

# Treasury Tax & Loan (TT&L) Program

## 31 CFR Part 203

### Collateral Margins Table\*

Effective: July 1, 2014  
Last Updated: June 3, 2014

| Securities <sup>2</sup>                                      | Margins for Securities <sup>1</sup><br>(% of Market Value or Internal Fair Market Value Estimate)     |                     |  |                     |
|--|---|---------------------|--|---------------------|
|  | DURATION BUCKETS  |                     |  |                     |
|  | 0 - 5   | >5 - 10             | >10  |                     |
| <b>U.S. Treasuries:</b>                                      |   |                     |  |                     |
| <i>Bills, Notes, Bonds, FRNs, TIPS</i>                       | 99%   | 97%                 | 95%  |                     |
| <i>STRIPS</i>  | 98%   | 96%                 | 92%  |                     |
| <b>U.S. Government Guaranteed Agencies:</b>                  |   |                     |  |                     |
| <i>Bills, Notes, Bonds</i>                                   | 99%   | 97%                 | 95%  |                     |
| <i>Zero Coupons</i>  | 98%   | 96%                 | 92%  |                     |
| <b>U.S. Government Sponsored Enterprises:</b>                |   |                     |  |                     |
| <i>Bills, Notes, Bonds</i>                                   | 98%   | 96%                 | 94%  |                     |
| <i>Zero Coupons</i>  | 97%   | 95%                 | 91%  |                     |
| <b>International Agencies:</b>                               |   |                     |  |                     |
| <i>Bills, Notes, Bonds</i>                                   | 98%   | 96%                 | 94%  |                     |
| <i>Zero Coupons</i>  | 97%   | 95%                 | 91%  |                     |
| <b>Municipal Bonds</b>                                       | 98%   | 96%                 | 94%  |                     |
| <b>Corporate Bonds</b>                                       |   |                     |  |                     |
| <i>Rated AAA</i>   | 98%   | 95%                 | 93%  |                     |
| <i>Rated Investment Grade (BBB-AA)</i>                       | 96%   | 93%                 | 92%  |                     |
| <b>U.S. Residential Covered Bonds (AAA)</b>                  | 98%   | 95%                 | 93%  |                     |
| <b>Asset-Backed Securities (AAA)</b>                         | 98%   | 94%                 | 90%  |                     |
| <b>Mortgage Backed Securities<sup>3</sup></b>                | 98%   | 96%                 | 94%  |                     |
| <b>Collateralized Mortgage Obligations (AAA)<sup>3</sup></b> | 98%   | 96%                 | 94%  |                     |
| <b>Private Label CMOs (AAA)</b>                              | 89%   | 88%                 | 85%  |                     |
| <b>Bankers' Acceptances</b>                                  | 98%   |                     |  |                     |
| <b>Commercial Paper</b>                                      | 98%   |                     |  |                     |
| Loans  | Margins for Individually Deposited Loans <sup>4,5</sup><br>(% of Internal Fair Market Value Estimate) |                     | Margins for Group Deposited Loans <sup>9</sup><br>(% of Internal Fair Market Value Estimate) |                     |
|  | Fixed Rate Loans  | Floating Rate Loans | Fixed Rate Loans   | Floating Rate Loans |
|  |   |                     |  |                     |
| <b>U.S. Government Agency Guaranteed Loans</b>               | 77%-95%   | 85%-95%             | 95%  | 95%                 |
| <b>Agricultural Loans</b>                                    |   |                     |  |                     |
| <i>Minimal Risk Rated<sup>6</sup></i>                        | 47%-95%   | 47%-95%             | 88%  | 88%                 |
| <i>Normal Risk Rated<sup>7</sup></i>                         | 12%-94%   | 20%-94%             | 64%  | 64%                 |
| <b>Commercial Loans</b>                                      |   |                     |  |                     |
| <i>Minimal Risk Rated<sup>6</sup></i>                        | 47%-95%   | 47%-95%             | 87%  | 87%                 |
| <i>Normal Risk Rated<sup>7</sup></i>                         | 12%-94%   | 20%-94%             | 63%  | 63%                 |
| <b>1 - 4 Family Residential Mortgages<sup>8</sup></b>        | 72%-95%   | 62%-95%             | 73%  | 73%                 |
| <b>Student Loans</b>   |   |                     | 88%  | 88%                 |

\* 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 (FRS) 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.
- 5 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.
- 9 Group deposited loans are loans not pledged via the Automated Loan Deposit system.

**All pledged collateral must be transferable and owned by the depository free and clear of all liens, charges, or claims. A detailed list of acceptable collateral for the TT&L Program can be obtained from [www.treasurydirect.gov](http://www.treasurydirect.gov).**