursuant to SEA Rule 24b-2.<sup>7</sup>

The text of the proposed rule change is available on FINRA's website at <http://www.finra.org>, at the principal office of FINRA and at the Commission's Public Reference Room.[sic]

### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, FINRA included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. FINRA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

##### 1. Purpose

Section 15A(g)(3) of the Act<sup>8</sup> authorizes FINRA to prescribe standards of training, experience, and competence for persons associated with FINRA members. In accordance with that provision, FINRA has developed

<sup>5</sup> FINRA also is proposing corresponding revisions to the Series 57 question bank. Based on instruction from SEC staff, FINRA is submitting this filing for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(1) thereunder, and is not filing the question bank. See Letter to Alden S. Adkins, Senior Vice President and General Counsel, NASD Regulation, from Belinda Blaine, Associate Director, Division of Market Regulation, SEC, dated July 24, 2000. The question bank is available for SEC review.

<sup>6</sup> The Commission notes that the content outline is attached to the filing, not to this Notice.

<sup>7</sup> 17 CFR 240.24b-2.

<sup>8</sup> 15 U.S.C. 78o-3(g)(3).

<sup>69</sup> 17 CFR 240.17Ad-22(e)(6)(i).

<sup>70</sup> 17 CFR 240.17Ad-22(e)(6)(v).

examinations that are designed to establish that persons associated with FINRA members have attained specified levels of competence and knowledge, consistent with applicable registration requirements under FINRA rules. FINRA periodically reviews the content of the examinations to determine whether revisions are necessary or appropriate in view of changes pertaining to the subject matter covered by the examinations.

The SEC recently approved a proposed rule change to restructure the FINRA representative-level qualification examination program.<sup>9</sup> The rule change, which will become effective on October 1, 2018,<sup>10</sup> restructures the examination program into a new format whereby all new representative-level applicants will be required to take a general knowledge examination (the Securities Industry Essentials or SIE™) and a tailored, specialized knowledge examination (a revised representative-level qualification examination) for their particular registered role.

The restructured program eliminates duplicative testing of general securities knowledge on the current representative-level qualification examinations by moving such content into the SIE examination.<sup>11</sup> The SIE examination will test fundamental securities-related knowledge, including knowledge of basic products, the structure and function of the securities industry, the regulatory agencies and their functions and regulated and prohibited practices, whereas the revised representative-level qualification examinations will test knowledge relevant to day-to-day activities, responsibilities and job functions of representatives.<sup>12</sup>

As part of the restructuring process and in consultation with a committee of industry representatives, FINRA undertook a review of the Securities

Trader (Series 57) examination to remove the general securities knowledge currently covered on the examination and to create a tailored examination to test knowledge relevant to the day-to-day activities, responsibilities and job functions of a Securities Trader. In addition, FINRA is proposing to make changes to the format of the Series 57 content outline.

Beginning on October 1, 2018, new applicants seeking to register as Securities Traders must pass the SIE examination and the revised Securities Trader (Series 57) examination.

#### Current Content Outline

The current Series 57 content outline is divided into four major job functions that are performed by a Securities Trader. The following are the four major job functions, denoted Function 1 through 4, with the associated number of questions:

Function 1: Market Overview and Products, 22 questions;

Function 2: Engaging in Professional Conduct and Adhering to Regulatory Requirements, 12 questions;

Function 3: Trading Activities, 79 questions; and

Function 4: Maintaining Books and Records and Trade Reporting, 12 questions.

Each function also includes specific tasks describing activities associated with performing that function. There are three tasks (1.1–1.3) associated with Function 1; two tasks (2.1–2.2) associated with Function 2; three tasks (3.1–3.3) associated with Function 3; and two tasks (4.1–4.2) associated with Function 4. For example, one such task (Task 4.2) relates to creating, retaining, and reporting required records of orders and transactions. Further, the content outline lists the knowledge required to perform each function and associated tasks (e.g., in connection with Task 4.2, large trader ID and related reporting and monitoring requirements and order execution and routing information). In addition, where applicable, the content outline lists the laws, rules and regulations a candidate is expected to know to perform each function and associated tasks. These include applicable federal securities laws, as well as FINRA and other self-regulatory organization rules and regulations. The content outline also includes a preface (e.g., table of contents, details regarding the purpose of the examination and eligibility requirements), sample questions and reference materials.

#### Revised Content Outline

As noted above, FINRA is proposing to move the general securities

knowledge currently covered on the Series 57 examination to the SIE examination. For example, FINRA Rule 3220 (Influencing or Rewarding Employees of Others) (the Gifts Rule) will now be tested on the SIE examination, rather than on the Series 57 examination. As a result, the revised Series 57 examination will test knowledge specific to the day-to-day activities, responsibilities and job functions of a Securities Trader.

Further, FINRA is proposing to make changes to the major job functions that are performed by a Securities Trader. The following are the revised job functions, denoted Function 1 and Function 2, with the associated number of questions:

Function 1: Trading Activities, 41 questions; and

Function 2: Maintaining Books and Records, Trade Reporting and Clearance and Settlement, 9 questions.

FINRA also is proposing to adjust the number of questions assigned to each major job function to ensure that the overall examination better reflects the key tasks performed by a Securities Trader. The questions on the revised Series 57 examination will place emphasis on tasks such as trading activities, trade reporting and related books and records.

Further, FINRA is proposing to make changes to the specific tasks associated with performing each function. There are three tasks (1.1–1.3) associated with Function 1<sup>13</sup> and three tasks (2.1–2.3) associated with Function 2.<sup>14</sup> For example, one such task (Task 2.1) is reporting trades to the designated reporting facility.<sup>15</sup> The content outline also lists the knowledge required to perform each revised function and associated tasks (e.g., distinctions among reporting facilities). In addition, where applicable, the content outline lists the laws, rules and regulations a candidate is expected to know to perform each revised function and associated tasks (e.g., SEA Rule 13h–1).

FINRA is proposing similar changes to the Series 57 selection specifications and question bank.

Finally, FINRA is proposing to make changes to the format of the content outline, including to the preface, sample questions and reference materials.<sup>16</sup> Among other changes, FINRA is proposing to: (1) Reduce the preface to one page of introductory information;

<sup>13</sup> See Exhibit 3a, Outline Pages 3–9. The outline is attached as Exhibit 3a to the 19b–4 form.

<sup>14</sup> See Exhibit 3a, Outline Pages 10–12.

<sup>15</sup> See Exhibit 3a, Outline Page 10.

<sup>16</sup> FINRA is proposing similar changes to the content outlines for other representative-level examinations.

<sup>9</sup> See Securities Exchange Act Release No. 81098 (July 7, 2017), 82 FR 32419 (July 13, 2017) (Order Approving File No. SR-FINRA-2017-007).

<sup>10</sup> See *Regulatory Notice* 17–30 (SEC Approves Consolidated FINRA Registration Rules, Restructured Representative-Level Qualification Examinations and Changes to Continuing Education Requirements) (October 2017).

<sup>11</sup> Each of the current representative-level examinations covers general securities knowledge, with the exception of the Research Analyst (Series 86 and 87) examinations.

<sup>12</sup> FINRA filed the SIE content outline with the SEC for immediate effectiveness. See Securities Exchange Act Release No. 82578 (January 24, 2018), 83 FR 4375 (January 30, 2018) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2018-002). In addition to the proposed rule change relating to the revised Series 57 examination, FINRA is filing with the Commission for immediate effectiveness the content outlines for the other revised representative-level qualification examinations.

(2) streamline details regarding the purpose of the examination; (3) move the application procedures to FINRA's website; and (4) explain that the passing score is established using a standard setting procedure, and that a statistical adjustment process known as equating is used in scoring the examination.<sup>17</sup>

As a result of the proposed changes, the number of scored questions on the Series 57 examination will be reduced from 125 questions to 50 questions.<sup>18</sup> Further, the test time, which is the amount of time candidates will have to complete the examination, will be reduced from three hours and 45 minutes to one hour and 45 minutes. Currently, a score of 70 percent is required to pass the examination. FINRA will publish the passing score of the revised Series 57 examination on its website, at [www.finra.org](http://www.finra.org), prior to its first administration.

#### Availability of Content Outline

The current Series 57 content outline is available on FINRA's website. The revised Series 57 content outline will replace the current content outline on FINRA's website, and it will be made available on the website on the date of this filing.

FINRA is filing the proposed rule change for immediate effectiveness. The implementation date will be October 1, 2018, to coincide with the implementation of the restructured representative-level examination program. FINRA will also announce the implementation date of the proposed rule change in a *Regulatory Notice*.

#### 2. Statutory Basis

FINRA believes that the proposed revisions to the Series 57 examination program are consistent with the provisions of Section 15A(b)(6) of the Act,<sup>19</sup> which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest, and Section 15A(g)(3) of the Act,<sup>20</sup> which authorizes FINRA to prescribe standards

of training, experience, and competence for persons associated with FINRA members. The proposed rule change will improve the examination program, without compromising the qualification standards, by removing the general knowledge content currently covered on the Series 57 examination, since that content will be covered in the co-requisite SIE examination.

#### B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The updated examination aligns with the functions and associated tasks currently performed by a Securities Trader and tests knowledge of the most current laws, rules, regulations and skills relevant to those functions and associated tasks. As such, the proposed revisions would make the examination more effective. FINRA also provided a detailed economic impact assessment regarding the introduction of the SIE examination and the restructuring of the representative-level examinations as part of the proposed rule change to restructure the FINRA representative-level qualification examination program.<sup>21</sup>

#### C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

#### III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>22</sup> and paragraph (f)(1) of Rule 19-4 thereunder.<sup>23</sup> At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic Comments

- Use the Commission's internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-FINRA-2018-010 on the subject line.

##### Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-FINRA-2018-010. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal office of FINRA. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-FINRA-2018-010 and should be submitted on or before March 23, 2018.

<sup>17</sup> See Exhibit 3a, Outline Page 2.

<sup>18</sup> Consistent with FINRA's practice of including "pretest" questions on examinations, the Series 57 examination includes five additional, unidentified pretest questions that do not contribute towards the candidate's score. The pretest questions are designed to ensure that new examination questions meet acceptable testing standards prior to use for scoring purposes. Therefore, the Series 57 examination actually consists of 55 questions, 50 of which are scored. The five pretest questions are randomly distributed throughout the examination.

<sup>19</sup> 15 U.S.C. 78o-3(b)(6).

<sup>20</sup> 15 U.S.C. 78o-3(g)(3).

<sup>21</sup> See Securities Exchange Act Release No. 80371 (April 4, 2017), 82 FR 17336 (April 10, 2017) (Notice of Filing of File No. SR-FINRA-2017-007).

<sup>22</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>23</sup> 17 CFR 240.19b-4(f)(1).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>24</sup>

**Eduardo A. Aleman,**

*Assistant Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82781; File No. SR-NSCC-2017-020]

### Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, To Enhance the Calculation of the Volatility Component of the Clearing Fund Formula That Utilizes a Parametric Value-at-Risk Model and Eliminate the Market Maker Domination Charge

February 26, 2018.

National Securities Clearing Corporation (“NSCC”) filed with the U.S. Securities and Exchange Commission (“Commission”) on December 28, 2017 proposed rule change SR-NSCC-2017-020 pursuant to Section 19b(1) of the Securities Exchange Act of 1934 (“Exchange Act”) <sup>1</sup> and Rule 19b-4 thereunder.<sup>2</sup> The proposed rule change was published for comment in the **Federal Register** on January 19, 2018.<sup>3</sup> The Commission did not receive any comments on the proposed rule change. On January 10, 2018, NSCC filed Amendment No. 1 to the proposed rule change.<sup>4</sup> The Commission is publishing this notice to solicit comment on Amendment No. 1 from interested persons and is approving the proposed rule change, as modified by Amendment No. 1 (hereinafter, the “Proposed Rule Change”), on an accelerated basis.<sup>5</sup>

### I. Description of the Proposed Rule Change

The Proposed Rule Change consists of changes to NSCC’s Rules & Procedures (“Rules”) <sup>6</sup> that would enhance NSCC’s method for calculating the daily margin requirement for each NSCC member (“Member”).<sup>7</sup> Specifically, NSCC proposes to (1) add three new ways to calculate the volatility component of its Members’ margin requirements, and (2) eliminate an outdated component of the margin calculation, as described more fully below.<sup>8</sup> NSCC states that the new volatility component calculations would enable NSCC to mitigate the credit risks presented by Member portfolios in a broader range of scenarios and market conditions than NSCC’s current volatility component calculation.<sup>9</sup>

A key tool that NSCC uses to manage its credit exposures to Members is the daily calculation and collection of margin from each Member (“Required Deposit”).<sup>10</sup> NSCC collects Required Deposits from Members to mitigate NSCC’s potential losses associated with the liquidation of a Member’s portfolio should the Member default.<sup>11</sup> The aggregate of all Members’ Required Deposits constitutes NSCC’s Clearing Fund, which NSCC can access should a defaulting Member’s own Required Deposit be insufficient to satisfy NSCC’s losses caused by the liquidation of the Member’s portfolio.<sup>12</sup>

#### A. Evenly-Weighted Volatility Estimation

Each Member’s Required Deposit consists of several components.<sup>13</sup> Generally, the largest component of a Member’s Required Deposit is the volatility component, which is designed to capture the market price risk associated with each Member’s portfolio at a 99th percentile level of confidence.<sup>14</sup> NSCC currently calculates the volatility component using a

parametric Value-at-Risk (“VaR”) model.<sup>15</sup> NSCC’s current VaR calculation places more emphasis on recent market observations (such as recent price history) for the purpose of estimating current market price volatility levels, based on the assumption that the most recent price history is more relevant and accurate for measuring current market price volatility levels (referred to as an “exponentially-weighted volatility estimation”).<sup>16</sup> However, volatility in the equity markets often rapidly reverts to more commonly observed levels, followed by a subsequent spike.<sup>17</sup> While a VaR calculation that applies exclusively an exponentially-weighted volatility estimation can capture sudden increases in volatility, it may result in a swift decline in margin that does not adequately capture the risks related to a rapid decrease in market price volatility levels.<sup>18</sup> NSCC proposes to mitigate this shortcoming by adding another method for computing the VaR calculation that does not diminish the value of older market observations.<sup>19</sup> Specifically, NSCC proposes to add a VaR calculation that gives equal weight to all historical volatility observations during a specified look-back period (referred to by NSCC as an “evenly-weighted volatility estimation”),<sup>20</sup> which could result in margin requirement amounts during non-volatile periods greater than margin requirement amounts based upon the exponentially-weighted volatility estimation.<sup>21</sup> Under the proposal, NSCC would calculate both the exponentially-weighted volatility estimation and the evenly-weighted volatility estimation, and the greater result would represent the “Core Parametric Estimation.”<sup>22</sup>

#### B. Gap Risk Measure

In addition to the Core Parametric Estimation, NSCC proposes to add a second method for determining the volatility component of a Member’s Required Deposit.<sup>23</sup> This second method, referred to as the Gap Risk Measure, would help address risks that are unique to Member portfolios that hold a concentrated position in a specific security.<sup>24</sup> More specifically, when a Member’s portfolio holds a concentrated position in a specific

<sup>24</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Securities Exchange Act Release No. 82494 (January 12, 2018), 83 FR 2828 (January 19, 2018) (SR-NSCC-2017-020) (“Notice”).

<sup>4</sup> In Amendment No. 1 to the proposed rule change, NSCC amended and replaced in its entirety the originally filed confidential Exhibit 3a with a new confidential Exhibit 3a in order to remove references to a practice that was not intended for consideration as part of the filing.

<sup>5</sup> NSCC also filed the proposed rule change as advance notice SR-NSCC-2017-808 pursuant to Section 806(e)(1) of the Payment, Clearing, and Settlement Supervision Act of 2010 and Rule 19b-4(n)(1)(i) under the Exchange Act. 12 U.S.C. 5465(e)(1) and 17 CFR 240.19b-4(n)(1)(i), respectively. On January 10, 2018, NSCC filed Amendment No. 1 to the advance notice to amend

and replace in its entirety the originally filed confidential Exhibit 3a in order to remove references to a practice that was not intended for consideration as part of the filing. Notice of filing of the advance notice, as modified by Amendment No. 1 (“Advance Notice”), was published in the **Federal Register** on February 8, 2018. Securities Exchange Act Release No. 82631 (February 5, 2018), 83 FR 5658 (February 8, 2018) (SR-NSCC-2017-808). The Commission did not receive any comments on the Advance Notice.

<sup>6</sup> NSCC’s Rules, available at [http://dtcc.com/-/media/Files/Downloads/legal/rules/nsccl\\_rules.pdf](http://dtcc.com/-/media/Files/Downloads/legal/rules/nsccl_rules.pdf).

<sup>7</sup> Notice, 83 FR at 2828-32.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> Notice, 83 FR at 2828-29.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> See Procedure XV (Clearing Fund Formula and Other Matters) of the Rules, *supra* note 6.

<sup>14</sup> Notice, 83 FR at 2829.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> Notice, 83 FR at 2828-29.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.*

<sup>22</sup> Notice, 83 FR at 2829-30.

<sup>23</sup> Notice, 83 FR at 2830-31.

<sup>24</sup> *Id.*