

**ACCEPTABLE COLLATERAL FOR**  
**THE TREASURY TAX AND LOAN (TT&L) PROGRAM**  
***(31 CFR PART 203)***

Effective: March 22, 2000  
Last Updated: August 8, 2003

**CATEGORY 1:**        --        Obligations issued and fully insured or guaranteed by the United States Government or a United States Government agency. (Also, see Category 4)

Department of the Treasury - <http://www.publicdebt.treas.gov/>

- Bills [BILL]
- Notes [NOTE]
- Bonds [BOND]
- Inflation-Indexed Note [TRIN]
- Inflation-Indexed Bond [TRIB]

- Treasury STRIPS
- STRIPS - Physical Corpus
- STRIPS - Physical Coupons
- STRIPS - Book-Entry Coupons [TINT or CUBE]
- Zero Coupon - Callable Corpus [TCAL]
- Zero Coupon - Non-Callable Corpus [TPRN]
- Inflation-Indexed Note Corpus [TPIN]
- Inflation-Indexed Bond Corpus [TPIB]
- Inflation-Indexed Interest Component [TIIN]

Department of Agriculture- <http://www.usda.gov/>

- Commodity Credit Corporation
  - Export Credit Guaranteed Obligations
- Rural Housing Service (RHS) - <http://www.rurdev.usda.gov/rhs>
  - Certificates of Beneficial Ownership (CBO) [FHOE]
- Farm Service Agency (FSA) - <http://www.fsa.usda.gov/>
  - Insured Notes
- Rural Business-Cooperative Service (RBS) - <http://www.rurdev.usda.gov/rbs>
  - Guaranteed Business and Industry Loans
- Rural Utilities Service (RUS) - <http://www.rurdev.usda.gov/rus>
  - Guaranteed Loans

Department of Commerce- <http://www.commerce.gov/>

- National Oceanographic and Atmospheric Administration- <http://www.noaa.gov/>
  - Guaranteed Fishing Vessel Loans

Department of Health and Human Services- <http://www.hhs.gov/>

- Health Center Managed Care Loan Guarantee Program
- Loan Guarantee Program for Health Center Facilities
- Loan Guarantees for Medical Facilities
- Loan Guarantees for Teaching
- Facilities for Health Professions

Department of Housing and Urban Development- <http://www.hud.gov/>

Federal Housing Administration (FHA)- <http://www.hud.gov/fha/fhahome.html>  
Debentures

Government National Mortgage Association (Ginnie Mae) - <http://www.ginniemae.gov/>

All securities guaranteed under:

GNMA I Mortgage-Backed Securities Program [GNMI, GNSN, GNCL, GNPL, GPMI]

GNMA II Mortgage-Backed Securities Program [GNII, GNAR, GPII]

GNMA Multiclass Program

Platinum Certificates

REMICs [GNRM, GNRA]

Callable Class Securities [GNCT]

Public Housing Agency

Public Housing Agency Bonds

(Issued under Section 11 of US Housing Act of 1937 for Public Housing Program)

Section 108 Guaranteed Loan Program- <http://www.hud.gov/progdesc/cdbg-108.html>

Section 108 Government Guaranteed Notes

Section 108 Government Guaranteed Participation Certificates

Department of Transportation- <http://www.dot.gov/>

Federal Railroad Administration

Railroad Loans and Loan Guarantees issued under Title V of the Railroad  
Revitalization and Regulatory Reform Act of 1976

Maritime Administration- <http://www.marad.dot.gov/>

Title XI Ship Financing Guaranteed Notes and Bonds

Title XI Insured Ship Mortgage Program Notes and Bonds

Department of Veterans Affairs- <http://www.va.gov/>

VA-Backed Mortgages

Collateralized Mortgage Obligations (CMO)

Real Estate Mortgage Investment Conduits (REMIC)

Export-Import Bank- <http://www.exim.gov/>

All Export-Import Bank Guaranteed Loans

Financial Assistance Corporation (FAC)

Financial Assistance Corporation Bonds [FCAC or FASF]

Financial Assistance Corporation Stripped Components [FACP, FAIN, or FAPR]

Overseas Private Investment Corporation- <http://www.opic.gov/>

Guaranteed Notes

Guaranteed Certificates of Participation

Small Business Administration (SBA) - <http://www.sbaonline.sba.gov/>

*Development Company Loan Program under Title V of the Small Business Investment Act of  
1958, as amended:*

Section 504 Trust Certificates

Section 503 Debentures (not issued directly since 1986)

*Small Business Investment Company (SBIC) Program under Title III of the Small Business  
Investment Act:*

SBIC Debenture Trust Certificates

SBIC Participation Certificates, including Participating Security Trust Certificates

*Loans Made by 3rd Party Lenders under Section 7 of the Small Business Act of 1953, as  
amended:*

Section 7(a) Guaranteed Loans

Secondary Market Certificates

U.S. Agency for International Development (USAID)- <http://www.info.usaid.gov/>

Notes and Bonds guaranteed under:

Worldwide Housing Guarantee Program (22 U.S.C 2181)

Israel Guarantee Program (21 U.S.C. 2186)

**CATEGORY 2:** -- Obligations of United States Government-Sponsored Enterprises (GSE) and Government-Sponsored Corporations (GSC) that under specific statute may be accepted as security for public funds.

Farm Credit System (FCS) - <http://www.fca.gov/>

Federal Farm Credit Funding Corporation

Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes [FCBD]

Optional Principal Redemption Medium-Term Notes [FCAS or FCOR]

Floating Rate Notes [FCFR]

Federal Farm Credit Banks Consolidated Systemwide Discount Notes [FCDN]

Federal Farm Credit Banks Consolidated Systemwide Bonds [FCSB]

Optional Principal Redemption Bonds [FCSF or FCOR]

Federal Farm Credit Banks Global Debt Securities *{US Dollar-denominated only}*

Stripped Components [FCPR, FCCP, FCIN, or FCZC]

Federal Agricultural Mortgage Corporation (Farmer Mac) - <http://www.farmermac.com/>

Discount Notes [FFDN]

Medium Term Notes [FFNT]

Bonds [FFBD]

Optional Principal Redemption Securities [FFOR]

Agricultural Mortgage-Backed Securities

Stripped Components [FFIN, FFPR, FFPC, or FFZC]

Federal Home Loan Bank System - <http://www.fhfb.com/> or <http://www.fhfb-of.com/>

Discount Notes [FHDN]

Consolidated Bonds

Fixed-Rate Bonds [FHLG]

Floating-Rate Bonds [FHFR]

Medium-Term Bonds [FHBD]

Optional Principal Redemption Bonds [FHOR or FHSF]

Redemption Bonds [FHAS]

Multi-Currency [FHMC] *{US Dollar-denominated only}*

Stripped Components [FHPR, FHCP, FHIN, or FHZC]

Federal Home Loan Mortgage Corporation (Freddie Mac) - <http://www.freddiemac.com/>

Reference Bill Program

Reference Note Program

Debentures

Subordinated Debt

Capital Debentures [MCCD]

Debenture Bonds [MCDB]

Floating-Rate Debentures [FMFR]

Discount Notes [FMDN]

Global Notes *{US Dollar-denominated only}*

Medium-Term Notes [FMNT or FMFR]

Stripped Components

Callable Corpus Components [FMPR or FMCP]

Interest Components [FMIN]

*Mortgage-Backed Securities:*

Participation Certificates (PC) [FMPC, FGPC, or FMAR]  
Including Giant PC and other Pass-Through PC  
Real Estate Mortgage Investment Conduits (REMIC)  
[FMRA, FFRA, FGRA, FMRM or FRRM]  
Collateralized Mortgage Obligations (CMO) [FMMO]  
Guaranteed Mortgage Certificates (GMC)  
Mortgage Cash Flow Obligations (MCF) [FMMO]  
Funding Notes [FMPT or FMPTA]  
Stripped Components [FMST or FGST]

Federal National Mortgage Association (Fannie Mae) - <http://www.fanniemae.com/>

Benchmark Bills  
Short-Term Notes (Discount Notes) [FNDN]  
Global Debt Facility Debt Securities [FNMS or FNMC] {US Dollar-denominated only}  
Benchmark Notes  
Callable Benchmark Notes  
Medium-Term Notes [FNNT or FNFR]  
Benchmark Bonds  
Debentures [FNCD]  
Subordinated Debt (including Capital Debentures)  
General Unsecured Fannie Mae Debt Obligations  
Stripped Components [FNCP, FNPR or FXST]

*Mortgage-Backed Securities:*

Guaranteed Mortgage-Backed Securities (MBS) [FNMS or FNAR]  
Guaranteed REMIC Securities  
[FNRM, FNRA, FXRM, FXRA, FXCM, FXCA, FNCA, or FNCM]  
Guaranteed Grantor Trust Pass-Through Securities  
FASITs (Financial Asset Securitization Investment Trust)  
Stripped Components [FNST or FNIN]

Financing Corporation (FICO)

Bonds [FICO]  
Stripped Components [FIPR, FIIN, or FICP]

Resolution Funding Corporation (REFCORP)

Bonds [RFBD]  
Stripped Components [RFIN, RFCP, or RFPR]

Student Loan Marketing Association (Sallie Mae) - <http://www.salliemae.com/>

Convertible Subordinated Debentures and Notes [SLNT]  
Discount Notes [SLDN]  
Medium Term Notes  
Fixed Rate Notes [SLMN]  
Floating Rate Notes [SLFR]  
Bonds [SLBD]  
Global Floating Rate [SLGF]  
Global Notes [SLGN or SLMC]  
Sinking Fund [SLSF]  
Stripped Components [SLPR, SLCP, or SLIN]

Tennessee Valley Authority (TVA)- <http://www.tva.gov/>

Power Bonds [TVBD]  
Discount Notes [TVDN]  
Floating Rate Notes [TVFR]  
Quarterly Income Debt Securities  
Stripped Components [TVCP, TVIN, or TVPR]

**CATEGORY 3:**     --     Obligations issued or fully guaranteed by international development banks. *(These obligations are only acceptable if denominated in U.S. Dollars)*

World Bank Group - <http://www.worldbank.org/>

International Bank for Reconstruction and Development (IBRD or World Bank)-

<http://www.worldbank.org/ibrd>

Notes [WBNT or WBFR]

Discount Notes [WBDN]

Bonds [WBBD]

World Bank securities offered under the following programs:

COLTS (Continuously Offered Longer-Term Securities)

GMTN (Global Multi-Currency Notes)

GDIF (Global Debt Issuance Facility)

MLT (Medium Long-Term Notes)

CBF (Central Bank Facility)

GSTN (Global Short Term Notes)

Stripped Components [WBCP, WBPR, WBIN, WBCZ, or WBZC]

International Finance Corporation (IFC) – <http://www.ifc.org/>

Notes [IFMC or IFNT]

Inter-American Development Bank (IADB)- <http://www.iadb.org/>

Notes [IANT or IAFR]

Discount Notes [IADN]

Bonds [IABD or IAFR]

Stripped Components [IAPR or IAIN]

Asian Development Bank- <http://www.adb.org/>

Notes [ADBN]

Bonds [ADBB]

Stripped Components [ADCP, ADPR, or ADIN]

African Development Bank- <http://www.afdb.org/>

Notes [AFNT]

Bonds [AFDB]

Stripped Components [AFCP, AFPR, or AFIN]

**CATEGORY 4:** -- Insured student loans or notes representing educational loans insured or guaranteed under a program authorized under Title IV of the Higher Education Act of 1965, as amended, or Title VII of the Public Health Service Act, as amended.  
(Note: Securities issued by the Student Loan Marketing Association, or Sallie Mae, are referenced in Category 2)

Department of Education- <http://www.doe.gov/>

Federal Family Education Loan (FFEL) Program

-Authorizes four types of loans: Subsidized Stafford Loans and Unsubsidized Stafford Loans, which are made to student borrowers; PLUS loans, which are made to parents; and Consolidation Loans.

-Repayment of the loans is guaranteed by a guaranty agency, operating under an agreement with the Department of Education.

Department of Health and Human Services - <http://www.hhs.gov/>

Health Education Assistance Loan (HEAL) Program

**CATEGORY 5** -- General Obligations issued by states of the United States and Puerto Rico.

(Acceptable if they are Investment Grade or rated equal to Investment Grade. If not Investment Grade, may be acceptable but subject to an additional haircut depending on the credit worthiness of the security as determined by the Federal Reserve System and approved by Treasury.)

**CATEGORY 6** -- Obligations of counties, cities, or other United States governmental authorities or instrumentalities that are not in default as to payments on principal or interest and that may be purchased by banks as investment securities under the limitations established by appropriate federal bank regulatory agencies.

(Acceptable if they are Investment Grade or rated equal to Investment Grade. If not Investment Grade, may be acceptable but subject to an additional haircut depending on the credit worthiness of the security as determined by the Federal Reserve System and approved by Treasury.)

Acceptable collateral includes:

Bond Anticipation Notes (BAN)

Tax Warrants & Tax Anticipation Notes (TAN)

Revenue Bonds and Revenue Anticipation Notes (RAN)

Municipal (including State) Revenue Bonds and Anticipation Notes

**CATEGORY 7** -- Obligations of domestic corporations that may be purchased by banks as investment securities under the limitations established by appropriate federal bank regulatory agencies.

(Acceptable if they are Investment Grade or rated equal to Investment Grade. If not Investment Grade, may be acceptable but subject to an additional haircut depending on the credit worthiness of the security as determined by the Federal Reserve System and approved by Treasury.)

-- CMOs and REMIC's backed by Government Agency Guaranty Mortgages, Government Agency Mortgage Certificates and Conventional Mortgages are acceptable provided they are rated AAA/Aaa.

**CATEGORY 8** -- Qualifying commercial paper, commercial and agricultural loans, and bankers' acceptances approved by the Federal Reserve System at the direction of Treasury.

Commercial Paper and Agricultural Paper  
Money Market Instruments  
Commercial Loans (Excluding Commercial Mortgages)  
Bankers' Acceptances

Industrial Revenue Bonds (IRBs)  
IRBs are issued by State and local government entities, but the obligor is usually the underlying corporate entity.

Security must be:

- Marketable, i.e., not contain any provision limiting its Assignability or Transferability; and
- Approved by the Federal Reserve System after a credit analysis.

**CATEGORY 9** -- Qualifying publicly issued asset-backed securities that are Aaa/AAA rated by at least one nationally recognized statistical rating agency and approved by the Federal Reserve System at the direction of Treasury.

Acceptable asset-backed securities may be backed only by the following asset sectors:

- Credit Card Receivables
- Auto Loans
- Home Equity Loans
- Student Loans
- Equipment Leases

## NOTES:

### VALUATION:

Most of the collateral pledged to the TT&L program is priced and marked-to-market on a frequent and regular basis. A haircut is applied to the market value. For non-priced collateral, a haircut is applied to the outstanding principal value. Periodically, the margins (and haircuts) that are applied in the valuation of this pledged collateral are re-assessed.

This re-assessment helps to ensure that the collateral margins reflect current market conditions. These margins are used to account for various risks and are applied to both priced and non-priced pledged collateral held in book-entry and definitive forms.

For current applied margins, please refer to Treasury's Bureau of the Public Debt website ([www.publicdebt.treas.gov](http://www.publicdebt.treas.gov)), the Federal Reserve's Financial Services website ([www.frbservices.org](http://www.frbservices.org)), or contact the National Customer Service Area of the Federal Reserve Bank of St. Louis at 1-888-568-7343 (Select Option 2 for Collateral Monitoring) or the appropriate TT&L program representatives at your Federal Reserve Bank.

### FEDWIRE CODES:

This list is organized by issuers and acceptable securities for the 31 CFR Part 203 program. Fedwire codes have been provided where available, but only serve as a guide and may be subject to change.

### SECURITIES CURRENTLY NOT ACCEPTABLE:

- \*\* Common and Preferred Stock
- \*\* Consumer Paper or Consumer Notes
- \*\* Foreign Currency-Denominated Securities
- \*\* Indexed Securities (except as otherwise noted)
- \*\* Mutual Funds
- \*\* Construction Loans
- \*\* Raw Loans
- \*\* Obligations that have been issued by the pledging bank or by affiliates of the pledging bank
- \*\* Obligations of foreign countries (i.e., Sovereign Debt)
- \*\* Collateralized Bond Obligations (CBO's), Collateralized Loan Obligations (CLO's), and Collateralized Mortgage-Backed Securities (CMBS) except as otherwise noted
- \*\* Real Estate Mortgage Notes (1 - 4 FAMILY MORTGAGES ARE ACCEPTABLE ONLY IF HELD IN A BORROWER-IN-CUSTODY (BIC) ARRANGEMENT TO SECURE SPECIAL DIRECT INVESTMENTS)

### SINKING FUND SECURITIES:

Sinking Fund Securities are not acceptable except those indicated on the attached list.

STRIPPED & ZERO-COUPON SECURITIES:

Some of the securities listed may be offered in stripped, zero or residual form. Securities in these forms are NOT acceptable except those where market prices are available and that are specifically listed. In addition, U.S. Government agencies securities may also be stripped into their separate components. These securities would be acceptable, provided market prices are available.

***Information and guidance contained in this listing are subject to change. All modifications or updates will be posted to Treasury's Bureau of the Public Debt website (<http://www.publicdebt.treas.gov/>) and the Federal Reserve's Financial Services website (<http://www.frbservices.org/>).***