Fedwire® Securities Joint Custody Service

FedExchange 2010

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Michael T. Stewart

Assistant Vice President

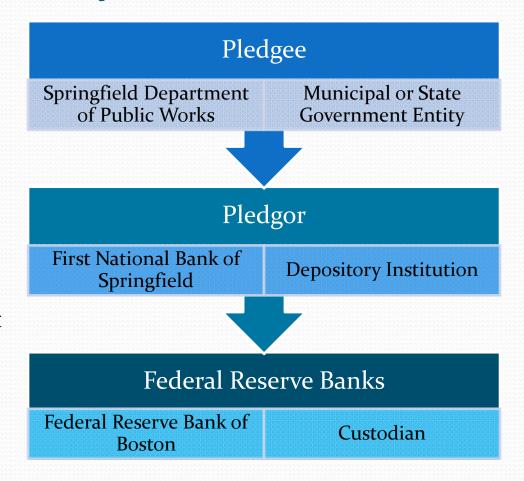
Fedwire® Securities

- Fedwire[®] Securities Service
 - The purchase and sale of government and government sponsored agency securities
 - Joint Custody the collateralization of public funds deposited in depository institutions by state and local governments



How Joint Custody Works

- The Joint Custody Collateral Program is administered by the Boston Reserve Bank
- Only state or local government entities are eligible
- Allows you to collateralize state and/or local government deposits over the FDIC insurance limit
- Tri-party relationship





Joint Custody Transactions & Statements

FNB Springfield pledges \$1.25M in securities to a Joint Custody account for Springfield DPW



FNB Springfield



FRB Boston Fedwire Securities Joint Custody

FNB Springfield

receives a monthly

holdings statement

and daily activity

statements (if there

is activity) for all their

Fedwire Securities

accounts

FRB Boston sends out monthly holding statements and daily activity statements (if there is activity) to Springfield DPW

Springfield DPW must provide authorization in order for FNB Springfield to transfer securities out of the account



Springfield DPW

Springfield DPW Maintains a \$1.5M account at FNB Springfield





Joint Custody Fees

- All standard Fedwire Securities[®] fees apply
 - Online transfer fees:
 - \$0.35 for Agency Securities
 - \$0.37 for Treasury Securities
 - Joint Custody Origination Surcharge
 - \$40.00 per withdrawal



More Information . . .

 Please call the Federal Reserve Bank of Boston's Wholesale Operations Site:

> 1-800-3270147 & Select option #4

