



## Federal Reserve Banks

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|--------------|-----------|---------------|
| Boston       | Richmond  | Minneapolis   |
| New York     | Atlanta   | Kansas City   |
| Philadelphia | Chicago   | Dallas        |
| Cleveland    | St. Louis | San Francisco |

**Revised July 1, 2020 - Attachment 2's for FHLBanks and Farm Credit**

Original Date May 17, 2006

Clearing Memo #250

TO: All Fedwire® Securities Service Participants

SUBJECT: Implementation of Changes to Processing of Principal and Interest Payments and Redemptions

On July 20, 2006, changes to support the Federal Reserve Banks' Policy Statement on Payments System Risk (PSR Policy) will become effective<sup>1</sup>. These changes will impact the processing of interest and redemption payments for securities issued by government-sponsored enterprises (GSEs) and certain international organizations. Changes to the processing of interest and redemption payments will also result in a change to the manner in which security par balances are reduced. (Please refer to Clearing Memo #247 for a detailed description of these changes.)

To prepare for this policy change, there are several changes that are being implemented prior to July 20<sup>th</sup>, as well as some *temporary* changes to the timing of when you will receive your P&I Notification of Credit Reports beginning in late June. Additional information on these changes is detailed below:

### Changes to Principal and Interest Payment Messages using Funder Increments

You will begin to see changes to your payment messages on Monday, July 3, 2006. Payments will be made in the increments established for each issuer and funder account (see Attachment 2). Although payments will be made in increments, from July 3<sup>rd</sup> until July 19<sup>th</sup> all incremental payments will be released at the opening of the Fedwire Securities Service regardless of whether there are available funds in the appropriate funder accounts. This time period will provide your institution with an opportunity to become familiar with reconciling incremental payments.

Beginning Thursday July 20<sup>th</sup>, the PSR Policy will become effective. Payments will be released on a flow basis in increments as funding is received. Your institution should be prepared to receive and reconcile multiple payments at various times throughout the business day. Payments will be released beginning between 8:00 am and 8:30 am ET and continue through out the day up until 4:30 pm ET.

These incremental payments apply to the following three securities type code messages:

| <u>Securities Type Code</u> | <u>Transfer Message Type</u>                      |
|-----------------------------|---------------------------------------------------|
| 8906                        | Payment message                                   |
| 8990                        | Correspondent message about a payment (non-value) |
| 8900                        | Redemption / Maturity message                     |

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<sup>1</sup> For details on the changes to the Federal Reserve's PSR Policy, see the press release dated September 23, 2004, available at <http://www.federalreserve.gov/paymentsystems/psr/press.htm>

## Changes to P&I Notification of Credit Reports (Immediate and non-Immediate)

With P&I payments beginning in July 2006, as described in Clearing Memo #247, the P&I Notification of Credit Reports (for immediate and non-immediate P&I) are being modified. Two new line types showing the incremental payment and par amount for each CUSIP to be paid, and the total incremental payment amount will be added.

There are two **temporary** changes to the timing of these reports that are necessary leading up to the effective date of the policy.

| <b><i>Temporary Changes to the Delivery of the P&amp;I Notification of Credit Reports</i></b> |                                              |                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Change</b>                                                                                 | <b>Record Date</b>                           | <b>Payment Date</b>                          | <b>Change</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 1                                                                                             | June 1, 2006                                 | July 15, 2006                                | <ul style="list-style-type: none"><li>• The Notification of P&amp;I Credit reports (Non Immediate Payments) for the record dates June 1<sup>st</sup> and June 15<sup>th</sup>, 2006, payment date July 15, 2006, would normally be delivered in the June 15th to 25th timeframe. However, due to the operational changes necessary to implement the incremental payments, delivery of these reports will be delayed.</li><li>• Attachment 1 list the specific securities class codes that are affected and when you can expect the reports to be delivered in July.</li></ul> |
|                                                                                               | June 15, 2006                                | July 15, 2006                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2                                                                                             | July 1, 2006<br>July 2, 2006<br>July 3, 2006 | July 1, 2006<br>July 2, 2006<br>July 3, 2006 | <ul style="list-style-type: none"><li>• The Notification of P&amp;I Credit reports (Immediate Payments) for all securities paying on July 1st, 2nd and 3rd would normally be delivered Friday evening, June 30, 2006. However, due to the operational changes necessary to implement the incremental payments, delivery of these reports will be delayed.</li><li>• These reports will be delivered on Sunday evening, July 2, 2006, at approximately 9:30 p.m. ET.</li></ul>                                                                                                 |

Questions regarding this announcement should be directed to the Wholesale Operation Site responsible for your account.

|                                     |              |
|-------------------------------------|--------------|
| Federal Reserve Bank of New York    | 800-390-2788 |
| Federal Reserve Bank of Boston      | 800-327-0147 |
| Federal Reserve Bank of Kansas City | 800-333-2448 |

### Attachments:

- Attachment 1: Listing of securities' class codes with a payment date of July 15, 2006 for which there will be a delay in the delivery of the P&I Notification of Credit Reports
- Attachment 2: Listing of affected issuers, funder accounts, and established payment increments which will become effective July 1, 2006.
- Attachment 3: Listing of non-affected issuers and funder accounts.

Below is a listing of securities with a payment date of July 15, 2006 for which the delivery of the P&I (NonImmediate) Notifications of Credit reports will be delayed:

| Issuer      | Record Date   | Payment Date  | Class Codes                                          | Statement Delivery Date          |
|-------------|---------------|---------------|------------------------------------------------------|----------------------------------|
| Freddie Mac | June 1, 2006  | July 15, 2006 | FMPC<br>FMAR<br>FMST                                 | Thursday<br>July 6 <sup>th</sup> |
|             | June 15, 2006 | July 15, 2006 | FMHF<br>FMPT<br>FMRA<br>FMRM<br>FMRA<br>FQRM<br>FQRA | Thursday<br>July 6 <sup>th</sup> |
| Fannie Mae  | June 1, 2006  | July 15, 2006 | FXRA<br>FXRM<br>FXAR<br>FXST                         | Friday<br>July 7 <sup>th</sup>   |
| Farmer Mac  | June 1, 2006  | July 15, 2006 | FFAR<br>FFPA                                         | Friday<br>July 7 <sup>th</sup>   |

## Issuer / Funder Increment Table

|                      |                           |                |      |      |      |      |      |      |
|----------------------|---------------------------|----------------|------|------|------|------|------|------|
| <b>Issuer:</b>       | <b><i>Freddie Mac</i></b> |                |      |      |      |      |      |      |
| <b>Distribution:</b> | 0210-5457-2               | DA Freddie Mac |      |      |      |      |      |      |
| <b>Funder:</b>       | 021039526                 | FMMBS          |      |      |      |      |      |      |
| <b>Increment:</b>    | 25%                       |                |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | FGAR                      | FGPA           | FGPC | FGPT | FGRA | FGRM | FGST | FMAR |
|                      | FMHF                      | FMMO           | FMPC | FMRA | FMRM | FMST | FRAR | FRPA |
|                      | FRPC                      | FRRR           | FRRM | FRST | FTRA | FTRM |      |      |
| <b>Funder:</b>       | 026590727                 | FMNBS          |      |      |      |      |      |      |
| <b>Increment:</b>    | 25%                       |                |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | FMAS                      | FMCP           | FMDN | FMDS | FMFR | FMIB | FMIC | FMII |
|                      | FMIN                      | FMIP           | FMLC | FMLI | FMLN | FMLP | FMNS | FMNT |
|                      | FMOR                      | FMPR           | FMSF | FMZC | MCCD | MCDB | ZCCD |      |

|                      |                          |               |      |      |      |      |      |      |
|----------------------|--------------------------|---------------|------|------|------|------|------|------|
| <b>Issuer:</b>       | <b><i>Fannie Mae</i></b> |               |      |      |      |      |      |      |
| <b>Distribution:</b> | 0210-5458-5              | DA Fannie Mae |      |      |      |      |      |      |
| <b>Funder:</b>       | 021038831                | FNMBS         |      |      |      |      |      |      |
| <b>Increment:</b>    | 20%                      |               |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | FDRM                     | FNAR          | FNDM | FNMS | FNRA | FNRM | FNST | FQRA |
|                      | FQRM                     | FXAR          | FXRA | FXRM | FXST |      |      |      |
| <b>Funder:</b>       | 021054750                | FNDN          |      |      |      |      |      |      |
| <b>Increment:</b>    | 20%                      |               |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | FNDN                     |               |      |      |      |      |      |      |
| <b>Funder:</b>       | 026590811                | FNNBS         |      |      |      |      |      |      |
| <b>Increment:</b>    | 20%                      |               |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | FNAD                     | FNAS          | FNCD | FNCP | FNDS | FNFR | FNIN | FNNS |
|                      | FNNT                     | FNPR          | FNSF | FNSM | FNZC |      |      |      |

|                                      |                        |
|--------------------------------------|------------------------|
| Issuer:                              | <b><i>FHLBanks</i></b> |
| Refer to Update in Clearing Memo 275 |                        |

|                      |                                       |          |      |
|----------------------|---------------------------------------|----------|------|
| <b>Issuer:</b>       | <b><i>Resolution Funding Corp</i></b> |          |      |
| <b>Distribution:</b> | 0210-5456-9                           | DA REFCO |      |
| <b>Funder:</b>       | 026590028                             | REFCO    |      |
| <b>Increment:</b>    | 100%                                  |          |      |
| <b>ClassCodes:</b>   | RFBD                                  | RFIN     | RFPR |

|                      |                                      |      |                |      |      |      |      |      |
|----------------------|--------------------------------------|------|----------------|------|------|------|------|------|
| <b>Issuer:</b>       | <i>Farm Credit</i>                   |      |                |      |      |      |      |      |
| <b>Distribution:</b> | 0210-5452-7                          |      | DA Farm Credit |      |      |      |      |      |
| <b>Funder:</b>       | 021054747                            |      | FFCBDB         |      |      |      |      |      |
| <b>Increment:</b>    | Refer to Update in Clearing Memo 255 |      |                |      |      |      |      |      |
| <b>ClassCodes:</b>   | FCDB                                 |      |                |      |      |      |      |      |
| <b>Funder:</b>       | 021054734                            |      | FFCBDBN        |      |      |      |      |      |
| <b>Increment:</b>    | Refer to Update in Clearing Memo 255 |      |                |      |      |      |      |      |
| <b>ClassCodes:</b>   | FCDN                                 |      |                |      |      |      |      |      |
| <b>Funder:</b>       | 021038200                            |      | FFCBB          |      |      |      |      |      |
| <b>Increment:</b>    | 100%                                 |      |                |      |      |      |      |      |
| <b>ClassCodes:</b>   | FCAS                                 | FCBD | FCCP           | FCFR | FCIB | FCIC | FCII | FCIN |
|                      | FCIP                                 | FCLC | FCLI           | FCLN | FCLP | FCOR | FCPR | FCSB |
|                      | FCZC                                 |      |                |      |      |      |      |      |

|                      |                                                                                                      |         |      |
|----------------------|------------------------------------------------------------------------------------------------------|---------|------|
| <b>Issuer:</b>       | <b><i>Financing Corp (FICO Wash) - No longer applicable due to FICO dissolution on June 2020</i></b> |         |      |
| <b>Distribution:</b> | 0210-5455-6                                                                                          | DA FICO |      |
| <b>Funder:</b>       | 021033519                                                                                            | FICO    |      |
| <b>Increment:</b>    | 100%                                                                                                 |         |      |
| <b>ClassCodes:</b>   | FICO                                                                                                 | FIIN    | FIPR |

|                      |                          |               |      |
|----------------------|--------------------------|---------------|------|
| <b>Issuer:</b>       | <b><i>Farmer Mac</i></b> |               |      |
| <b>Distribution:</b> | 0210-5459-8              | DA Farmer Mac |      |
| <b>Funder:</b>       | 021054941                | FARMSEC       |      |
| <b>Increment:</b>    | 20%                      |               |      |
| <b>ClassCodes:</b>   | FFDN                     | FFDB          | FFNT |
|                      |                          |               | FFFR |
| <b>Funder:</b>       | 021050165                | FARMMBS       |      |
| <b>Increment:</b>    | 20%                      |               |      |
| <b>ClassCodes:</b>   | FFPA                     | FFAR          |      |

|                      |                                                             |         |      |      |      |      |      |      |
|----------------------|-------------------------------------------------------------|---------|------|------|------|------|------|------|
| <b>Issuer:</b>       | <b><i>International Bank of Recon Dvlp (World Bank)</i></b> |         |      |      |      |      |      |      |
| <b>Distribution:</b> | 0210-5464-0                                                 | DA IBRD |      |      |      |      |      |      |
| <b>Funder:</b>       | 021054802                                                   | IBRDDN  |      |      |      |      |      |      |
| <b>Increment:</b>    | 50%                                                         |         |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | WBDN                                                        |         |      |      |      |      |      |      |
| <b>Funder:</b>       | 026590109                                                   | IBRD    |      |      |      |      |      |      |
| <b>Increment:</b>    | 100%                                                        |         |      |      |      |      |      |      |
| <b>ClassCodes:</b>   | WBBD                                                        | WBCF    | WBCP | WBCZ | WBFR | WBGB | WBIN | WBNT |
|                      | WBPR                                                        | WBZC    |      |      |      |      |      |      |

|                      |                                               |         |      |      |      |      |       |      |
|----------------------|-----------------------------------------------|---------|------|------|------|------|-------|------|
| <b>Issuer:</b>       | <b><i>Inter-American Dvlp Bank (IADB)</i></b> |         |      |      |      |      |       |      |
| <b>Distribution:</b> | 0210-5463-7                                   | DA IADB |      |      |      |      |       |      |
| <b>Funder:</b>       | 026590073                                     | IADB    |      |      |      |      |       |      |
| <b>Increment:</b>    | 100%                                          |         |      |      |      |      |       |      |
| <b>ClassCodes:</b>   | IABD                                          | IACP    | IADM | IADN | IAIN | IAND | IA NT | IAPR |

|                      |                                      |        |  |  |  |  |  |  |
|----------------------|--------------------------------------|--------|--|--|--|--|--|--|
| <b>Issuer:</b>       | <b><i>International Fin Corp</i></b> |        |  |  |  |  |  |  |
| <b>Distribution:</b> | 0210-5465-3                          | DA IFC |  |  |  |  |  |  |
| <b>Funder:</b>       | 026546784                            | IFC    |  |  |  |  |  |  |
| <b>Increment:</b>    | 100%                                 |        |  |  |  |  |  |  |
| <b>ClassCodes:</b>   | IFNT                                 |        |  |  |  |  |  |  |

|                      |                                        |         |  |  |  |  |  |  |
|----------------------|----------------------------------------|---------|--|--|--|--|--|--|
| <b>Issuer:</b>       | <b><i>African Development Bank</i></b> |         |  |  |  |  |  |  |
| <b>Distribution:</b> | 0210-5461-1                            | DA AFDB |  |  |  |  |  |  |
| <b>Funder:</b>       | 026590837                              | AFDB    |  |  |  |  |  |  |
| <b>Increment:</b>    | 100%                                   |         |  |  |  |  |  |  |
| <b>ClassCodes:</b>   | AFDB                                   | AFNT    |  |  |  |  |  |  |

|                      |                                      |                           |  |  |  |  |  |  |
|----------------------|--------------------------------------|---------------------------|--|--|--|--|--|--|
| <b>Issuer:</b>       | <b><i>Asian Development Bank</i></b> |                           |  |  |  |  |  |  |
| <b>Distribution:</b> | 0210-5462-4                          | DA Asian Development Bank |  |  |  |  |  |  |
| <b>Funder:</b>       | 026591072                            | ASDB                      |  |  |  |  |  |  |
| <b>Increment:</b>    | 100%                                 |                           |  |  |  |  |  |  |
| <b>ClassCodes:</b>   | ADBB                                 |                           |  |  |  |  |  |  |

## ***Issuers Not Affected by the Policy Change***

**Note:** The increment for all issuer's listed below will be set to pay at 100%

|                      |                   |       |              |      |      |  |
|----------------------|-------------------|-------|--------------|------|------|--|
| <b>Issuer:</b>       | <i>Ginnie Mae</i> |       |              |      |      |  |
| <b>Distribution:</b> | 0210-5466-6       |       | DA GNMA Wash |      |      |  |
| <b>Funder:</b>       | 021051384         | GNISN |              |      |      |  |
| <b>ClassCodes:</b>   | GNCL              | GNMI  | GNPL         | GNSN | GPMI |  |
| <b>Funder:</b>       | 021051737         | GNII  |              |      |      |  |
| <b>ClassCodes:</b>   | GNAR              | GNII  | GPII         |      |      |  |
| <b>Funder:</b>       | 021051740         | GNPL  |              |      |      |  |
| <b>ClassCodes:</b>   | GNMI              | GNII  |              |      |      |  |

|                      |                                   |         |                    |      |  |
|----------------------|-----------------------------------|---------|--------------------|------|--|
| <b>Issuer:</b>       | <b><i>Ginnie Mae Trustees</i></b> |         |                    |      |  |
| <b>Distribution:</b> | 0210-5467-9                       |         | DA GNMA REMICS     |      |  |
| <b>Funders:</b>      | 021051410                         | GNMANYC | <b>ClassCodes:</b> | GNST |  |
|                      | 021051407                         | GNMATX  |                    | GNRA |  |
|                      | 021051397                         | GNMAHOU |                    | GNRM |  |
|                      | 021051436                         | GNMABOS |                    | GNCT |  |
|                      | 021051449                         | GNMAMIN |                    |      |  |
|                      | 021052943                         | GNWELLS |                    |      |  |

|                      |                                             |        |  |  |  |  |
|----------------------|---------------------------------------------|--------|--|--|--|--|
| <b>Issuer:</b>       | <b><i>Sallie Mae (Defeasance Trust)</i></b> |        |  |  |  |  |
| <b>Distribution:</b> | 0210-5472-1                                 | DA SLM |  |  |  |  |
| <b>Funder:</b>       | 026590222                                   | SLMA   |  |  |  |  |
| <b>ClassCodes:</b>   | SLMN                                        | SLZC   |  |  |  |  |

|                      |                                                |        |      |      |      |      |
|----------------------|------------------------------------------------|--------|------|------|------|------|
| <b>Issuer:</b>       | <b><i>Tennessee Valley Authority (TVA)</i></b> |        |      |      |      |      |
| <b>Distribution:</b> | 0210-5469-5                                    | DA TVA |      |      |      |      |
| <b>Funder:</b>       | 026590031                                      | TVA    |      |      |      |      |
| <b>ClassCodes:</b>   | TVBD                                           | TVCP   | TVDN | TVIB | TVIC | TVII |
|                      | TVIP                                           | TVLC   | TVLI | TVLN | TVLP | TVPR |
|                      |                                                |        |      |      |      | TVIN |

|                      |                                      |                |      |      |      |      |      |
|----------------------|--------------------------------------|----------------|------|------|------|------|------|
| <b>Issuer:</b>       | <b><i>United States Treasury</i></b> |                |      |      |      |      |      |
| <b>Distribution:</b> | 0210-5471-8                          | DA US Treasury |      |      |      |      |      |
| <b>Funder:</b>       | 021054718                            | TREASURY       |      |      |      |      |      |
| <b>ClassCodes:</b>   | BILL                                 | BOND           | CUBE | FSBL | FSZC | NOTE | TCAL |
|                      | TINT                                 | TPRN           | ZERO |      |      |      |      |

|                      |                                       |                     |  |  |  |  |  |
|----------------------|---------------------------------------|---------------------|--|--|--|--|--|
| <b>Issuer:</b>       | <b><i>Veterans Administration</i></b> |                     |  |  |  |  |  |
| <b>Distribution:</b> | 0210-5468-2                           | DA Veterans Affairs |  |  |  |  |  |
| <b>Funder:</b>       | 021051986                             | VAMBS               |  |  |  |  |  |
| <b>ClassCodes:</b>   | VARA                                  | VARM                |  |  |  |  |  |