

Pledging Securities

Overview

The Federal Reserve Bank of Dallas (FRB DAL) accepts a variety of investment grade quality securities. More information on the types of securities eligible to be pledged to the Discount Window (as well as other information regarding various lending and collateral programs) can be found on the following website: [Collateral Eligibility \(frbdiscountwindow.org\)](http://frbdiscountwindow.org).

How To Pledge

Prior to pledging any securities to the FRB DAL, contact the FRB DAL to ensure the required documentation has been executed.

- To pledge government guaranteed securities (i.e., US treasuries, Agency collateralized mortgage obligations, etc), refer to the National Book Entry System (NBES) procedures described below.
- To pledge other United States denominated securities (i.e., corporate bonds, municipal bonds, private-labeled collateralized mortgage obligations, etc.), refer to the Depository Trust Company (DTC) procedures described below. Foreign denominated securities can be pledged via Euroclear/Clearstream.

National Book Entry System Procedures

The National Book-Entry System (NBES) is the Federal Reserve's nationwide method for handling securities and maintaining pledge accounts for the U.S. Treasury and various U.S. Agencies.

To pledge/release any NBES-held securities to/from FRB DAL, your institution must initiate [instructions](#) with NBES at the Federal Reserve Bank of Boston (800-327-0147). Have CUSIP information readily available.

If your institution needs to establish a U102/U101 Restricted Account please navigate to Service and Access Setup page on the FRBServices webpage, or call (800-327-0147).

Depository Trust Company Procedures

For all transactions, have the following information available:

- CUSIP
- Par Amount
- Pledgee Code for FRB DAL (#0617)
- Purpose Code (01)
- Account Code: (U102) Institution's ABA number

For BTFP pledges to Account U101, please use the purpose code (04)

To pledge any DTC-held securities to FRB DAL, your institution must:

- Instruct DTC to transfer the securities to FRB DAL's pledged account (#0617) at DTC with the appropriate purpose code. If your institution is not a direct participant at DTC, direct your institution's DTC correspondent to transfer the securities to FRB DAL's pledged account at DTC. Pledges of eligible securities will be processed by the FRB DAL's collateral management system. Any ineligible securities that your institution attempts to pledge will be rejected by the FRB DAL.

To release any DTC-held securities from the FRB DAL's pledged account at DTC, your institution must:

- Instruct DTC to request a release of the securities from the FRB DAL's pledged account (#0617) at DTC. If your institution is not a direct DTC participant, direct your institution's DTC correspondent to request the release of the securities. DTC will finalize the transfer after FRB DAL approves its release from its collateral management system.

Contact Information

For more information regarding the pledging of securities contact the Dallas Discount Window (877-682-3256) or dal.discount.window@dal.frb.org.