

Acceptable Collateral for Pledging to Federal Agencies Under 31 CFR Part 225
*(Acceptance of Bonds Secured by Government Obligations
in Lieu of Bonds with Sureties)*

Effective Date: August 3, 2000
Last Updated: February 12, 2007

Acceptable collateral is currently limited to only public debt obligations of the United States Government whose principal and interest are unconditionally guaranteed by the United States Government (excluding stripped components).

The following classes of transferable securities are acceptable as collateral to secure obligations in lieu of a surety bond, or to secure deposits of bankrupt estates under the jurisdiction of the U.S. Trustees Office or a bankruptcy court or judge. Zero-coupon obligations included in these classes, such as stripped principal and interest components, are currently not acceptable.

Additional information such as Fedwire (i.e., NBES) security codes and issuer websites are provided where available.

Department of the Treasury – <http://www.treasurydirect.gov>

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

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

Section 108 Guaranteed Loan Program-

<http://www.hud.gov/progdesc/cdbg-108.html>

- Section 108 Government Guaranteed Notes

- Section 108 Government Guaranteed Participation Certificates

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]

Federal Housing Administration (FHA) - <http://www.hud.gov/fha/>
(Mutual Mortgage Insurance Fund and General Insurance Fund)
FHA Debentures

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

Small Business Investment Company (SBIC) Program under Sections 303, 319, 503, and 505 of the Small Business Investment Act:

SBIC Guaranteed Debenture Participation Certificates
U.S. Government Guaranteed Development Company Participation Certificates

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

VA-Guaranteed REMIC Pass-Through Certificates

NOTES:

VALUATION:

Most of the collateral pledged to the 31 CFR Part 225 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) 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.

Acceptable securities must be investment grade or rated equal to investment grade. If not investment grade, securities 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.

For applied margins, please refer to Treasury's Bureau of the Public Debt website (www.treasurydirect.gov), the Federal Reserve's Financial Services website (www.frbervices.org), or contact the Federal Reserve Bank of St. Louis's "Treasury Support Center" at 1-888-568-7343.

FEDWIRE CODES:

This list is organized by categories of issuers and acceptable securities for the 31 CFR Part 225 program. Fedwire codes have been provided where available, but only serve as a guide and may be subject to change.

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 (www.treasurydirect.gov) and the Federal Reserve's Financial Services website (www.frbservices.org).