

## Municipal Bonds as Collateral Reporting Requirements



Municipal bond securities that meet the criteria outlined in the FHLBank Boston *Products and Solutions Guide* will be accepted for collateral. Similar to all securities pledged as collateral, municipal securities must be delivered to your FHLBank Boston custodian account. A list of municipal securities that members wish to pledge must be submitted for approval to FHLBank Boston using an Excel file template *prior to delivery*. Documentation substantiating the proportion of bond proceeds used to finance the acquisition, development or improvement of real estate (the “real estate nexus”) **must also be provided** by the member for each pledged municipal security. The template, and a worksheet that helps you determine the real estate nexus, can be found on the FHLBank Boston website under [Forms + Applications](#).


Once you determine which securities to pledge, complete the template with the required information for each security:

- CUSIP
- Security description
- Bond type
- Total issuance size
- NRSRO rating
- Original member cost
- Substantiated real estate portion of the security

### Follow these steps to complete your submission:

1. After you have completed the template, save and name your **Excel** file using this specific convention:

**MUNISyourdocketdate**    MUNIS + your docket number (up to five digits) + current date (eight digits)



EX: MUNIS1234506012020 (docket number 12345 - dated June 1, 2020)

2. The completed template and worksheet must be uploaded to FHLBank Boston’s secure file transfer site; <https://ftp.fhlbboston.com>. Note: You will receive an automated reject email if any information is missing from the template and/or any of the securities is deemed ineligible.
3. Inform the FHLBank Boston collateral department at [collateral@fhlbboston.com](mailto:collateral@fhlbboston.com) (include your docket number on the subject line) that you have uploaded the template.
4. The collateral department will review the securities and contact you when the securities can be pledged. Please **DO NOT** deliver until we have contacted you.
5. Once the securities have been approved, please deliver the securities to your FHLBank Boston designated custodian in the same manner you would submit any other security. The custodian will update the values of the securities daily and provide the values to FHLBank Boston to be included with the value of other pledged collateral in order to determine your total eligible collateral level.

If you have any questions, please email us at [collateral@fhlbboston.com](mailto:collateral@fhlbboston.com) (include your docket number in subject line) or call Sandy Crispin at 617.292.9707.