

Treasury Tax & Loan (TT&L) Program

31 CFR Part 203

Collateral Margins Table*

Effective: August 1, 2016
Last Updated: June 29, 2016

Securities ²	Margins for Securities ¹ (% of Market Value or Internal Fair Market Value Estimate)		
	DURATION BUCKETS		
	0 - 5	>5 - 10	>10
U.S. Treasuries:			
<i>Bills, Notes, Bonds, FRNs, TIPS</i>	99%	97%	95%
<i>STRIPS</i>	98%	96%	92%
U.S. Government Guaranteed Agencies:			
<i>Bills, Notes, Bonds</i>	99%	97%	95%
<i>Zero Coupons</i>	98%	96%	92%
U.S. Government Sponsored Enterprises:			
<i>Bills, Notes, Bonds</i>	98%	96%	94%
<i>Zero Coupons</i>	97%	95%	91%
International Agencies:			
<i>Bills, Notes, Bonds</i>	98%	96%	94%
<i>Zero Coupons</i>	97%	95%	91%
Municipal Bonds⁶	98%	96%	94%
Corporate Bonds			
<i>Highest Credit Quality⁵</i>	98%	95%	93%
<i>Acceptable Credit Quality⁶</i>	96%	93%	92%
U.S. Residential Covered Bonds⁵	98%	95%	93%
Asset-Backed Securities⁵	98%	94%	90%
Mortgage Backed Securities³	98%	96%	94%
Collateralized Mortgage Obligations^{3,5}	98%	96%	94%
Private Label CMOs⁵	93%	92%	89%
Bankers' Acceptances⁵	98%		
Commercial Paper⁵	98%		
Loans	Margins for Individually Deposited Loans ⁴ (% of Internal Fair Market Value Estimate)		
	Fixed Rate Loans	Floating Rate Loans	
U.S. Government Agency Guaranteed Loans	79%-95%	88%-95%	
Agricultural Loans			
<i>Minimal Risk Rated⁷</i>	48%-95%	47%-95%	
<i>Normal Risk Rated⁸</i>	13%-94%	21%-94%	
Commercial Loans			
<i>Minimal Risk Rated⁷</i>	48%-95%	47%-95%	
<i>Normal Risk Rated⁸</i>	13%-94%	21%-94%	
1 - 4 Family Residential Mortgages⁹	70%-95%	62%-95%	
Student Loans	60%-95%	53%-95%	

* This document is for informational purposes only and subject to change without notice.
It is not binding on either the Treasury or the Federal Reserve System in any particular transaction.

Notes:

- 1 Eligible securities for which a third party price is not available are assigned an internally modeled value. The margin for the >10 duration bucket is applied to such securities.
- 2 Securities and Instruments are not acceptable if they are issued by the pledging institution, an affiliate of the pledging institution, or otherwise correlated with the financial condition of the pledging institution.
- 3 U.S. Government or Guaranteed Agencies and Government Sponsored Enterprises (GSE's) only.
- 4 Individually deposited loans are loans pledged via the Automated Loan Deposit system. The margin applied to an individually deposited loan is determined by the maturity and coupon of the loan.
- 5 [Acceptable if the obligations are "investment grade" as that term is defined in 12 CFR part 1, except that the risk of default by an obligor is very low and the pledgor has assessed the credit risk of the obligations in accordance with the due diligence requirements provided in the Office of the Comptroller of the Currency's Supervisory Guidance on Due Diligence Requirements in Determining Whether Securities are Eligible for Investment.](#)
- 6 [Acceptable if the obligations are "investment grade" as that term is defined in 12 CFR part 1, whereby the risk of default by an obligor is low and the pledgor has assessed the credit risk of the obligations in accordance with the due diligence requirements provided in the Office of the Comptroller of the Currency's Supervisory Guidance on Due Diligence Requirements in Determining Whether Securities are Eligible for Investment.](#)
- 7 "Minimal Risk" is equivalent to investment grade.
- 8 "Normal Risk" is equivalent to below investment grade while remaining a "pass-credit" from a regulatory standpoint.
- 9 These assets are acceptable for Special Direct Investment (SDI) Participants only.

All pledged collateral must be transferable and owned by the depositary free and clear of all liens, charges, and claims. A detailed list of acceptable collateral for the TT&L Program can be obtained from www.treasurydirect.gov.