**BIC Collateral Cover Letter – New ALD Reporting Requirements**

**Legal Name of Institution:**

**Balance as of Date:**

**ABA Number:**

**Street address of facility (ies) housing original notes: (include all locations)**

BIC COLLATERAL SCHEDULES AND BIC COLLATERAL SCHEDULE COVER LETTERS SHOULD BE EMAILED TO CRMOPS.BOS@BOS.FRB.ORG. If your institution’s name begins with letters “A-L”, the pledge will be due by the 10th of the month for the last day of the prior month. If your institution’s name begins with letters “M-Z”, the pledge will now be due by the 25th of the month. The as-of-date for the monthly trial will be the 15th and the pledge can be submitted anywhere from the 16th to the 25th of that month. FAILURE TO PROVIDE THE COVER LETTER AND COLLATERAL SCHEDULE WITHIN THE REQUIRED TIMEFRAME MAY RESULT IN A REDUCTION IN VALUE.

The collateral described below is pledged to the Federal Reserve Bank of Boston (FRBB).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **FRBB Purpose Only** | **Loan Category[[1]](#footnote-1)** | **FFIEC Call Report Codes** | **NCUA Call Report Codes** | **Number of Loans** | **Outstanding Balance**  |
| 720 | US Agency-Guaranteed Loans (SBA, RHS, DOE)[[2]](#footnote-2) | Guaranteed Loan Amounts | Guaranteed Loan Amounts |       |       |
| 725 | Non-Guaranteed Portion of US Agency-Guaranteed Loans (SBA, RHS, DOE) 2 | Non-Guaranteed Loan Amounts | Non-Guaranteed Loan Amounts |       |       |
| 710 | Commercial & Industrial Loans | 4, 9.a, & 9.b | 1h, 2h, 1i, 2i, 1j, & 2j |       |       |
| 705 | Agricultural Loans (not secured by RE) | 3. | 1g & 2g |       |       |
| 780 | Agricultural Loans secured by farmland  | 1.b. | 1b & 2b |       |       |
|  780 | Commercial Real Estate Loans | 1.e.(2) | 1e & 2e |       |       |
| 780 | Owner Occupied CRE | 1.e.(1) | 1d & 2d |       |       |
| 780 | CRE to Non Profit Entities  | 1.e.(2) | 1e & 2e |       |       |
| 780 | Multi-Family Mortgages  | 1.d. | 1c & 2c[[3]](#footnote-3) |       |       |
|  790 | Construction Loans | 1.a.(1) & 1.a.(2) | 1a & 2a |       |       |
|  791 | Raw Land Loans[[4]](#footnote-4) | 1.a.(2) | 1a & 2a |       |       |
| 750 | 1-4 Family Mortgage Loans, Owner Occupied, Prime | 1.c.(2)(a) & 1.c.(2)(b) | 9 & 10[[5]](#footnote-5) |       |       |
| 750 | 1-4 Family Mortgage Loans, Owner Occupied, Subprime[[6]](#footnote-6) | 1.c.(2)(a) & 1.c.(2)(b) | 9 & 106 |       |       |
| 780 | 1-4 Family Mortgage Loans, Non-Owner-Occupied, Prime | 1.c(2)(a) & 1.c.(2)(b) | 9 & 10 |       |       |
| 780 | 1-4 Family Mortgage Loans, Non-Owner-Occupied, Subprime6 | 1.c(2)(a) & 1.c.(2)(b) | 9 & 10 |       |       |
|  741 | Consumer Loans, Secured, Prime | 6.c. & 6.d. | 5 & 6 |       |       |
| 741 | Consumer Loans, Secured, Subprime6 | 6.c. & 6.d. | 5 & 6 |       |       |
|  740 | Consumer Loans, Unsecured, Prime | 6.b. & 6.d. | 4 |       |       |
| 740 | Consumer Loans, Unsecured, Subprime6 | 6.b. & 6.d. | 4 |       |       |
| 743 | Consumer Leases, Prime | 10. | 7 |       |       |
| 743 | Consumer Leases, Subprime6 | 10. | 7 |       |       |
|  760 | Home Equity Loans/ Lines, Prime | 1.c.(1) & 1.c.(2)(b) | 11 |       |       |
| 760 | Home Equity Loans/ Lines, Subprime6 | 1.c(1) & 1.c.(2)(b) | 11 |       |       |
| 550 | Loans to Municipalities | 8. |  NA |       |       |
| 842 | Commercial Credit Card Receivables, Prime | 6.a | 1 |       |       |
| 842 | Consumer Credit Card Receivables, Prime | 6.a | 1 |       |       |
| 744 | Student Loans, Prime |  6.d |  |       |       |
| 744 | Student Loans, Subprime |  **6.d** |  |       |       |
|  |  |  | **TOTALS:** |  |  |

**By signing this collateral cover letter, institution certifies that:**

**(a) I currently hold the title reflected below, and am authorized to pledge collateral pursuant to Operating Circular No. 10 documents currently on file with FRBB;**

**(b) All loans included on the Collateral Schedule are owned by the pledging institution (or held in a pre-approved affiliate pledge arrangement) and maintained free of any adverse claim;**

**(c) Only loans types that the institution is approved by FRBB to pledge and loans that carry acceptable internal risk ratings (if applicable) are included on the Collateral Schedule;**

**(d) No loans included on the Collateral Schedule are overfaced (where the current outstanding balance is greater than the current face amount of the loan), matured, past due more than 30 days (60 days for consumer loans), on non-accrual status, restructured and/or renegotiated, classified, or have past collection issues;**

**(e) No loans to insiders (per Regulation O), affiliates/subsidiaries, or foreign obligors are included on the Collateral Schedule;**

**(f) The Aggregate Outstanding Balance of loans listed on the prior Collateral Schedule submitted to FRBB (before any substitutions) did not decrease by more than 10%;**

**(g) A new Collateral Schedule will be submitted if the Aggregate Outstanding Balance of the loans listed on the Collateral Schedule declines by 10% or more;**

**(h) Loans listed on the Collateral Schedule are not specifically pledged to any other party, including a Federal Home Loan Bank or corporate credit union; and**

**(i) Collateral Schedules are generally subject to a 24 hour processing time; however, the processing time may be longer. I fully understand that (i) the prior Collateral Schedule submitted to FRBB will remain in full force and effect until such time as this Collateral Schedule is processed by FRBB and (ii) no collateral will be removed from the Collateral Schedule until this Collateral Schedule is processed by FRBB.**

1. **If the proposed pledge consists of loans that are electronically signed, by signing below your institution affirms that its electronic loan process meets all applicable legal requirements and banking supervisory standards.**

|  |  |
| --- | --- |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[Signature] [Date] | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_[2nd Signature if required] [Date] |
| [Printed Name] | [Printed Name] |
| [Title] | [Title] |

1. For Reserve Bank pledging purposes, loans should be classified and coded according to the Report of Condition and Income (“call report”) definitions. Refer to the Federal Reserve Collateral Guidelines for additional information or contact the Federal Reserve Bank of Boston at 800-716-3773 if you have any questions. [↑](#footnote-ref-1)
2. Only the guaranteed portion of the US Agency Guaranteed loans will receive the guaranteed margin. The remaining non-guaranteed portion may be pledged under FRBB category 725 or under the respective loan category. [↑](#footnote-ref-2)
3. Exclude non-residential real estate and exclude residential <5 mortgage loans. [↑](#footnote-ref-3)
4. Loan must be classified as a construction loan on the call report. Additionally, raw land loan is secured by land that has not been improved upon, e.g. no plumbing, sewage, electricity, etc., for FRB purposes. [↑](#footnote-ref-4)
5. Exclude open ended, exclude non-residential real estate, and exclude residential >5 mortgage loans. [↑](#footnote-ref-5)
6. Based on DI’s internal designation but subject to Reserve Bank review. [↑](#footnote-ref-6)