

# Treasury Tax & Loan (TT&L) Program

## 31 CFR Part 203

### Collateral Margins Table\*

Effective: March 14, 2022

| Securities  | Margins for Securities<br>(% of Market Value or Internal Fair Market Value Estimate) |                     |           |           |           |
|---|--|---------------------|-----------|-----------|-----------|
|   | DURATION BUCKETS   |                     |           |           |           |
|   | 0 - 1  | >1 - 3              | >3 - 5    | >5 - 10   | >10       |
| <b>U.S. Treasuries:</b>                                   |  |                     |           |           |           |
| <i>Bills, Notes, Bonds, FRNs, TIPS</i>                    | 99%  | 99%                 | 98%       | 97%       | 95%       |
| <i>STRIPS</i>   | 96%  | 96%                 | 96%       | 96%       | 92%       |
| <b>U.S. Government Guaranteed Agencies:</b>               |  |                     |           |           |           |
| <i>Bills, Notes, Bonds</i> <sup>1</sup>                   | 99%  | 99%                 | 98%       | 97%       | 95%       |
| <b>U.S. Government Sponsored Enterprises:</b>             |  |                     |           |           |           |
| <i>Bills, Notes, Bonds</i> <sup>1</sup>                   | 98%  | 98%                 | 97%       | 96%       | 94%       |
| <b>International Agencies:</b>                            |  |                     |           |           |           |
| <i>Bills, Notes, Bonds</i> <sup>1</sup>                   | 97%  | 97%                 | 97%       | 96%       | 94%       |
| <b>Municipal Bonds</b> <sup>2</sup>                       | 98%  | 98%                 | 97%       | 95%       | 92%       |
| <b>Corporate Bonds</b>                                    |  |                     |           |           |           |
| <i>Highest Credit Quality</i> <sup>3</sup>                | 98%  | 98%                 | 97%       | 94% - 96% | 92% - 93% |
| <i>Acceptable Credit Quality</i> <sup>2</sup>             | 91% - 97%  | 87% - 97%           | 87% - 96% | 87% - 94% | 85% - 92% |
| <b>U.S. Residential Covered Bonds</b> <sup>3</sup>        | 98%  | 98%                 | 97%       | 96%       | 93%       |
| <b>Asset-Backed Securities</b> <sup>3</sup>               | 98%  | 98%                 | 96%       | 92%       | 89%       |
| <b>Mortgage Backed Securities (MBS)</b> <sup>4</sup>      | 98%  | 98%                 | 97%       | 96%       | 94%       |
| <b>Collateralized Mortgage Obligations</b> <sup>3,4</sup> | 98%  | 98%                 | 97%       | 96%       | 94%       |
| <b>Non-Agency Residential MBS</b> <sup>3</sup>            | 77%  | 77%                 | 77%       | 77%       | 77%       |
| <b>Bankers' Acceptances</b> <sup>3</sup>                  | 98%  | 98%                 | 97%       |           |           |
| <b>Commercial Paper</b> <sup>3</sup>                      | 98%  |                     |           |           |           |
| Individually Deposited Loans                              | Margins for Loans<br>(% of Internal Fair Market Value Estimate)                      |                     |           |           |           |
|   | Fixed Rate Loans   | Floating Rate Loans |           |           |           |
|   |  |                     |           |           |           |
| <b>U.S. Government Agency Guaranteed Loans</b>            | 74% - 95%  | 88% - 95%           |           |           |           |
| <b>Agricultural Loans</b>                                 |  |                     |           |           |           |
| <i>Minimal Risk Rated</i> <sup>5</sup>                    | 43% - 95%  | 31% - 95%           |           |           |           |
| <i>Normal Risk Rated</i> <sup>6</sup>                     | 6% - 95%   | 11% - 95%           |           |           |           |
| <b>Commercial Loans</b>                                   |  |                     |           |           |           |
| <i>Minimal Risk Rated</i> <sup>5</sup>                    | 44% - 95%  | 32% - 95%           |           |           |           |
| <i>Normal Risk Rated</i> <sup>6</sup>                     | 7% - 95%   | 10% - 95%           |           |           |           |
| <b>1 - 4 Family Residential Mortgages</b> <sup>7</sup>    | 34% - 95%  | 24% - 95%           |           |           |           |
| <b>Student Loans</b>                                      | 16% - 95%  | 13% - 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 "Minimal Risk" is equivalent to investment grade.

6 "Normal Risk" is equivalent to below investment grade while remaining a "pass-credit" from a regulatory standpoint.

7 These assets are acceptable for Special Direct Investment (SDI) Participants only.

All pledged collateral must be transferable and owned by the depository 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](http://www.treasurydirect.gov).