

Instructions for Completing a Pledgee Agreement & Authorization List

Please retain a blank copy of the Pledgee Agreement for future use and a copy of the completed form for your records.

Please **type or print in ink** the following information in the appropriate sections of the form

- **Please list the name of your entity**, as it appears on your statements, on the blank line in the first sentence. (e.g. We, the “Town of Plainville”)
- **Pledgee number** is the four-character identifier that begins with an alpha character, is assigned by the Federal Reserve Bank, and can be found on your statement as the Institution ID. If this is a request to open a new account, please write “NEW”.
- **To allow substitution of collateral**, check the box **YES** to permit financial institutions that pledge collateral to you to replace or substitute collateral at the same or greater current value (par for par) without your having to approve each transaction:
 - Replacement collateral must be deposited the same day that the request to release the collateral is made. At no time are you at risk of being under-collateralized. No collateral will be released without a qualifying substitution or your approval.
 - FRB staff will calculate the current book value of the replacement collateral and ensure that it is of equal or greater value to the collateral it is replacing.
 - A Pledgee Activity statement will be sent to you as notification that a substitution has been completed.
- Select **NO** to approve each and every individual transaction.
- **Call-back procedure** refers to the number of Authorized Individuals who must approve a release of collateral. By checking the box for three-party call-back, you are indicating that one individual from your organization can initiate a collateral transaction and that same person can also verify the transaction. By checking the box for four-party call-back, you are indicating that two individuals from your organization are required for every approval: one individual can initiate the transaction but a second must verify it. (In both cases, the other two parties are Federal Reserve individuals.)
- **Name, title, signature, fax and telephone numbers** of each individual authorized to release securities pledged to this public entity and held in a joint custody account at the Federal Reserve Bank. This list will be used to verify the authenticity of instructions to release pledged securities. Please provide at least three names and as many additional people as you need to accommodate vacations, illness, turnover, etc. Please list them in the order you prefer they be contacted.

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- **Signature, name, and title of the officer who is authorized** to designate the listed individuals. We recommend that the officer not be included on this list as one of the persons authorized to release securities. By signing this form, the officer authorizes the individuals listed to release pledged securities. This signature must be notarized.
- **Notary Information with seal** must be obtained to validate the authenticity of the signature of the approving officer.
- **Please Return the completed Pledgee Agreement to:**

Federal Reserve Bank of Boston
PO Box 55882
Boston, MA 02205
Attn: Joint Custody

Or fax toll-free to: 877-973-8972

If you have questions or require assistance, please call a customer support representative: 800-327-0147, option 1.

You can view Operating Circular 7 at the following web address:
www.frbsecurities.org/OperatingCirculars/pdf/Oc7.pdf