Collateral Information

Pledging Collateral

Collateral pledged to Federal Reserve Banks (Reserve Banks) can be used to secure discount window advances and extensions of daylight credit for master account activity including charges associated therewith. For more information on the use of collateral under the Payment System Risk (PSR) policy, refer to the Guide to the Federal Reserve's Payment System Risk Policy on Intraday Credit found on the Payment System Risk Related Policy Documents site.

The information displayed here is a summary and does not supersede or replace any requirements contained in specific Reserve Bank agreements, policies, or procedures. This information may be periodically updated, is subject to change without notice, and is not binding on the Federal Reserve System in any particular transaction.

Prior to pledging collateral to a Reserve Bank, an institution must complete the required agreements located in the Federal Reserve's Lending Agreement, Operating Circular 10, and any other documents required by the local Reserve Bank.

Under the terms and conditions of Operating Circular 10, a pledging institution assigns and grants a security interest in collateral to the Reserve Bank. It should be noted that the Reserve Bank must be able to obtain a first priority perfected security interest in the pledged collateral. Operating Circular 10 empowers the Reserve Bank to file a public financing statement.

Institutions should contact their local Reserve Bank to discuss specific questions regarding pledging procedures.

Pledging Securities

Note: Stated processing times for all pledging processes are approximate and may vary based on volume and other constraints and are not guaranteed.

Fedwire® ('Fedwire' and 'FedLine' are registered service marks of the Federal Reserve Banks) Securities Service (FSS) Pledging Process

Pledges and withdrawals of collateral maintained with FSS may be made during the general hours of operation noted below. Institutions should consult FSS directly for transaction specific instructions as platform operations and hours are subject to change.

Pledges: 8:30 a.m. ET – 7:00 p.m. ET (unless extended) for repositioning securities between accounts at same participant; 3:15 p.m. ET is deadline for securities transferred from another participant

Withdrawals: 8:30 a.m. ET – 3:15 p.m. ET (1:30 p.m. ET for offline institutions)

General Processing Time:

Pledges: Effective upon the completion of the transaction.

Withdrawals: Effective within minutes of an institution entering instructions via on-line access or providing instructions via off-line access for automated withdrawals. Withdrawals requiring manual...
Pledging Collateral

The FSS maintains all marketable U.S. Treasury securities, as well as many federal government agencies, government sponsored enterprises (GSE) and certain supranational organizations’ securities, in electronic form. FSS also provides safekeeping, transfer, and delivery-versus-payment settlement services. To pledge, the securities must be transferred to the pledging institution’s restricted securities account (U102). Operating Circular 7, Book-Entry Securities Account Maintenance and Transfer Services contains specific information regarding Fedwire® accounts. Additional information can be found at FRBservices.org.

A pledge or withdrawal request can be submitted online using FedLine® or offline by contacting the Federal Reserve Bank Services Support Center – Fedwire® Services Contacts at (833) FRS-SVCS (377-7827), option 3: Fedwire, then option 4: all other Fedwire inquiries to verify that its U102 restricted securities account has been activated. If the account has not been activated, the institution should instruct the Wholesale Operations staff to establish a U102 restricted securities account. Pledging institutions without an existing FSS relationship should contact the Federal Reserve Bank Services Support Center – Fedwire® Services Contacts at (833) FRS-SVCS (377-7827), option 3: Fedwire, then option 4: all other Fedwire inquiries to obtain the necessary authorization forms. Please note that pledging institutions are not required to maintain a master account with the Federal Reserve in order to establish a U102 restricted securities account.

For PSR purposes only, certain institutions may pledge in-transit securities to secure additional daylight overdraft capacity beyond their net debit cap in support of their max cap. In-transit securities are defined as book-entry securities transferred over FSS that have been purchased by a depository institution but not yet paid for and owned by the institution’s customers. The pledging of securities in-transit requires institutions to record on their books in real time both the securities that are pledged to the Reserve Bank and the cash allocated by the institution’s customers to fund securities transactions.

There are special instructions related to in-transit securities that must be followed by the pledging institution. Pledging institutions must provide a file to the Reserve Bank each night containing Committee on Uniform Securities Identification Procedures (CUSIP)-level, minute-by-minute data on securities pledged and cash provided by the institution’s customers to fund the securities purchases. Pledging institutions will need to establish a connection for the data transmission, comply with deadlines for file submission, and conform to file formatting requirements. The Reserve Bank will price the securities, apply any necessary margin adjustments net of customer funding amounts, and arrive at a value for in-transit collateral for each minute of the day.

Institutions interested in pledging in-transit collateral for PSR purposes should contact their local Reserve Bank for detailed information and technical specifications. In addition, at least twice a year, the Reserve Bank performs an audit of in-transit processes and records.

Depository Trust Company (DTC) Pledging Process

Pledges and withdrawals of collateral maintained with DTC may be made during the general hours of operation noted below. An institution should consult DTC directly for transaction specific instructions as platform operations and hours are subject to change.

Pledges: 8:00 a.m. ET – 5:00 p.m. ET
Withdrawals: 8:00 a.m. ET – 5:00 p.m. ET

Note: To receive the proceeds of maturing securities on their maturity date, the securities must be withdrawn prior to the same-day payment deadline established by DTC, which may be earlier than the deadline for other withdrawals. Contact DTC for further information.

General Processing Times:

Pledges: The majority of eligible DTC securities receive straight-through processing within the Federal Reserve’s system. Straight-through processing is effective within minutes of receiving a message from DTC. Some DTC securities may require manual processing, which can take between 10 minutes and several hours after receiving a message from DTC. If accepted by the Reserve Bank, collateral value is assigned within seconds; if rejected, DTC will reverse the pledge on its books within minutes. Note: For some securities, it may take several days to gather and evaluate information needed to make a final eligibility determination and provide collateral value. A Reserve Bank may either reject the pledge while completing its analysis or accept it and not assign a collateral value until after eligibility is determined.
DTC is a central securities depository for equity and fixed-income securities in the U.S. market. Each Reserve Bank has established a pledge account with DTC through which securities may be pledged. All DTC participants are eligible to pledge securities via DTC. Pledging institutions that are not themselves DTC participants can pledge securities through a DTC participant. Participants can reposition collateral by logging directly into DTC’s Participant Terminal System (PTS)/Participant Browser Service (PBS) and using DTC’s “COLL” function. The DTC PTS/PBS system contains specific screens for repositioning assets to the Reserve Banks. Below is the list of Reserve Bank pledge accounts:

<table>
<thead>
<tr>
<th>City</th>
<th>Code</th>
<th>City</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boston</td>
<td>600</td>
<td>Chicago</td>
<td>608</td>
</tr>
<tr>
<td>New York</td>
<td>694</td>
<td>St. Louis</td>
<td>601</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>603</td>
<td>Minneapolis</td>
<td>611</td>
</tr>
<tr>
<td>Cleveland</td>
<td>610</td>
<td>Kansas City</td>
<td>606</td>
</tr>
<tr>
<td>Richmond</td>
<td>602</td>
<td>Dallas</td>
<td>617</td>
</tr>
<tr>
<td>Atlanta</td>
<td>609</td>
<td>San Francisco</td>
<td>618</td>
</tr>
</tbody>
</table>

Securities for Discount Window borrowing must be pledged using Federal Reserve purpose code 01, and securities pledged for the Bank Term Funding Program must be pledged using purpose code 04.

Pledges can be made by entering a separate pledge request for each security or by using a file feed option that allows the input of multiple pledges through a file upload feature. Repositioning instructions are communicated between DTC and the Federal Reserve via an automated connection; therefore, there is no requirement to contact the Reserve Bank prior to repositioning collateral into or out of a Reserve Bank’s pledge account. Questions regarding the use of DTC’s PTS/PBS system should be directed to DTC. It should be noted that principal and interest payments on pledged securities will generally continue to flow to the pledging institution unless a default has occurred on the pledging institution’s loan.

Institutions may request an end of day extension up to 6:00 pm ET to allow for late day pledging and withdrawing of securities. To request an extension, an institution should contact its local Reserve Bank no later than 4:30 pm ET on the day the extension is needed. At the time the extension is requested, the following information should be provided to the local Reserve Bank:

- Reason for extension
- The type and volume of transactions (e.g., the approximate number of pledges and/or withdrawals)
- Estimated time needed to complete processing

Institutions should be aware that late-day pledges requiring manual review may be rejected if required information is not readily available prior to the end of the processing day.

**Clearstream Pledging Process**

Pledges and withdrawals of collateral maintained with Clearstream may be made during the general hours of operation noted below. An institution should consult Clearstream directly for transaction specific instructions as platform operations and hours are subject to change.

**Pledges:** For same day pledge, request must be submitted to Clearstream prior to 1:00 p.m. ET/7:00 p.m. CET.

**Withdrawals:** For same day withdrawal, requests must be submitted to Clearstream prior to 1:00 p.m. ET/7:00 p.m. CET.

Times are subject to change; processing times and effectiveness of pledges and withdrawals may vary based on volume and other constraints and are not guaranteed. Please contact Clearstream for more information regarding cut-off times.

Clearstream is an international central securities depository based in Luxembourg and is a principal clearing and settlement agent for global and non-U.S. dollar denominated securities. Pledging collateral via Clearstream requires that the pledging institution and the Reserve Bank enter into a tri-party pledging arrangement. Any institution wishing to pledge collateral via Clearstream should contact its local Reserve Bank.

**Euroclear Pledging Process**

Pledges and withdrawals of collateral maintained with Euroclear may be made during the general hours of operation are noted below. An institution should consult Euroclear directly for transaction specific instructions as platform operations are subject to change.
Times are subject to change. Processing times and effectiveness of pledges and withdrawals may vary based on volume and other constraints and are not guaranteed. Please contact Euroclear for more information regarding cut-off times.

Euroclear is an international central securities depository based in Belgium and is a principal clearing and settlement agent for global and non-U.S. dollar denominated securities. Pledging collateral via Euroclear requires that the pledging institution and the Reserve Bank enter into a tri-party pledging arrangement. Any institution wishing to pledge collateral via Euroclear should contact its local Reserve Bank.

Pledging Loans

Note: Stated processing times for all pledging processes are approximate and may vary based on volume and other constraints and are not guaranteed. For specific questions or requests, please contact your local Reserve Bank.

Borrower-In-Custody (BIC) Arrangements

Pledges and withdrawals of collateral that is pledged pursuant to BIC arrangements may be made during the general hours of operation noted below.

Hours of Operation:
- Pledges: Local Reserve Bank business hours
- Withdrawals: Local Reserve Bank business hours

General Processing Time:
- Pledges: Within one business day after receipt of the cover letter and schedule of collateral (only if arrangement has been approved by the local Reserve Bank)
- Withdrawals: Within one business day after receipt of the withdrawal request
- Revaluations: Within one business day after receipt of the cover letter and schedule of collateral

BIC arrangements may be used when a pledging institution would like to pledge a portfolio of its loans while maintaining possession of the loans either on its own premises, or on the premises of a third-party custodian (the custodian would be required to execute an additional agreement found in Appendix 5 of Operating Circular 10). If a pledging institution would like to pledge loan collateral that exists only in electronic form, it should consult its local Reserve Bank. An institution may qualify for a BIC arrangement at the discretion of its local Reserve Bank. An institution must maintain appropriate document storage facilities and have an acceptable loan recordkeeping system capable of identifying the assets subject to the Reserve Bank’s security interest. An institution must contact its local Reserve Bank to request this pledging arrangement and receive instructions.

For commercial loan portfolios, an institution must submit its internal risk rating policies to its local Reserve Bank. Local Reserve Bank analysts will conduct a review of the institution’s internal rating system and loan documentation practices. If acceptable, the Reserve Bank will rely upon the integrity of the institution’s rating system and internal credit evaluation procedures to confirm the credit quality of loans pledged. The Reserve Bank will also use this information to determine which loans within a proposed pledge portfolio will be eligible to be pledged and what collateral value will be assigned.

Once an institution has met all the reporting requirements of its local Reserve Bank and the BIC arrangement has been approved, the institution must submit a cover letter and initial collateral schedule or equivalent documentation listing current outstanding amounts for the loans, along with other pertinent information. An institution should contact its local Reserve Bank to learn what specific information to include on the collateral schedule and how frequently the schedule should be submitted.

Pledging institutions are generally required to submit collateral schedules in an electronic form eligible for the automated loan deposit (ALD) process. With the ALD process, each customer loan in a collateral schedule is recorded and valued individually. Listings can be submitted in Microsoft Excel® and comma separated value (CSV) electronic file formats. The Federal Reserve also has a specified fixed-format text file that can be used. Refer to the File Specification sections below for additional information.

Pledging institutions are expected to transmit collateral schedules to their local Reserve Bank using an approved method of secure email transmission. Pledging institutions should refer to the File Specifications section below or contact their local Reserve Bank for additional information.

Third Party Custodial Arrangements

https://www.frbdiscountwindow.org/Pages/Collateral/pledging_collateral
Pledges and withdrawals of collateral that is pledged pursuant to custodial arrangements may be made during the general hours of operation noted below.

**Hours of Operation:**
- **Pledges:** Local Reserve Bank business hours
- **Withdrawals:** Local Reserve Bank business hours

**General Processing Time:**
- **Pledges:** Within one business day after receipt of the cover letter and schedule of collateral (only if an arrangement has been approved by the local Reserve Bank)
- **Withdrawals:** Within one business day after receipt of the withdrawal request
- **Revaluations:** Within one business day after receipt of the cover letter and schedule of collateral

A pledging institution may designate a third-party custodian to provide custody services for loans pledged to a Reserve Bank. Third-party custody arrangements involve a pledging institution (borrower), another institution that holds the loans being pledged (custodian) and the Reserve Bank (lender). A third-party custodian can be affiliated with a pledging institution but must be approved by the Reserve Bank prior to any pledge of loans. In all cases, the third-party custodian must be in sound financial condition and have acceptable custody controls for the loans in its possession. An institution must contact its local Reserve Bank to request this type of pledging arrangement and receive instructions. The custodian and the institution will be required to complete an additional agreement found in Appendix 5 of *Operating Circular 10*.

Loan collateral held by a third-party custodian will be subject to the same review requirements as loans pledged under a BIC arrangement. In addition to the custodian maintaining appropriate document storage facilities, the recordkeeping system must be capable of identifying the loans subject to the Reserve Bank's security interest and a pledging institution's internal risk rating policies will be assessed to determine that its internal risk-rating system accurately reflects the credit quality of its loan portfolio.

After the initial deposit, a pledging institution or custodian must submit a periodic collateral schedule that identifies loans held under the third-party custody arrangement. A pledging institution should contact its local Reserve Bank to learn what specific information to include on the collateral schedule and how frequently to submit the schedule.

**Reserve Bank Custody**

Pledges and withdrawals of collateral that is in the custody of a Reserve Bank may be made during the general hours of operation noted below.

**Hours of Operation:**
- **Pledges:** Local Reserve Bank business hours
- **Withdrawals:** Local Reserve Bank business hours

**General Processing Time:**
- **Pledges:** Within one business day after receipt of the cover letter and schedule of collateral (only if an arrangement has been approved by the local Reserve Bank)
- **Withdrawals:** Within one business day after receipt of the withdrawal request
- **Revaluations:** Within one business day after receipt of the cover letter and schedule of collateral

Reserve Bank custody may be available for tangible assets such as promissory notes. Customer obligations physically delivered to a Reserve Bank must be in a form such that the assets may be liquidated without further action by the pledging institution (endorsement of pledged notes or power of attorney may be required). An institution should contact its local Reserve Bank for additional information regarding pledging requirements.

**Loan Types and Call Report Mapping**

The first column in the chart below lists Reserve Bank loan types that may be maintained in BIC arrangements, Reserve Bank Custody arrangements and third-party custodian arrangements. The last column in the chart lists the corresponding Reserve Bank Margin categories. The center columns show the corresponding report codes on the FFIEC 031/041/051 Call Report, the FBO FFIEC 002 Call Report, or the NCUA Call Report, as applicable (Call Report).

The chart should be used as guidance when pledging loans to a Reserve Bank. Consult the Call Report for the assets that are covered in each Reserve Bank loan type and Margin Category. An institution should contact its local Reserve Bank for more detailed information about requirements for BIC program participation. Final collateral eligibility is determined through review and approval by the local...
<table>
<thead>
<tr>
<th><strong>Reserve Bank Collateral Categories</strong> *</th>
<th><strong>Domestic FFIEC 031/041/051 Call Report (Schedule RC-C)</strong></th>
<th><strong>NCUA Call Report Codes</strong> *</th>
<th><strong>FBA FFIEC 002 Call Report (Schedule C)</strong></th>
<th><strong>Applicable Reserve Bank Margin Category</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial and Industrial Loans</strong></td>
<td>For 031 and/or 041 filers, where applicable: 2., 2.a., 2.a.(1), 2.a.(2), 2.b. 4. 4.a. 9. 9.a., 9.b. 9.b(1), 9.b(2) 10.b. For 051 filers: 2. (exclude loans to banks in foreign countries) 4. (exclude commercial and industrial loans to non-U.S. addresses (domicile)) 9.a., 9.b. 10. (exclude consumer leases)</td>
<td>1.h. (code 400L2) 1.i. (code 400C5) 1.j. (code 400C6) 2.h. (code 400L3) 2.i. (code 400C7) 2.j. (code 400C8) 13. (code 400P)</td>
<td>2.a.(1), 2.a.(2), 2.b. 3. 4.a. 7. 8. 9.a.</td>
<td>Commercial and Industrial Loans &amp; Leases</td>
</tr>
<tr>
<td><strong>Agricultural Production Loans</strong></td>
<td>3. 1.g. (code 042A6) 2.g. (code 042A8)</td>
<td>8.</td>
<td></td>
<td>Agricultural Loans</td>
</tr>
<tr>
<td><strong>Agricultural Loans secured by farmland</strong></td>
<td>1.b. 1.b. (code 042A5) 2.b. (code 042A7) 11. (code 386B)</td>
<td></td>
<td>1.b.</td>
<td>Commercial Real Estate Loans</td>
</tr>
<tr>
<td><strong>Commercial Real Estate Loans (nonfarm nonresidential)</strong></td>
<td>1.e.(2) 1.e. (code 400J2) 2.e. (code 400J3) 11. (code 386B) 12. (code 718A5)</td>
<td></td>
<td>1.e.</td>
<td>Commercial Real Estate Loans</td>
</tr>
<tr>
<td><strong>Owner Occupied Nonfarm Nonresidential CRE</strong></td>
<td>1.e.(1) 1.d. (code 400H2) 2.d. (code 400H3)</td>
<td></td>
<td>1.e.</td>
<td>Commercial Real Estate Loans</td>
</tr>
<tr>
<td><strong>5+ Family Residential Mortgage Loans</strong></td>
<td>1.d. 1.c. (code 400M) 2.c. (code 400M1)</td>
<td></td>
<td>1.d.</td>
<td>Commercial Real Estate Loans</td>
</tr>
<tr>
<td><strong>Construction Loans (1-4 family construction, and other construction loans)</strong></td>
<td>1.a.(1) 1.a.(2) 1.a. (code 143B3) 2.a. (code 143B4)</td>
<td></td>
<td>1.a.</td>
<td>Construction Loans</td>
</tr>
<tr>
<td><strong>Raw Land Loans (land development and other land loans)†</strong></td>
<td>1.a.(2) 1.a. (code 143B3) 2.a. (code 143B4) 11. (code 386B)</td>
<td></td>
<td>1.a.</td>
<td>Raw Land Loans</td>
</tr>
</tbody>
</table>

* Contact your local Reserve Bank for additional instruction or clarification. † See note following this chart for additional information.
<table>
<thead>
<tr>
<th><strong>Categories</strong></th>
<th><strong>Report (Schedule RC-C)</strong></th>
<th><strong>Report (Schedule C)</strong></th>
<th><strong>Category</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Contact your local Reserve Bank for additional instruction or clarification.</em></td>
<td><em>References to Outstanding Balance Account codes in the NCUA column are applicable to i) Schedule A, Section 1 Loans and Leases, or ii) Schedule A, Section 8, Commercial Lending.</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Consumer Loans: auto, marine</strong></td>
<td>6.b. (secured) 6.c. 6.d.</td>
<td>5. (code 385) 6. (code 370) 8. (code 698C)</td>
<td>8. Consumer Loans &amp; Leases (auto, boat, etc.)</td>
</tr>
<tr>
<td><strong>Consumer Loans (revolving credit plans, single payment and installment loans)</strong></td>
<td>6.b. 6.d.</td>
<td>4. (code 397)</td>
<td>8. Consumer Loans - Unsecured</td>
</tr>
<tr>
<td><strong>Consumer Leases—Other</strong></td>
<td>For 031 and 041 filers 10 as defined by 10.a. For 051 filers: 10. (include consumer leases and exclude all other leases)</td>
<td>7. (code 002)</td>
<td>9.a. Consumer Loans &amp; Leases (auto, boat, etc.)</td>
</tr>
<tr>
<td><strong>Home Equity Loans or Lines secured by residential property†</strong></td>
<td>1.c.(1) 1.c.(2)(b)</td>
<td>10. (code 386A) (include open-end lines of credit secured by a first lien on single 1-4 Family Residential Property)</td>
<td>1.c.(1) 1.c.(2) 1-4 Family Mortgage Loans (second lien, home equity)</td>
</tr>
<tr>
<td><strong>1-4 Family Residential Mortgage Loans†</strong></td>
<td>1.c.(2)(a)</td>
<td>9. (code 703A) (exclude open-end lines of credit secured by a first lien on single 1-4 Family Residential Property)</td>
<td>1.c.(2) 1-4 Family Mortgage Loans (first lien)</td>
</tr>
<tr>
<td><strong>Student Loans†</strong></td>
<td>6.d.</td>
<td>3. (code 698A) NA</td>
<td>NA Student Loans</td>
</tr>
<tr>
<td><strong>Credit Card Receivables</strong></td>
<td>6.a.</td>
<td>1. (code 396) NA</td>
<td>NA Consumer Loans - Credit Card Receivables or Consumer Loans - Subprime Credit Card Receivables</td>
</tr>
<tr>
<td><strong>Guaranteed portion of U.S. Agency Loans†</strong></td>
<td>The value of the collateral will depend on the amount and status of the guarantee. Review the underlying Note for the guarantee information. Please refer to the accompanying notes for additional details.</td>
<td>U.S. Agency Guaranteed Loans or margin applied to respective Call Report code.</td>
<td></td>
</tr>
<tr>
<td><strong>Non-Guaranteed portion of U.S. Agency Loans†</strong></td>
<td>The value of the collateral will depend on the amount that is not guaranteed. Review the underlying Note for the guarantee information. Please refer to the accompanying notes for additional details.</td>
<td>Non-Guaranteed Portion of U.S. Agency Loan or margin applied to respective Call Report code.</td>
<td></td>
</tr>
<tr>
<td><strong>Obligations of states and political subdivisions (Municipalities)</strong></td>
<td>8.</td>
<td>NA</td>
<td>8. Bank Loans to State and Local Governments</td>
</tr>
</tbody>
</table>

† Note for Raw Land Loans (land development and other land loans):
The parcel(s) of land securing a loan in this Reserve Bank Loan Type should not have any improvements. These loans should be secured only by an undeveloped parcel of land (e.g. no hookups such as plumbing, sewer, nor electricity) and dirt should be untouched.

† Note for Home Equity Loans and Lines (secured by residential property):
Credit Unions Only
†Note for 1-4 Family Residential Mortgage Loans:
Credit Unions Only
- Exclude all open-ended loans
- Exclude all loans secured by non-residential real estate
- Exclude all loans secured by >5 residential mortgage loans

†Note for Student Loans:
With respect to the Call Report code 6.d, only include loans with a purpose specifically for education.

†Note for U.S. Agency Loans:
The guaranteed portion of the loans is subject to local Reserve Bank evaluation.
Institutions may elect to pledge the guaranteed portion of the loan according to its Call Report line item or into this collateral category. This includes the guaranteed portions of loans guaranteed by the Small Business Administration, Rural Housing Services, Export-Import Bank, or Department of Education.

The unguaranteed portion of the loans may be pledged according to its Call Report line item or may be pledged as documented in the In-Scope File Format Specifications and Definitions document.

Institutions that pledge loans to a Reserve Bank depends in part on whether the pledging institution is in the in-scope category or out-of-scope category. The difference between the two groups is the amount of information the pledging institution must provide about each pledged loan. In-scope institutions must provide a more detailed set of data elements for pledged loans.

An institution is considered in-scope if it meets one of the following criteria:
- All depository institutions (12 CFR 201.2(c)(1)) that are controlled (12 CFR 225.2(e)) by a Bank Holding Company (12 CFR 225.2(c)(1)) (including a Financial Holding Company (12 CFR 225.81)) or an Intermediate Holding Company (12 CFR 225.2(y)) with Fifty Billion Dollars ($50,000,000,000) or more in total consolidated assets, defined as the average over the last four calendar quarters;
- All Foreign Banking Organizations (12 CFR 211.21(o)(1));
- All other domestic depository institutions with Fifty Billion Dollars ($50,000,000,000) or more in total consolidated assets, defined as the average over the last four calendar quarters; or
- An institution that voluntarily becomes an in-scope institution.

In-Scope File Specifications

General Reporting Requirements
- On a periodic basis (at least monthly), in-scope institutions will send a plain text file of vertical pipe (|) separated fields containing the required loan fields on loans pledged as collateral.
- Each file should only contain data for one ABA number and Reserve Bank loan type. An institution can submit multiple files for the same Reserve Bank loan type and pledgee account code.
- Each file must contain a unique loan identifier that will be maintained and matched in future file submissions; each new file will replace the previous file with the same loan identifier. Loan identifiers are created by local Reserve Banks for internal purposes. If you have questions, please contact your local Reserve Bank.
- Files should only contain loans that meet all applicable collateral eligibility requirements.
- Depository institutions should encrypt files in transit (using an approved secure transmission method) before sending the files electronically. The following methods may be used to securely transmit ALD collateral reports: ZixCorp, Intralinks or Email with Mandatory Transport Layer Solution (TLS). Please contact your local Reserve Bank collateral staff for additional information.

Each file:
- Must provide updated loan fields for loans currently pledged (revaluations),
- Must exclude loans that the institution no longer wishes to pledge (withdrawals).
- May contain new loan deposits (loans that were not included on the prior report).

Record Types and Requirements
- Each file should include only one Header Record (the first record in the file) and only one Trailer Record (the last record in the file).
- In the format fields for the header and trailer record as well as the loan detail record: when a numerical value is required, it is represented by a 9 and when alphabetic characters are required, they are represented by an X. The numbers in parentheses identify the maximum number of characters in each loan field.
- When coding fields, the following rules should be applied:
Out-of-Scope File Specifications

General Reporting Requirements

- On a periodic basis (at least monthly), an institution will send a fixed position text file containing detail on loans pledged as collateral, or with a file in Microsoft Excel format, or select other formats.
- Each file should only contain data for one ABA number and Reserve Bank loan type. An institution is allowed to submit multiple files for the same Reserve Bank loan type and pledgee account code.
- Each file must contain a unique Loan Identifier that will be maintained and matched in future file submissions; each new file will replace the previous file with the same Loan Identifier.
- Files should only contain loans that meet all applicable eligibility requirements for the pledge program.
- Credit Card Receivables will be reported as a group deposit and will subsequently have fewer loan data elements to report.
- Contact your local Reserve Bank for additional instruction.
- Depository institutions should encrypt files in transit (using an approved secure transmission method) before sending Collateral Schedules electronically. The following methods may be used to securely transmit ALD collateral reports: ZixCorp, Intralinks, or Email with Mandatory Transport Layer Solution (TLS). Please contact your local Reserve Bank collateral staff for additional information.

Each file:

- Must provide updated principal balances for loans currently pledged (revaluations).
- Must exclude loans that an institution no longer wishes to pledge (withdrawals).
- May contain new loan deposits (loans that were not included on the prior report).
- While certain fields are optional and may be left blank (as indicated in the descriptions in the tables below), loans where required fields are left blank or not completed in accordance with the tables below will not receive value.

Record Types and Requirements

The specifications listed below pertain to formatting only and are not intended to serve as a comprehensive list of fields that are required to be reported by institutions that pledge loans. In some cases, Reserve Banks may require institutions to utilize a particular template for reports. Please contact your local Reserve Bank collateral staff for the template or specific list of fields that your institution must provide for pledged loans.

Text File Specifications

- Each file should include only one header record (the first record in the file) and only one trailer or expanded trailer record (the last record in the file).
- Reporting requirements depend on whether a loan is subject to a “master note facility,” an overarching lending agreement that allows for multiple individual drawdowns to be outstanding at one time.
  - For each master note facility, the file should include (i) one Obligor Record; (ii) one Master Note Record; and (iii) a Loan Detail Record for each individual drawdown under the facility. There can be multiple Loan Detail Records under a Master Note Record.
  - For each loan that is not part of a master note facility, the file should include (i) one Obligor Record and (ii) one Loan Detail Record.
- Additional information can be found in the Out-of-Scope Text File Format Specifications and Definitions document.

Microsoft Excel® Format Specifications

- Files should be saved in Excel 97-2003 (.xls) or Excel Workbook (.xlsx) format. Contact your Reserve Bank regarding the possibility of submitting files in other formats.
- Files should be saved without Excel password protection.
- Files should not include merged cells, hidden rows, or hidden columns.
- The following Excel number formats should be utilized:
  - “Currency” for dollar amounts ($0.00)
  - “Short date” for dates (mm/dd/yy or mm/dd/yyyy)

Once an institution’s file format has been accepted by a Reserve Bank, the institution is required to utilize the same file layout for each successive collateral report submission.
The interest method should be reported as follows:

- **The interest method field is required to be reported by institutions with total assets of $10 billion or more.**
- **Use the value** **Fixed** **for loans that carry a fixed interest rate:**
  - A fixed interest rate is a rate that is specified at the origination of the transaction, and is fixed and invariable during the term of the loan or lease and is known to both the borrower and the lender. A fixed rate may change during the term of the loan on a predetermined basis, with the exact rate of interest over the life of the loan known with certainty to both the borrower and the lender when the loan is acquired. Examples of predetermined-rate transactions are:
    - Loans that carry a specified interest rate six months and thereafter carry a rate equal to a specific percentage over the initial rate
    - Loans that carry a specified interest rate while the loan amount is below a certain threshold amount but carry a different specified rate above that threshold.
- **Use the value** **Floating** **for loans with an interest rate that floats:**
  - A floating interest rate is a rate that varies, or can vary, in relation to an index, to some other interest rate such as the rate on certain U.S. Government securities or the bank’s “prime rate,” or to some other variable criterion the exact value of which cannot be known in advance. Therefore, the exact rate the loan carries at any subsequent time cannot be known at the time of origination.

For demand loans, which are loans without a stated maturity date that are due upon demand by the lender, the maturity date should be reported with one of the following options:

- Leave the maturity date field blank
- Report a maturity date of 01/01/9999
- Report a maturity date of 12/31/9999

Institutions are encouraged to contact their local Reserve Bank collateral staff to learn more about pledging loan collateral, including requirements for periodic collateral reports.

### Collateral Reports

#### Intra-day Collateral Balances

Pledging institutions can view intra-day collateral balances and activity in the Account Management Information application (AMI) which is updated throughout the day with real-time collateral information. AMI users at pledging institutions that have access to real-time balance and risk attribute information will also have access to collateral information.

Balances of collateral pledged for Reserve Bank and U.S. Treasury purposes can be viewed on the “Collateral Reporting” screen in AMI under “View Collateral Balances.” Summary activity displays increases and decreases to a pledging institution’s collateral pledged to the Reserve Bank and rolled up by asset type (Securities and Loans). Collateral pledged to the Reserve Bank is available for discount window and payment system risk purposes. Collateral pledged to the U.S. Treasury reflects the aggregate amount of the collateral pledged to all U.S. Treasury collateral programs.

Summary and detailed collateral activity can also be viewed intra-day. This information is available on the “Collateral Reporting” screen under “View Detailed Current Day Collateral Activity.” Increases may include deposits and revaluations, and decreases may include withdrawals and revaluations. This screen displays a pledging institutions’ collateral activity chronologically throughout the current day. Transactions displayed include account transfers, deposits, and withdrawals, as well as certain changes to collateral values initiated by the Reserve Bank, such as market value updates.

Finally, the aggregate value of collateral available for daylight overdraft purposes can be found on the “View Balances” screen, with other related information such as daylight overdraft balance, collateralized daylight overdrafts, and uncollateralized daylight overdrafts. This information is updated throughout the day as values change.

If intra-day collateral information is unavailable through AMI, pledging institutions should contact their local Reserve Bank for collateral balances. More information on accessing collateral information through AMI can be found in the Account Management Guide on the Federal Reserve Bank Services website.

#### Ex-post Collateral Information

Information on pledged collateral and collateral transactions is available through AMI and secure e-mail. Pledging institutions may download the following collateral reports from AMI:

- Statement of Collateral Holdings
- Summary Transaction Listing
AMI creates two sets of collateral reports each day per pledging institution. Approximately 5:30 PM ET, pledging institutions may access a preliminary version of their holdings statement and transaction report. A final version of the reports is available the following morning. Pledging institutions will also have access to the final holdings statements and transaction reports for the previous five business days.

Collateral reports can also be received through secure e-mail in a PDF at intervals requested by the pledging institution such as daily, weekly, or monthly. The following collateral reports are available:

- Statement of Collateral Holdings
- Statement of Trust Receipts
- Summary Transaction Listing
- Notification of Collateral Revaluations
- Notification of Maturing Collateral

A **Statement of Collateral Holdings** is generated at the end of the business day. This report lists a pledging institution's collateral holdings at the CUSIP or loan portfolio level as of the end of the current business day.

A **Statement of Trust Receipts** is generated on request. This report is intended for pledging institutions that act as custodians and lists securities held by the custodian bank. This report is usually produced in association with mergers for those depositors involved in a merger.

A **Summary Transaction Listing** is generated at the end of each business day. This report summarizes all transactions processed (deposits, revaluations, and withdrawals) for the day.

A **Notification of Collateral Revaluations** is generated on request. This report lists all securities or loan portfolios that require a revaluation within a specified number of days.

A **Notification of Maturing Collateral** is generated on request. The report lists all holdings that will be maturing within a specified timeframe (i.e. one month).

For delivery by secure e-mail, pledging institutions may designate multiple recipients and report delivery can be customized based upon individual needs. For example, recipients can receive reports on a daily, weekly, or monthly basis. The reports can be set up to include all collateral programs or just specific collateral programs (i.e. Federal Reserve and U.S. Treasury Tax and Loan). Reports can also depict all collateral holdings or have FSS holdings in a separate report. Contact your [local Reserve Bank](#) for more information.

The e-mail delivery of the collateral reports will be through the Reserve Bank's secure e-mail services provided by ZixCorp, Inc. If the recipient is a ZixCorp customer, they will receive an e-mail in their mailbox from **FRS-CMS-Mailer@frb.org** with the collateral reports attached.

If the recipient is not a ZixCorp customer, they will receive an e-mail from **FRS-CMS-Mailer@frb.org** stating that they have a message from the FRSecure message center. The recipient must click on the link in the e-mail to go to the FRSecure message center secure e-mail site to pick up the e-mail and access the reports. At the FRSecure message center secure e-mail site, they will be prompted for a login ID and password. If the recipient has never logged into the FRSecure Message Center before, they will need to create a login ID and strong password. Please note that messages on the FRSecure message center secure e-mail site will expire 21 days after the e-mail delivery date.

An institution should contact their [local Reserve Bank](#) to request e-mail delivery of reports noted above.