**2024 SIFMA MASTER TREASURY SECURITIES**

**CLEARING SCHEDULE: DONE-WITH**

September 25, 2024

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**SCHEDULE**

**to the**

2024 SIFMA MASTER TREASURY SECURITIES

CLEARING AGREEMENT: DONE-WITH

Dated as of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Between:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(“Clearing Member”) (“Customer”)

**Part 1. Specified CCP and Applicable Modules.**

(a) The parties agree that each of the following shall be a Specified CCP (select all that apply):

The Fixed Income Clearing Corporation; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

For purposes of the Agreement, references to the “relevant Specified CCP” shall refer to, in connection with any Transaction or Cleared Transaction, the particular Specified CCP specified in the Confirmation or by such other method as agreed to by the parties.

(b) The parties agree that each of the following shall be an Applicable Module that may be designated to apply to any Transaction in a Confirmation (select all that apply):

Module I: FICC Sponsored DVP Module;

Module II: FICC Sponsored GC Module;

Module III: FICC Agent Clearing Module;

Module IV: Margin Module; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Part 2.** **Elective Terms.**

(a) ***Additional*** ***Definitions*.**

“Customer Transaction Information” shall mean:

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“Fails Charge” shall mean:[[1]](#footnote-2)

Financing charges that apply as a matter of market practice; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

“Governing MRA” shall mean:

A form of Master Repurchase Agreement (September 1996 version) published by the Securities Industry and Financial Markets Association incorporated herein by reference as an agreement between Clearing Member and Customer;

A form of Global Master Repurchase Agreement (2011 version) published by the Securities Industry and Financial Markets Association incorporated herein by reference as an agreement between Clearing Member and Customer;

A form of Global Master Repurchase Agreement (2000 version) published by the Securities Industry and Financial Markets Association incorporated herein by reference as an agreement between Clearing Member and Customer; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

provided that the parties agree to the following with respect to the Governing MRA:

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“Other Agreements (Secured Obligations)” shall mean:

None; or

The following agreements:

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“Other Agreements (Setoff)” shall mean:

None; or

The following agreements:

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“Other Specified CCP-Cleared Transactions” shall mean:[[2]](#footnote-3)

None;

All transactions eligible to be cleared by Clearing Member for Customer at a Specified CCP under the Applicable CCP Rules; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

provided that Other Specified CCP-Cleared Transactions shall not include any Eligible Secondary Market Transactions.

“Other Secured Obligations” shall mean:

None; or

Customer’s obligations under all Other Agreements (Secured Obligations).

(b) ***Confirmations*.** The Objection Deadline for a Confirmation shall be:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(c) ***Submission Deadline*.** The Submission Deadline for a Transaction shall be:

(i) The time on a Business Day by which a Transaction must be submitted to a Specified CCP in order for the Transaction to be novated to the Specified CCP on that Business Day (the “CCP Deadline”), if the Transaction is entered into at least \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ prior to the CCP Deadline on such Business Day, and (ii) the CCP Deadline on the following Business Day, if the Transaction is entered into by the parties later than \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ prior to the CCP Deadline on a Business Day; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(d) ***Rejected Transactions*.** The following is applicable to Rejected Transactions:

Bilateral Transaction, provided that:

Bilateral Transaction is applicable to all Rejected Transactions; or

Bilateral Transaction is applicable only to Rejected Transactions that are Other Specified CCP-Cleared Transactions, and the following shall apply to the remaining Rejected Transactions:

Unwind; or

Termination;

Unwind;

Termination, provided that:

Termination is applicable to all Rejected Transactions; or

Termination is applicable only to Rejected Transactions that are rejected or otherwise failed to be novated as a result of the acts or omissions by one of the parties, and the following shall apply to the remaining Rejected Transactions:

Bilateral Transaction; or

Unwind; or

Other (the parties agree that the terms below shall govern Rejected Transactions):

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If “Termination” is specified as applicable, the following shall be the “Determining Party”:

Clearing Member;

Customer; or

The party that is not the party whose acts or omissions resulted in the Transaction being rejected or failing to be novated, or if the acts or omission by neither or both parties resulted in the Transaction being rejected or failing to be novated, Clearing Member.

(e) ***On-Leg Settlement Failure*.** The following shall be applicable to On-Leg Settlement Failure:

Cancellation;

Failed On-Leg; or

Other (the parties agree that the terms below shall govern On-Leg Settlement Failure):

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(f) ***Lock-up of Purchased Securities*.** Lock-Up is:

Applicable; or

Not applicable.

(g) ***Bilateral Repo Agreements.***[[3]](#footnote-4)Notwithstanding anything contrary in the Agreement (select all that apply; if none of the below is selected, this Part 2(g) shall not apply):

Collateral shall not include any transaction under a Bilateral Repo Agreement and any Purchased Securities, Margin Securities, and Cash Margin transferred by Customer to Clearing Member thereunder;

Secured Obligations shall not include any obligations of Customer arising under any Bilateral Repo Agreement and any transactions thereunder;

The occurrence of a default, event of default, termination event, or other similar event or condition in respect of Customer under a Bilateral Repo Agreement shall not constitute an Event of Default;

The occurrence and continuation (if applicable) of an Event of Default shall not constitute an event of default or termination event (however defined) under any Bilateral Repo Agreement; or

Amounts owing under any Bilateral Repo Agreement shall not be subject to setoff pursuant to Section 4(i) of the Agreement.

(h) ***Financial Information Covenant*.** Customer shall provide the following financial information to Clearing Member by the date specified below:

|  |  |
| --- | --- |
| Financial Information/Document to be delivered | Date by which to be delivered |
|  |  |
|  |  |

Public Information is:

Applicable; or

Not Applicable.

(i) ***Porting*.** Porting is:

Not Applicable; or

Applicable.

If “Porting” is specified as applicable, then the following shall be conditions precedent to the facilitation of porting (select all that apply):

Clearing Member consent; or

The following conditions:

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(j) ***Events of Defaults and Remedies; Ceasing to Act by a Specified CCP*.**

(i) Clearing Member’s designation of an Event of Default shall be effective:

Upon the effectiveness of the notice provided to Customer containing such designation;

Upon the effectiveness of the notice provided to Customer containing such designation, provided that, if it is not feasible to provide such notice as a result of Applicable Law or an event or condition beyond Clearing Member’s control, Clearing Member’s designation of an Event of Default shall be effective immediately and Clearing Member shall deliver notice of such designation as soon as practicable; or

Immediately, provided that Clearing Member shall deliver notice of such designation to Customer as soon as practicable following such designation.

(ii) Continuing Events of Default are:

All Events of Default;

All Events of Default, except with respect to Events of Default pursuant to Sections 4(a)(i) or 4(a)(ii) of the Agreement;

The following Events of Default:

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or

No Events of Default.

(iii) The Cure Period for the Event of Default described in Section 4(a)(i) of the Agreement is:

Applicable, and shall mean \_\_\_\_ Business Day(s) following the occurrence of such event;

Applicable, and shall mean the lesser of (A) \_\_\_\_ Business Day(s) following the occurrence of such event, and (B) the cure period applicable to Clearing Member’s parallel obligations to the Specified CCP under Applicable CCP Rules; or

Not Applicable.

(iv) The Cure Period for the Event of Default described in Section 4(a)(ii) of the Agreement is:

Applicable, and shall mean \_\_\_\_ Business Day(s) following the occurrence of such event;

Applicable, and shall mean the lesser of (A) \_\_\_\_ Business Day(s) following the occurrence of such event, and (B) the cure period applicable to Clearing Member’s parallel obligations to the Specified CCP under Applicable CCP Rules; or

Not Applicable.

(v) Cure Period for the Event of Default described in Section 4(a)(iii) of the Agreement is:

Applicable, and shall mean \_\_\_\_ Business Day(s) following the occurrence of such event;

Applicable, and shall mean the lesser of (A) \_\_\_\_ Business Day(s) following the occurrence of such event, and (B) the cure period applicable to Clearing Member’s parallel obligations to the Specified CCP under Applicable CCP Rules; or

Not Applicable.

(vi) Cross-Default shall be:

Applicable, and shall mean a default, event of default, termination event, or other similar event or condition in respect of Customer under the following agreements:

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Applicable, and shall mean a default, event of default, termination event, or other similar event or condition in respect of Customer under the following agreements:

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, provided that after giving effect to any applicable notice requirement or grace period, such event results in a liquidation of, an acceleration of all obligations under, or an early termination of such agreement or all transactions thereunder;

Applicable, and shall mean (A) a default, event of default, termination event, or other similar event or condition in respect of Customer as a result of the failure to make a payment, delivery, or transfer of margin under the following agreements:

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and (B) a default, event of default, termination event, or other similar event or condition in respect of Customer under such agreements that is not a result of a failure to make a payment, delivery, or transfer of margin, provided that after giving effect to any applicable notice requirement or grace period, such event results in a liquidation of, an acceleration of all obligations under, or an early termination of such agreement or all transactions thereunder; or

Not Applicable.

(vii) Default Export. The terms set forth in Section 4(c) of the Agreement shall be:

Applicable; or

Not applicable.

(viii) For purposes of Section 4(d) of the Agreement, the interest rate shall be:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(ix) “Mini-Close-Out” is:

Optional; or

Mandatory.

(x) The following is applicable for Section 4(f) of the Agreement:

Specified CCP Termination: Costs; or

Specified CCP Termination: No Costs.

(xi) For purposes of Section 4(g)(v) of the Agreement, Term Trade Breakage is:

Applicable, and the parties agree the following method shall be used to determine the market rate for replacement transactions for purposes of calculating the Term Trade Termination Amount:

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or

Not Applicable.

(xii) The Non-Affected Party shall determine the Close-Out Amount in respect of any Cleared Transaction that has been terminated:

Immediately upon the termination of such Cleared Transaction;

As soon as reasonably practicable following the termination of such Cleared Transaction; or

At any time in its discretion following the termination of such Cleared Transaction.

(xiii) For purposes of Section 4(h) of the Agreement, Close-Out Agent is:

Applicable; or

Not Applicable.

(k) ***Setoff*.** Cross-Setoff is:

Applicable; or

Not Applicable.

(l) ***Indemnification and Limitation of Liability*.**

“Indemnified Person” shall mean Clearing Member and each of (select all that apply):

Clearing Member’s directors, officers, and employees;

Clearing Member’s affiliates; or

Clearing Member’s agents.

“Indemnifiable Loss” shall mean losses, claims, damages, liabilities, and expenses (including reasonable costs of collection, reasonable external attorneys’ fees, and court costs) when and as incurred by or asserted against an Indemnified Person, to the extent such losses are a result of or in connection with (select all that apply):

Clearing Member’s indemnification obligations to any Specified CCP under Applicable CCP Rules or any agreement between Clearing Member and a Specified CCP, to the extent related to Customer, any Cleared Transaction, or this Agreement;

Any act or omission of Customer in breach of this Agreement (whether or not an Event of Default has been declared) or Applicable Law;

Any act or omission by any person or any event relating to this Agreement or any Cleared Transaction, in each case if such act, omission, or event is beyond Clearing Member’s reasonable control;

Any act or omission by any person or any other event relating to this Agreement or any Cleared Transactions, except to the extent such Indemnifiable Loss is a result of a Cause; or

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, provided that Indemnifiable Loss shall not include losses to the extent they are solely a result of or in connection with any On-Leg that is not eligible to be novated to Specified CCP.

“Customer Loss” shall mean losses, damages, liabilities, and expenses that are a result of or in connection with (select all that apply):

Any act or omission by any person or any event relating to this Agreement or any Cleared Transaction, in each case if such act, omission or event is beyond Clearing Member’s reasonable control;

Any act or omission by any person or any other event relating to this Agreement or any Cleared Transactions, except to the extent such Customer Loss is a result of a Cause; or

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“Cause” shall mean Clearing Member’s (select all that apply):

Recklessness, willful misconduct, or fraud;

Gross negligence;

Negligence;

Breach of the Agreement;

Violation of Applicable CCP Rules relating to the Cleared Transactions;

Violation of Applicable Law relating to the Cleared Transactions; or

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(m) ***Governing Law and Jurisdiction*.**

(i) The Governing Law shall be the laws of:

The State of New York (without giving effect to the choice of law principles thereof, except for Section 5-1401 of the New York General Obligations Law); or

England, in which case English law shall govern the Agreement as well as any non-contractual obligation arising out of or in connection with it.

(ii) “Submission to Jurisdiction” is:

Exclusive; or

Non-Exclusive.

(n) ***Waiver of Jury Trial*.** The terms set forth in Section 6(c)(iv) of the Agreement shall be:

Applicable; or

Not applicable.

(o) ***Additional Terms*.**

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**Part 3.** **Notice Details.**

Notices to Clearing Member shall be provided to:

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Notices to Customer shall be provided to:

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**Part 4.** **Elective Terms for FICC Sponsored DVP Module, FICC Sponsored GC Module, and FICC Agent Clearing Module.**

(a) ***Accounts*.** The following is applicable to Section 2 of Module I (FICC Sponsored DVP Module) and/or Section 2 of Module III (FICC Agent Clearing Module), as applicable:

Custody Account; or

Other Account Structure (the parties agree that the terms below shall govern)

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(b) ***Financial Asset Election*.** The parties agree that, notwithstanding anything contrary in the Agreement (select one; if none of the below is selected, this Part 4(b) shall not apply):

Cash credited to any Account shall not be treated as a “financial asset” under the UCC;

Cash credited to any Account (except for cash held at a Specified CCP) shall not be treated as a “financial asset” under the UCC; or

Cash credited to any Account (except for cash held in a Custodial Account with a third party) shall not be treated as a “financial asset” under the UCC.

(c) ***Customer Information*:**

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| Customer Legal Name (and any former names):  Customer Type of Organization:  Customer Jurisdiction of Organization:  Customer Organizational Identification Number:  Customer Place of Business (or if more than one, principal place of business and chief executive office):  Changes to the foregoing in the preceding five years:  [Investment Manager]  [Investment Manager Legal Name:  Investment Manager Place of Business (or if more than one, principal place of business and chief executive office):] |

(d) ***Notification for Change to Customer Information*.** Customer shall notify Clearing Member of any change to information stated in Part 4(c) above:

As soon as practicable thereafter, but in any event within 30 days after such change(s) become effective; or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(e) ***Settlement of Sponsored DVP Trades*.** The following is applicable to Section 4 of Module I (FICC Sponsored DVP Module):

Pre-Position;

Pre-Position if and only if Customer is the Buyer of Securities;

Pre-Settlement;

Pre-Settlement if and only if Customer is the Seller of Securities; or

Other (parties may specify applicable terms below):

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If Pre-Position is applicable, then for each relevant Cleared Transaction:

(i) Pre-Position Deadline shall be:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; and

(ii) Post-Position Deadline shall be:

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(f) ***Settlement of Agent Clearing Transactions*.** The following is applicable to Section 3 of Module III (FICC Agent Clearing Module):

Pre-Position;

Pre-Position if and only if Customer is the Buyer of Securities;

Pre-Settlement;

Pre-Settlement if and only if Customer is the Seller of Securities; or

Other (parties may specify applicable terms below):

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If Pre-Position is applicable, then for each relevant Cleared Transaction:

(i) Pre-Position Deadline shall be:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; and

(ii) Post-Position Deadline shall be:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(g) ***Customer Payment and Delivery Obligations*.**

(i) For purposes of Module I (FICC Sponsored DVP Module) and/or Module III (FICC Agent Clearing Module), Interest is:

Applicable, and the following interest rate and such other terms shall apply:

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or

Not Applicable.

(ii) Margin Financing Cost is:

Applicable; or

Not Applicable.

(iii) Transfer Deadline shall mean:

If Customer receives a demand from Clearing Member by \_\_\_\_\_ [A.M./P.M.] on any Business Day, \_\_\_\_\_\_\_ [A.M./P.M.] on the same Business Day; and

If Customer receives a demand from Clearing Member after \_\_\_\_\_ [A.M./P.M.] on any Business Day, \_\_\_\_\_\_\_ [A.M./P.M.] on the next Business Day; or

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For purposes of the Transfer Deadline, the time zone shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(h) ***Additional Collateral*.** GC Pledge is:

Applicable; or

Not applicable.

If GC Pledge is applicable, “Additional Collateral” shall mean (select all that apply):

Customer’s right, title, and interest in the Clearing Member GC Custodial Account relating to any Cleared Transaction; or

Customer’s right, title, and interest in the Customer GC Custodial Account relating to any Cleared Transaction.

1. ***FOS Satisfaction*.** FOS Satisfaction is:

Applicable; or

Not applicable.

(j) ***GC*** ***Excess Margin*.** GC Excess Margin is:

Applicable; or

Not applicable.

(k) ***Additional Terms*:**

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**Part 5.** **Elective Terms for Margin Module.**

(a) ***Required Margin Amount*.** At any time, the “Required Amount” shall be equal to:

An amount equal to the initial margin requirement of Specified CCP in respect of Customer’s Cleared Transactions;

An amount determined in accordance with a formula or methodology that has been agreed among the parties (the parties may set forth such formula or methodology in an annex to this Schedule or in a separate agreement); or

An amount to be determined in Clearing Member’s discretion.

(b) ***Eligible Collateral***.[[4]](#footnote-5) The following items shall qualify as “Eligible Collateral” for purposes of Module IV (Margin Module):

|  |  |  |
| --- | --- | --- |
| Type | Valuation Source | Applicable Haircut Percentage |
| Cash (U.S. Dollar) |  | [ ]% |
| U.S. Treasury securities having an original maturity at issuance of not more than one year (“Treasury Bills”) |  | [ ]% |
| U.S. Treasury securities having an original maturity at issuance of more than one year but not more than 10 years (“Treasury Notes”) |  | [ ]% |
| U.S. Treasury securities having an original maturity at issuance of more than 10 years (“Treasury Bonds”) |  | [ ]% |
| [ ] |  | [ ]% |
| [ ] |  | [ ]% |

(c) ***Margin Posting Deadline*.** “Margin Posting Deadline” shall mean:

If Customer receives a Margin Call by \_\_\_\_\_ [A.M./P.M.] on any Business Day, \_\_\_\_\_\_\_ [A.M./P.M.] on the same Business Day; and

If Customer receives a Margin Call after \_\_\_\_\_ [A.M./P.M.] on any Business Day, \_\_\_\_\_\_\_ [A.M./P.M.] on the next Business Day; or

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For purposes of the Margin Posting Deadline, the time zone shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(d) ***Treatment of Posted Margin*.** For purposes of Section 3(b) of Module IV (Margin Module), the following shall be applicable:

On-Posting: Segregation;

On-Posting: No Segregation;

No On-Posting: Investment Policy, and “Investment Policy” shall mean:

Clearing Member’s internal policies and procedures regarding the permissible use of customer margin; or

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No On-Posting: Rehypothecation; or

No On-Posting: Deposit and Securities Accounts.

(e) ***Margin Return Deadline*.** “Margin Return Deadline” shall mean:

If Clearing Member receives a Return Demand by \_\_\_\_\_ [A.M./P.M.] on any Business Day, \_\_\_\_\_\_\_ [A.M./P.M.] on the same Business Day; and

If Clearing Member receives a Return Demand after \_\_\_\_\_ [A.M./P.M.] on any Business Day, \_\_\_\_\_\_\_ [A.M./P.M.] on the next Business Day; or

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For purposes of the Margin Return Deadline, the time zone shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(f) ***Substitution*.** Substitution is:

Applicable; or

Not applicable.

If Substitution is applicable, “Monthly Substitutions Limit” shall mean:

Not applicable; or

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(g) ***Distribution and Interest Amount*.**

(i) “Additional Margin” is:

Applicable; or

Not applicable.

(ii) If Additional Margin is not applicable, Clearing Member shall transfer the Interest Amount to Customer:

On the last Business Day of each calendar month and on any Business Day that Posted Margin in the form of cash is transferred to Customer pursuant to Section 3(c) of Module IV (Margin Module); or

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

“Interest Amount” means, with respect to an Interest Period, the aggregate sum of the amounts of interest calculated for each day in that Interest Period on the principal amount of Posted Margin in the form of cash on that day, determined by Clearing Member for each such day as follows:

(A) The amount of that cash on that day; multiplied by

(B) The Interest Rate in effect for that day; divided by

(C) 360.

“Interest Period” means the period from (and including) the last Business Day on which an Interest Amount was transferred (or, if no Interest Amount has yet been transferred, the Business Day on which Posted Margin in the form of cash was transferred to Clearing Member) to (but excluding) the Business Day on which the current Interest Amount is to be transferred.

“Interest Rate” means \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

(h) ***Additional Terms***:

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**Part 6.** **International Terms.**

(a) ***UK Financial Collateral Arrangement Regulations*.** These “FCA Terms” are:

Applicable; or

Not Applicable.

If FCA Terms are applicable, then:

(i) *Financial Collateral Arrangement*. Clearing Member and Customer agree that it is their intention that the Security Interest granted pursuant to Section 2 of the Agreement constitutes a “financial collateral arrangement” as defined in the UK Financial Collateral Arrangements (No 2) Regulations 2003 (the “Financial Collateral Regulations”).

(ii) *Separate grant of security*. The Security Interest granted pursuant to Section 2 of the Agreement shall apply separately in respect of such Collateral as falls within the definition of “financial collateral” under the Financial Collateral Regulations, on the one hand, and other Collateral as such term is defined hereunder on the other hand.

(iii) *Control*. At any time during the subsistence of the Security Interest granted pursuant to Section 2 of the Agreement, Customer shall not, and shall not be entitled to, without the prior written consent of Clearing Member, sell, transfer, license, lease, loan, grant any option over, declare a trust over, or otherwise dispose of or deal with any of the Collateral or its rights in respect of the Collateral.

(iv) *Appropriation*. Without prejudice to any other rights of Clearing Member under the Agreement and Applicable Law, Clearing Member will have the right after the Collateral has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.

(b) ***Miscellaneous*.** The following provisions shall apply if the Agreement is expressed to be governed by English law:

(i) *Partial invalidity*. If, at any time, any provision of the Agreement is or becomes illegal, invalid, or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity, or enforceability of the remaining provisions nor the legality, validity, or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

(ii) *Further assurance*. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments, and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of the Agreement and the consummation of the transactions contemplated hereby.

(iii) *Service of process*. If Customer is not incorporated or located in England and Wales:

(A) Customer irrevocably appoints:

(Name) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Address) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

as its agent to receive on its behalf in England and Wales service of any legal proceedings to settle any dispute or claim arising out of or in connection with the Agreement or its subject matter or formation.

(B) Such service shall be deemed completed on delivery to such agent (whether or not it is forwarded to and received by Customer) and shall be valid until such time as Clearing Member has received prior notice that such agent has ceased to act as agent. If for any reason such agent ceases to be able to act as agent or no longer has an address in England and Wales, Customer shall forthwith appoint a substitute acceptable to Clearing Member and deliver to Clearing Member the new agent’s name and address within England and Wales.

(C) Each party irrevocably consents to any process in any legal action or proceedings arising out of or in connection with the Agreement or its subject matter or formation being served on it in accordance with the provisions of the Agreement relating to the service of notices of claims. Nothing in the Agreement shall affect the right to serve process in any other manner permitted by law.

(c) ***Additional Terms***:[[5]](#footnote-6)

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**Part 7.** **Additional Terms.**

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(*Signature page to follow*)

IN WITNESS WHEREOF, the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

|  |  |
| --- | --- |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (*Name of Clearing Member*)  By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name:  Title:  Date: | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (*Name of Customer*)  By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name:  Title:  Date: |

1. This provision is only relevant if “Failed On-Leg” is specified as applicable under Part 2(e) (***On-Leg Settlement Failure***) ‎below. [↑](#footnote-ref-2)
2. This provision is only relevant if the parties elect the second option under Bilateral Transaction under ‎Part 2(d) (***Rejected Transactions***) below‎. [↑](#footnote-ref-3)
3. In many cases, parties view bilateral and cleared Treasury securities transactions as an integrated relationship (e.g., for credit and margin purposes) and therefore include cross-collateralization, cross-default, and cross-setoff provisions with respect to bilateral repos in their clearing agreements. Parties may agree to expand, narrow, or remove cross-collateralization, cross-default, and cross-setoff provisions taking into consideration the overall relationship between them and other factors. [↑](#footnote-ref-4)
4. Parties may include additional types of eligible collateral, including agency securities. [↑](#footnote-ref-5)
5. Parties should consult legal counsel for any jurisdiction-specific terms that should be added. [↑](#footnote-ref-6)