

Treasury Tax & Loan (TT&L) Program

31 CFR Part 203

Collateral Margins Table*

Effective: July 1, 2021

| Securities | Margins for Securities (% of Market Value or Internal Fair Market Value Estimate) | | | | |
|--|---|-----------|---------------------|-----------|-----------|
| | DURATION BUCKETS | | | | |
| | 0 - 1 | >1 - 3 | >3 - 5 | >5 - 10 | >10 |
| U.S. Treasuries: | | | | | |
| <i>Bills, Notes, Bonds, FRNs, TIPS</i> | 99% | 99% | 98% | 97% | 95% |
| <i>STRIPS</i> | 97% | 97% | 97% | 97% | 92% |
| U.S. Government Guaranteed Agencies: | | | | | |
| <i>Bills, Notes, Bonds¹</i> | 99% | 99% | 98% | 97% | 95% |
| U.S. Government Sponsored Enterprises: | | | | | |
| <i>Bills, Notes, Bonds¹</i> | 98% | 98% | 97% | 96% | 94% |
| International Agencies: | | | | | |
| <i>Bills, Notes, Bonds¹</i> | 97% | 97% | 97% | 96% | 94% |
| Municipal Bonds² | 98% | 98% | 97% | 95% | 92% |
| Corporate Bonds | | | | | |
| <i>Highest Credit Quality³</i> | 98% | 98% | 97% | 94% - 96% | 92% - 93% |
| <i>Acceptable Credit Quality²</i> | 91% - 97% | 87% - 97% | 87% - 96% | 87% - 94% | 85% - 92% |
| U.S. Residential Covered Bonds³ | 98% | 98% | 97% | 96% | 93% |
| Asset-Backed Securities³ | 98% | 98% | 96% | 92% | 89% |
| Mortgage Backed Securities (MBS)⁴ | 98% | 98% | 97% | 96% | 94% |
| Collateralized Mortgage Obligations^{3,4} | 98% | 98% | 97% | 96% | 94% |
| Non-Agency Residential MBS³ | 77% | 77% | 77% | 77% | 77% |
| Bankers' Acceptances³ | 98% | 98% | 97% | | |
| Commercial Paper³ | 98% | | | | |
| Loans | Margins for Individually Deposited Loans ⁵ (% of Internal Fair Market Value Estimate) | | | | |
| | Fixed Rate Loans | | Floating Rate Loans | | |
| | | | | | |
| U.S. Government Agency Guaranteed Loans | 80% - 95% | | 90% - 95% | | |
| Agricultural Loans | | | | | |
| <i>Minimal Risk Rated⁶</i> | 48% - 95% | | 40% - 95% | | |
| <i>Normal Risk Rated⁷</i> | 13% - 94% | | 15% - 94% | | |
| Commercial Loans | | | | | |
| <i>Minimal Risk Rated⁶</i> | 48% - 95% | | 40% - 95% | | |
| <i>Normal Risk Rated⁷</i> | 13% - 94% | | 15% - 94% | | |
| 1 - 4 Family Residential Mortgages⁸ | 70% - 95% | | 63% - 95% | | |
| Student Loans | 58% - 95% | | 54% - 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 Zero coupon bonds will be subject to a margin reduction.
- 2 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*.
- 3 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*.
- 4 U.S. Government or Guaranteed Agencies and Government Sponsored Enterprises (GSE's) only.
- 5 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.
- 6 "Minimal Risk" is equivalent to investment grade.
- 7 "Normal Risk" is equivalent to below investment grade while remaining a "pass-credit" from a regulatory standpoint.
- 8 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.