This guide covers what and how PPPLF borrowers report to the Reserve Bank when they receive loan forgiveness reimbursements or other payments on PPP loans that are pledged to the PPPLF. When PPPLF borrowers receive any payments on PPP loans pledged as collateral for a PPPLF advance, they are required to pay those amounts (including accrued and unpaid interest on the amount of the payments) to the Reserve Bank so that the amount of the PPPLF advance outstanding does not exceed the outstanding amount of the PPP loans pledged to secure the advance.

A PPPLF borrower must pay down a PPPLF advance:

- (i) Upon receipt of payment by the SBA for the amount of covered 7(a) loan forgiveness for any PPP loan that is pledged to secure an advance;
- (ii) Upon the purchase by the SBA of a PPP loan that is pledged to secure such advance to realize on the SBA’s guarantee of that PPP loan; or
- (iii) When a borrower under a PPP loan that is pledged to secure such advance pays such PPP loan in full or in part.

PPPLF borrowers must report the value of payments received on PPP loans that are pledged to secure a PPPLF advance by submitting two documents: 1) “Transmittal Form for Reporting Reductions of Outstanding Principal Balance of Small Business Administration Paycheck Protection Program Loans Pledged to Secure Paycheck Protection Program Liquidity Facility Advances” (reductions transmittal form) and 2) “Paycheck Protection Program Individual Loan Listing Table” (individual loan listing template). The reductions transmittal form is used to submit the updated outstanding balance of PPP loans that are pledged as collateral to the PPPLF upon which payments have been received. The reductions transmittal form must be accompanied by an individual loan listing using the prescribed format. The reductions transmittal form and individual loan listing template are available on the PPPLF page of the website. Instructions for filling out the reductions transmittal form and the individual loan listing template are set forth below.

PPPLF borrowers must report any payments on PPP loans pledged as collateral immediately upon receipt of the payment, so that the amount of the associated PPPLF advance outstanding does not exceed the outstanding amount of PPP loans pledged to secure the advance. This requirement does not apply once the weekly reporting described below has begun.

Frequency of Reporting Paydowns of PPP Loans and Prepayments of Outstanding PPPLF Advances

PPPLF borrowers must report paydowns of PPP loans that are pledged to secure PPPLF advances to the Reserve Bank on a weekly basis (or more frequently if required by the lending Reserve Bank). On the date that the PPPLF borrower begins receiving forgiveness reimbursement payments from the SBA and begins forgiveness paydowns on PPP loans that are pledged to the PPPLF, the borrower must report all of its pledged PPP loans pools weekly, regardless of whether reimbursement payments have been received.

A PPPLF borrower may report paydowns on PPP loans immediately rather than waiting to make a weekly report.
Filling Out the Reductions Transmittal Form

The reductions transmittal form is available on the PPPLF page of the website. A separate reductions transmittal form is needed for each PPPLF advance. A PPPLF advance is defined by the maturity date of the PPP loan pool that is pledged to support the advance, the number of loans in the original PPP loan pool, and the original total par amount. Each reductions transmittal form must be accompanied by an individual loan listing template setting forth the individual loans currently in the pledged loan pool.

IMPORTANT NOTE: The revalued pledge pool must include only those PPP loans that were included in the original pledge, less any that have been withdrawn or fully paid off. Substitution of PPP loans that were not originally pledged is not permitted, and any such added loans will be removed, and the PPPLF advance will be reduced accordingly.

Filling out the Individual Loan Listing Template

The individual loan listing template ("Paycheck Protection Program Individual Loan Reporting Table") is available on the PPPLF page of the website. When preparing the individual loan listing, the individual loan listing template should not be altered in any way other than to add more rows for individual loan information.

In the individual loan listing, the Issue date is the date of issuance of the PPP loans in the pool. The As-of date is the date the detailed listing was generated by the borrower. FHLB members must select their Regional FHLB from the menu; non-members can select N/A. The following data elements are required for each individual PPP loan in the pledged pool:

- The obligation or loan number in the PPPLF borrower’s loan system
- The SBA loan number assigned by the SBA
- The borrower’s name
- The original par amount of the PPP loan
- The current outstanding balance of the PPP loan
- The maturity date of the PPP loan (All of the listed loans must have the same maturity date)
- The interest next due date (During the period of deferred PPP loan payment, may be blank)
- The principal next due date (During the period of deferred PPP loan payment, may be blank)
Submitting the Reductions Transmittal Form and Individual Loan Listing Template

The reductions transmittal form and individual loan listing template must be submitted by email, from the email account of an individual authorized in the PPPLF letter of agreement to pledge PPPLF collateral and request PPPLF advances on behalf of the borrower. The email must be sent to the PPPLF email address at the lending Reserve Bank; these email addresses are available here under the Select Your District page on the website.

Note: If the borrower’s Authorizing Resolution requires two individuals to conduct discount window-related activities on behalf of the borrower, two individuals must act jointly to submit the transmittal form and detailed listing. The submission email should be initiated by the first individual, forwarded to the second, and then submitted to the Reserve Bank.

How Soon Following the Submission of the Reductions Transmittal Form and Individual Loan Listing Template Will the Reserve Bank Debit the Amount of the PPPLF Prepayment and interest to the Borrower’s Account?

A Reserve Bank will generally debit a PPPLF prepayment on the same business day as the submission of the reductions transmittal form and associated individual loan listing template or the following day if submissions are received late in the day. These prepayments will take the form of a debit to the master account of the PPPLF borrower, or to the master account of the PPPLF borrower’s correspondent, in an amount equal to the prepayment and any associated accrued and unpaid interest.

How a PPPLF Prepayment Might be Adjusted by the Reserve Bank

If deficiencies in a collateral pool are found (for example: newly pledged PPP loans, PPP loans that increased in value rather than decreased in value/staying the same value, duplicated loan entries), the Reserve Bank may debit part of the PPPLF advance (along with associated accrued and unpaid interest), return excess collateral to the PPPLF borrower, or take other actions as needed in order to ensure that the balance of the PPPLF advance matches the total outstanding balance of the PPP loans pledged as collateral.