

Board of Governors of the Federal Reserve System

Regulation U Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stock

12 CFR 221; as revised effective April 1, 1998



Regulation U

Credit by Banks and Persons Other Than Brokers or Dealers for the Purpose of Purchasing or Carrying Margin Stock

12 CFR 221; as revised effective April 1, 1998

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SECTION 221.1—Authority, Purpose, and Scope

(a) *Authority.* Regulation U (this part*) is issued by the Board of Governors of the Federal Reserve System (the Board) pursuant to the Securities Exchange Act of 1934 (the act) (15 USC 78a et seq.).

(b) *Purpose and scope.*

(1) This part imposes credit restrictions upon persons other than brokers or dealers (hereinafter lenders) that extend credit for the purpose of buying or carrying margin stock if the credit is secured directly or indirectly by margin stock. Lenders include “banks” (as defined in section 221.2) and other persons who are required to register with the Board under section 221.3(b). Lenders may not extend more than the maximum loan value of the collateral securing such credit, as set by the Board in section 221.7 (the supplement).

(2) This part does not apply to clearing agencies regulated by the Securities and Exchange Commission or the Commodity Futures Trading Commission that accept deposits of margin stock in connection with—

- (i) the issuance of, or guarantee of, or the clearance of transactions in, any security (including options on any security,

certificate of deposit, securities index or foreign currency); or

(ii) the guarantee of contracts for the purchase or sale of a commodity for future delivery or options on such contracts.

(3) This part does not apply to credit extended to an exempted borrower.

(c) *Availability of forms.* The forms referenced in this part are available from the Federal Reserve Banks.

5-746

SECTION 221.2—Definitions

The terms used in this part have the meanings given them in section 3(a) of the act or as defined in this section as follows:

Affiliate means—

(1) For banks:

(i) any bank holding company of which a bank is a subsidiary within the meaning of the Bank Holding Company Act of 1956, as amended (12 USC 1841(d));

(ii) any other subsidiary of such bank holding company; and

(iii) any other corporation, business trust, association, or other similar organization that is an affiliate as defined in section 2(b) of the Banking Act of 1933 (12 USC 221a(c)).

(2) For nonbank lenders, *affiliate* means any person who, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the lender.

5-747

Bank.

(1) *Bank* has the meaning given to it in section 3(a)(6) of the act (15 USC 78c(a)(6)) and includes—

(i) any subsidiary of a bank;

(ii) any corporation organized under section 25A of the Federal Reserve Act (12 USC 611); and

* Code of Federal Regulations, title 12, chapter II, part 221.

(iii) any agency or branch of a foreign bank located within the United States.

(2) *Bank* does not include—

- (i) any savings and loan association,
- (ii) any credit union,
- (iii) any lending institution that is an instrumentality or agency of the United States, or
- (iv) any member of a national securities exchange.

Carrying credit is credit that enables a customer to maintain, reduce, or retire indebtedness originally incurred to purchase a security that is currently a margin stock.

5-748

Current market value of—

(1) a security means—

- (i) if quotations are available, the closing sale price of the security on the preceding business day, as appearing on any regularly published reporting or quotation service; or
- (ii) if there is no closing sale price, the lender may use any reasonable estimate of the market value of the security as of the close of business on the preceding business day; or
- (iii) if the credit is used to finance the purchase of the security, the total cost of purchase, which may include any commissions charged.

(2) any other collateral means a value determined by any reasonable method.

5-749

Customer excludes an exempted borrower and includes any person or persons acting jointly, to or for whom a lender extends or maintains credit.

Examining authority means—

- (1) the national securities exchange or national securities association of which a broker or dealer is a member; or
- (2) if a member of more than one selfregulatory organization, the organization designated by the Securities and Exchange Commission as the examining authority for the broker or dealer.

Exempted borrower means a member of a national securities exchange or a registered broker or dealer, a substantial portion of whose

business consists of transactions with persons other than brokers or dealers, and includes a borrower who—

- (1) maintains at least 1000 active accounts on an annual basis for persons other than brokers, dealers, and persons associated with a broker or dealer;
- (2) earns at least \$10 million in gross revenues on an annual basis from transactions with persons other than brokers, dealers, and persons associated with a broker or dealer; or
- (3) earns at least 10 percent of its gross revenues on an annual basis from transactions with persons other than brokers, dealers, and persons associated with a broker-dealer.

5-749.1

Good faith with respect to—

- (1) the loan value of collateral, means that amount (not exceeding 100 percent of the current market value of the collateral) which a lender, exercising sound credit judgment, would lend, without regard to the customer's other assets held as collateral in connection with unrelated transactions;
- (2) making a determination or accepting a statement concerning a borrower means that the lender or its duly authorized representative is alert to the circumstances surrounding the credit, and if in possession of information that would cause a prudent person not to make the determination or accept the notice or certification without inquiry, investigates and is satisfied that it is correct.

In the ordinary course of business means occurring or reasonably expected to occur in carrying out or furthering any business purpose, or in the case of an individual, in the course of any activity for profit or the management or preservation of property.

5-750

Indirectly secured—

- (1) includes any arrangement with the customer under which—
 - (i) the customer's right or ability to sell, pledge, or otherwise dispose of margin stock owned by the customer is in any way restricted while the credit remains outstanding; or

(ii) the exercise of such right is or may be cause for accelerating the maturity of the credit.

(2) does not include such an arrangement if—

(i) after applying the proceeds of the credit, not more than 25 percent of the value (as determined by any reasonable method) of the assets subject to the arrangement is represented by margin stock;

(ii) it is a lending arrangement that permits accelerating the maturity of the credit as a result of a default or renegotiation of another credit to the customer by another lender that is not an affiliate of the lender;

(iii) the lender holds the margin stock only in the capacity of custodian, depository, or trustee, or under similar circumstances, and, in good faith, has not relied upon the margin stock as collateral; or

(iv) the lender, in good faith, has not relied upon the margin stock as collateral in extending or maintaining the particular credit.

Lender means—

- (1) any bank; or
- (2) any person subject to the registration requirements of this part.

5-751

Margin stock means—

- (1) any equity security registered or having unlisted trading privileges on a national securities exchange;
- (2) any OTC security designated as qualified for trading in the National Market System under a designation plan approved by the Securities and Exchange Commission (NMS security);
- (3) any debt security convertible into a margin stock or carrying a warrant or right to subscribe to or purchase a margin stock;
- (4) any warrant or right to subscribe to or purchase a margin stock; or
- (5) any security issued by an investment company registered under section 8 of the Investment Company Act of 1940 (15 USC 80a-8), other than—
 - (i) a company licensed under the Small

Business Investment Act of 1958, as amended (15 USC 661); or

(ii) a company which has at least 95 percent of its assets continuously invested in exempted securities (as defined in 15 USC 78c(a)(12)); or

(iii) a company which issues face-amount certificates as defined in 15 USC 80a-2(a)(15), but only with respect of such securities; or

(iv) a company which is considered a money market fund under SEC Rule 2a-7 (17 CFR 270.2a-7).

5-752

Maximum loan value is the percentage of current market value assigned by the Board under section 221.7 (the supplement) to specified types of collateral. The maximum loan value of margin stock is stated as a percentage of its current market value. Puts, calls, and combinations thereof that do not qualify as margin stock have no loan value. All other collateral has good faith loan value.

Nonbank lender means any person subject to the registration requirements of this part.

Purpose credit is any credit for the purpose, whether immediate, incidental, or ultimate, of buying or carrying margin stock.

5-753

SECTION 221.3—General Requirements

(a) *Extending, maintaining, and arranging credit.*

(1) *Extending credit.* No lender, except a plan lender, as defined in section 221.4(a), shall extend any purpose credit, secured directly or indirectly by margin stock, in an amount that exceeds the maximum loan value of the collateral securing the credit.

(2) *Maintaining credit.* A lender may continue to maintain any credit initially extended in compliance with this part, regardless of—

- (i) reduction in the customer's equity resulting from change in market prices;
- (ii) change in the maximum loan value prescribed by this part; or
- (iii) change in the status of the security

(from nonmargin to margin) securing an existing purpose credit.

(3) *Arranging credit.* No lender may arrange for the extension or maintenance of any purpose credit, except upon the same terms and conditions under which the lender itself may extend or maintain purpose credit under this part.

5-753.1

(b) *Registration of nonbank lenders; termination of registration; annual report.*

(1) *Registration.* Every person other than a person subject to part 220 of this chapter or a bank who, in the ordinary course of business, extends or maintains credit secured, directly or indirectly, by any margin stock shall register on Federal Reserve Form FR G-1 (OMB control number 7100-0011) within 30 days after the end of any calendar quarter during which—

(i) the amount of credit extended equals \$200,000 or more; or

(ii) the amount of credit outstanding at any time during that calendar quarter equals \$500,000 or more.

(2) *Deregistration.* A registered nonbank lender may apply to terminate its registration, by filing Federal Reserve Form FR G-2 (OMB control number 7100-0011), if the lender has not, during the preceding six calendar months, had more than \$200,000 of such credit outstanding. Registration shall be deemed terminated when the application is approved by the Board.

(3) *Annual report.* Every registered nonbank lender shall, within 30 days following June 30 of every year, file Form FR G-4 (OMB control number 7100-0011).

(4) *Where to register and file applications and reports.* Registration statements, applications to terminate registration, and annual reports shall be filed with the Federal Reserve Bank of the District in which the principal office of the lender is located.

5-754

(c) *Purpose statement.*

(1) *General rule.*

(i) *Banks.* Except for credit extended under paragraph (c)(2) of this section, whenever a bank extends credit secured

directly or indirectly by any margin stock, in an amount exceeding \$100,000, the bank shall require its customer to execute Form FR U-1 (OMB No. 7100-0115), which shall be signed and accepted by a duly authorized officer of the bank acting in good faith.

(ii) *Nonbank lenders.* Except for credit extended under paragraph (c)(2) of this section or section 221.4, whenever a nonbank lender extends credit secured directly or indirectly by any margin stock, the nonbank lender shall require its customer to execute Form FR G-3 (OMB control number 7100-0018), which shall be signed and accepted by a duly authorized representative of the nonbank lender acting in good faith.

5-755

(2) *Purpose statement for revolving-credit or multiple-draw agreements or financing of securities purchases on a payment-against-delivery basis.*

(i) *Banks.* If a bank extends credit, secured directly or indirectly by any margin stock, in an amount exceeding \$100,000, under a revolving-credit or other multiple-draw agreement, Form FR U-1 must be executed at the time the credit arrangement is originally established and must be amended as described in paragraph (c)(2)(iv) of this section for each disbursement if all of the collateral for the agreement is not pledged at the time the agreement is originally established.

(ii) *Nonbank lenders.* If a nonbank lender extends credit, secured directly or indirectly by any margin stock, under a revolving-credit or other multiple-draw agreement, Form FR G-3 must be executed at the time the credit arrangement is originally established and must be amended as described in paragraph (c)(2)(iv) of this section for each disbursement if all of the collateral for the agreement is not pledged at the time the agreement is originally established.

(iii) *Collateral.* If a purpose statement executed at the time the credit arrangement is initially made indicates that the purpose is to purchase or carry margin

stock, the credit will be deemed in compliance with this part if—

- (A) the maximum loan value of the collateral at least equals the aggregate amount of funds actually disbursed; or
- (B) at the end of any day on which credit is extended under the agreement, the lender calls for additional collateral sufficient to bring the credit into compliance with section 221.7 (the supplement).

(iv) *Amendment of purpose statement.* For any purpose credit disbursed under the agreement, the lender shall obtain and attach to the executed Form FR U-1 or FR G-3 a current list of collateral which adequately supports all credit extended under the agreement.

5-756

(d) *Single-credit rule.*

- (1) All purpose credit extended to a customer shall be treated as a single credit, and all the collateral securing such credit shall be considered in determining whether or not the credit complies with this part, except that syndicated loans need not be aggregated with other unrelated purpose credit extended by the same lender.
- (2) A lender that has extended purpose credit secured by margin stock may not subsequently extend unsecured purpose credit to the same customer unless the combined credit does not exceed the maximum loan value of the collateral securing the prior credit.
- (3) If a lender extended unsecured purpose credit to a customer prior to the extension of purpose credit secured by margin stock, the credits shall be combined and treated as a single credit solely for the purposes of the withdrawal and substitution provision of paragraph (f) of this section.
- (4) If a lender extends purpose credit secured by any margin stock and nonpurpose credit to the same customer, the lender shall treat the credits as two separate loans and may not rely upon the required collateral securing the purpose credit for the nonpurpose credit.

5-757

(e) *Exempted borrowers.*

- (1) An exempted borrower that has been in existence for less than one year may meet the definition of exempted borrower based on a six-month period.
- (2) Once a member of a national securities exchange or registered broker or dealer ceases to qualify as an exempted borrower, it shall notify its lenders of this fact. Any new extensions of credit to such a borrower, including rollovers, renewals, and additional draws on existing lines of credit, are subject to the provisions of this part.

(f) *Withdrawals and substitutions.*

- (1) A lender may permit any withdrawal or substitution of cash or collateral by the customer if the withdrawal or substitution would not—
 - (i) cause the credit to exceed the maximum loan value of the collateral; or
 - (ii) increase the amount by which the credit exceeds the maximum loan value of the collateral.
- (2) For purposes of this section, the maximum loan value of the collateral on the day of the withdrawal or substitution shall be used.

5-758

(g) *Exchange offers.* To enable a customer to participate in a reorganization, recapitalization, or exchange offer that is made to holders of an issue of margin stock, a lender may permit substitution of the securities received. A nonmargin, nonexempted security acquired in exchange for a margin stock shall be treated as if it is margin stock for a period of 60 days following the exchange.

(h) *Renewals and extensions of maturity.* A renewal or extension of maturity of a credit need not be considered a new extension of credit if the amount of the credit is increased only by the addition of interest, service charges, or taxes with respect to the credit.

5-759

(i) *Transfers of credit.*

- (1) A transfer of a credit between customers or between lenders shall not be considered a new extension of credit if—

(i) the original credit was extended by a lender in compliance with this part or by a lender subject to part 207 of this chapter in effect prior to April 1, 1998 (see part 207 appearing in the 12 CFR 200 to 219 edition revised as of January 1, 1997), in a manner that would have complied with this part;

(ii) the transfer is not made to evade this part;

(iii) the amount of credit is not increased; and

(iv) the collateral for the credit is not changed.

(2) Any transfer between customers at the same lender shall be accompanied by a statement by the transferor customer describing the circumstances giving rise to the transfer and shall be accepted and signed by a representative of the lender acting in good faith. The lender shall keep such statement with its records of the transferee account.

(3) When a transfer is made between lenders, the transferee shall obtain a copy of the Form FR U-1 or Form FR G-3 originally filed with the transferor and retain the copy with its records of the transferee account. If no form was originally filed with the transferor, the transferee may accept in good faith a statement from the transferor describing the purpose of the loan and the collateral securing it.

5-760

(j) *Action for lender's protection.* Nothing in this part shall require a bank to waive or forego any lien or prevent a bank from taking any action it deems necessary in good faith for its protection.

(k) *Mistakes in good faith.* A mistake in good faith in connection with the extension or maintenance of credit shall not be a violation of this part.

5-761

SECTION 221.4—Employee Stock Option, Purchase, and Ownership Plans

(a) *Plan lender; eligible plan.*

(1) *Plan lender* means any corporation, (including a wholly owned subsidiary, or a

lender that is a thrift organization whose membership is limited to employees and former employees of the corporation, its subsidiaries or affiliates) that extends or maintains credit to finance the acquisition of margin stock of the corporation, its subsidiaries, or affiliates under an eligible plan.

(2) *Eligible plan* means any employee stock option, purchase, or ownership plan adopted by a corporation and approved by its stockholders that provides for the purchase of margin stock of the corporation, its subsidiaries, or affiliates.

5-761.1

(b) *Credit to exercise rights under or finance an eligible plan.*

(1) If a plan lender extends or maintains credit under an eligible plan, any margin stock that directly or indirectly secured that credit shall have good faith loan value.

(2) Credit extended under this section shall be treated separately from credit extended under any other section of this part except section 221.3(b)(1) and (b)(3).

(c) *Credit to ESOPs.* A nonbank lender may extend and maintain purpose credit without regard to the provisions of this part, except for section 221.3(b)(1) and (b)(3), if such credit is extended to an employee stock ownership plan (ESOP) qualified under section 401 of the Internal Revenue Code, as amended (26 USC 401).

5-762

SECTION 221.5—Special-Purpose Loans to Brokers and Dealers

(a) *Special-purpose loans.* A lender may extend and maintain purpose credit to brokers and dealers without regard to the limitations set forth in sections 221.3 and 221.7, if the credit is for any of the specific purposes and meets the conditions set forth in paragraph (c) of this section.

(b) *Written notice.* Prior to extending credit for more than a day under this section, the lender shall obtain and accept in good faith a written notice or certification from the borrower as to the purposes of the loan. The

written notice or certification shall be evidence of continued eligibility for the special-credit provisions until the borrower notifies the lender that it is no longer eligible or the lender has information that would cause a reasonable person to question whether the credit is being used for the purpose specified.

5-763

(c) *Types of special-purpose credit.* The types of credit that may be extended and maintained on a good faith basis are as follows:

(1) *Hypothecation loans.* Credit secured by hypothecated customer securities that, according to written notice received from the broker or dealer, may be hypothecated by the broker or dealer under Securities and Exchange Commission (SEC) rules.

(2) *Temporary advances in payment-against-delivery transactions.* Credit to finance the purchase or sale of securities for prompt delivery, if the credit is to be repaid upon completion of the transaction.

(3) *Loans for securities in transit or transfer.* Credit to finance securities in transit or surrendered for transfer, if the credit is to be repaid upon completion of the transaction.

(4) *Intraday loans.* Credit to enable a broker or dealer to pay for securities, if the credit is to be repaid on the same day it is extended.

5-764

(5) *Arbitrage loans.* Credit to finance proprietary or customer bona fide arbitrage transactions. For the purpose of this section “bona fide arbitrage” means—

(i) purchase or sale of a security in one market, together with an offsetting sale or purchase of the same security in a different market at nearly the same time as practicable, for the purpose of taking advantage of a difference in prices in the two markets; or

(ii) purchase of a security that is, without restriction other than the payment of money, exchangeable or convertible within 90 calendar days of the purchase into a second security, together with an offsetting sale of the second security at or about the same time, for the purpose

of taking advantage of a concurrent disparity in the price of the two securities.

5-765

(6) *Market maker and specialist loans.* Credit to a member of a national securities exchange or registered broker or dealer to finance its activities as a market maker or specialist.

(7) *Underwriter loans.* Credit to a member of a national securities exchange or registered broker or dealer to finance its activities as an underwriter.

(8) *Emergency loans.* Credit that is essential to meet emergency needs of the broker-dealer business arising from exceptional circumstances.

5-766

(9) *Capital-contribution loans.*

(i) Credit that the Board has exempted by order upon a finding that the exemption is necessary or appropriate in the public interest or for the protection of investors, provided the Securities Investor Protection Corporation certifies to the Board that the exemption is appropriate; or

(ii) credit to a customer for the purpose of making a subordinated loan or capital contribution to a broker or dealer in conformity with the SEC’s net-capital rules and the rules of the broker’s or dealer’s examining authority, provided—

(A) the customer reduces the credit by the amount of any reduction in the loan or contribution to the broker or dealer; and

(B) the credit is not used to purchase securities issued by the broker or dealer in a public distribution.

5-767

(10) *Credit to clearing brokers or dealers.* Credit to a member of a national securities exchange or registered broker or dealer whose nonproprietary business is limited to financing and carrying the accounts of registered market makers.

5-769**SECTION 221.6—Exempted Transactions**

A bank may extend and maintain purpose credit without regard to the provisions of this part if such credit is extended—

- (a) to any bank;
- (b) to any foreign banking institution;
- (c) outside the United States;
- (d) to an employee stock ownership plan (ESOP) qualified under section 401 of the Internal Revenue Code (26 USC 401);
- (e) to any plan lender as defined in section 221.4(a) to finance an eligible plan as defined in section 221.4(b), provided the bank has no recourse to any securities purchased pursuant to the plan;
- (f) to any customer, other than a broker or dealer, to temporarily finance the purchase or sale of securities for prompt delivery, if the credit is to be repaid in the ordinary course of business upon completion of the transaction and is not extended to enable the customer to pay for securities purchased in an account subject to part 220 of this chapter;

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(g) against securities in transit, if the credit is not extended to enable the customer to pay for securities purchased in an account subject to part 220 of this chapter; or

(h) to enable a customer to meet emergency expenses not reasonably foreseeable, and if the extension of credit is supported by a statement executed by the customer and accepted and signed by an officer of the bank acting in good faith. For this purpose, emergency expenses include expenses arising from circumstances such as the death or disability of the customer, or some other change in circumstances involving extreme hardship, not reasonably foreseeable at the time the credit was extended. The opportunity to realize monetary gain or to avoid loss is not a “change in circumstances” for this purpose.

5-775**SECTION 221.7—Supplement:****Maximum Loan Value of Margin Stock and Other Collateral**

- (a) *Maximum loan value of margin stock.* The maximum loan value of any margin stock is 50 percent of its current market value.
- (b) *Maximum loan value of nonmargin stock and all other collateral.* The maximum loan value of nonmargin stock and all other collateral except puts, calls, or combinations thereof is their good faith loan value.
- (c) *Maximum loan value of options.* Except for options that qualify as margin stock, puts, calls, and combinations thereof have no loan value.

Form U-1—Purpose Statement

FR U-1
 OMB No. 7100-0115
 Approval expires January 31, 2014

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
Statement of Purpose for an Extension of Credit Secured by Margin Stock
(Federal Reserve Form U-1)

 Name of Bank

This form is required by law (15 U.S.C. 78g and 78w; 12 CFR 221).
 The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.
 Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time to gather and maintain data in the

required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0019), Washington, DC 20503.

Instructions

- This form must be completed when a bank extends credit in excess of \$100,000 secured directly or indirectly, in whole or in part, by any margin stock.
- The term "margin stock" is defined in Regulation U (12 CFR 221) and includes, principally: (1) stocks that are registered on a national securities exchange or any over-the-counter security designated for trading in the National Market System; (2) debt securities (bonds) that are convertible into margin stock; and (3) shares of most mutual funds.
- Please print or type (if space is inadequate, attach separate sheet).

Part I To be completed by borrower(s)

- What is the amount of the credit being extended? _____
- Will any part of this credit be used to purchase or carry margin stock? Yes No

If the answer is "no," describe the specific purpose of the credit. _____

I (We) have read this form and certify that to the best of my (our) knowledge and belief the information given is true, accurate, and complete, and that the margin stock and any other securities collateralizing this credit are authentic, genuine, unaltered, and not stolen, forged, or counterfeit.

Signed:

Borrower's signature	Signed:
Date	Borrower's signature
Print or type name	Date
	Print or type name

This form should not be signed if blank.

A borrower who falsely certifies the purpose of a credit on this form or otherwise willfully or intentionally evades the provisions of Regulation U will also violate Federal Reserve Regulation X, "Borrowers of Securities Credit."

Part II To be completed by bank only if the purpose of the credit is to purchase or carry margin securities (Part I(2) answered "yes")

1. List the margin stock securing this credit; do not include debt securities convertible into margin stock. The maximum loan value of margin stock is 50 per cent of its current market value under the current Supplement to Regulation U.

No. of shares	Issue	Market price per share	Date and source of valuation (See note below)	Total market value per issue

2. List the debt securities convertible into margin stock securing this credit. The maximum loan value of such debt securities is 50 per cent of the current market value under the current Supplement to Regulation U.

Principal amount	Issue	Market price	Date and source of valuation (See note below)	Total market value per issue

3. List other collateral including nonmargin stock securing this credit.

Describe briefly	Market price	Date and source of valuation (See note below)	Good faith loan value

Note: Bank need not complete "Date and source of valuation" if the market value was obtained from regularly published information in a journal of general circulation or an automated quotation system.

Part III To be signed by a bank officer in all instances.

I am a duly authorized representative of the bank and understand that this credit secured by margin stock may be subject to the credit restrictions of Regulation U. I have read this form and any attachments, and I have accepted the customer's statement in Part I in good faith as required by Regulation U²; and I certify that to the best of my knowledge and belief, all the information given is true, accurate, and complete. I also certify that if any securities that directly secure the credit are not or will not be registered in the name of the borrower or its nominee, I have or will cause

to have examined the written consent of the registered owner to pledge such securities. I further certify that any securities that have been or will be physically delivered to the bank in connection with this credit have been or will be examined, that all validation procedures required by bank policy and the Securities Exchange Act of 1934 (section 17(f), as amended) have been or will be performed, and that I am satisfied to the best of my knowledge and belief that such securities are genuine and not stolen or forged and their faces have not been altered.

Signed:

Date

Bank officer's signature

Title

Print or type name

² To accept the customer's statement in good faith, the duly authorized representative of the creditor must be alert to the circumstances surrounding the credit and, if in possession of any information that would cause a prudent person not to accept the statement without inquiry, must have investigated and be satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

This form must be retained by the lender for three years after the credit is extinguished.

Form G-1—Registration Statement

<p style="margin: 0;">FR G-1 OMB No. 7100-0011 Approval expires April 30, 2005</p> <p style="margin: 0; text-align: center;">BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM</p> <p style="margin: 0; text-align: center;">Registration Statement For Persons Who Extend Credit Secured by Margin Stock (Other Than Banks, Brokers or Dealers) (Federal Reserve Form G-1)</p>								
<p style="margin: 0; font-size: small;">This registration statement is required by law (15 U.S.C. 78g and 78w; 12 CFR 221) and remains in effect until a deregistration statement is filed.</p> <p style="margin: 0; font-size: small;">The Federal Reserve Board regards the information provided by each respondent as confidential. If it should be determined subsequently that any information collected on this form must be released, respondents will be notified.</p> <p style="margin: 0; font-size: small;">The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.</p>	<p style="margin: 0; font-size: small;">Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20561; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0011), Washington, DC 20503.</p>							
<p>Name of registrant: _____</p> <p style="text-align: right; font-size: small;">IRS Identification No.* _____</p>								
<p>Name under which business is conducted, if different from above: _____</p>								
<p>Address of principal place of business: (Do not use P.O. Box No.)</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;">Street</td> <td style="width: 20%; border-bottom: 1px solid black;">County</td> <td style="width: 20%;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">City</td> <td style="border-bottom: 1px solid black;">State</td> <td style="border-bottom: 1px solid black;">ZIP Code</td> </tr> </table>			Street	County		City	State	ZIP Code
Street	County							
City	State	ZIP Code						
<p>Mailing address, if different from above:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;">Street</td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">City</td> <td style="border-bottom: 1px solid black;">State</td> <td style="border-bottom: 1px solid black;">ZIP Code</td> </tr> </table>			Street			City	State	ZIP Code
Street								
City	State	ZIP Code						
<p>GENERAL INSTRUCTIONS</p> <p>Who must file: Section 221.3(b)(1) of Federal Reserve Regulation U requires that FR Form G-1 be completed by every person (other than commercial banks, brokers or dealers) who during any calendar quarter extends a total of \$200,000 or more, or has outstanding a total of \$500,000 or more, in credit secured directly or indirectly, in whole or in part, by collateral that includes any margin stock.</p> <p>When and where to file: The form should be filed <i>in duplicate</i> with the Federal Reserve Bank of the district in which the principal office of subject person is located within 30 days following the end of such quarter in which credit has been extended or is outstanding in accordance with Section 221.3(b)(1). <i>This registration statement will remain in effect until a FR Form G-2 (deregistration statement) is approved by the Board of Governors of the Federal Reserve System.</i></p> <p>What to file: All persons subject to the registration requirements of Section 221.3(b)(1) should (i) supply the background information specified below; (ii) complete Schedule A; and (iii) submit <i>two copies</i> of a balance sheet, certified by an independent public accountant, for the registrant's latest fiscal year. If the registrant is subject to supervision by a state or federal regulatory authority, a copy of the latest balance sheet filed with such authority may be used. If neither is available, the registrant should complete Schedule B on page 4.</p> <p style="font-size: x-small;">*A registrant who is an individual is not required to disclose his or her Social Security number.</p> <p style="font-size: x-small;"><i>Registration forms will be returned to registrants for corrections if all items have not been answered in the manner required or if the forms are otherwise unacceptable for filing.</i></p>	<p>DEFINITIONS</p> <p>Terms used in this form are explained below. Precise definitions may be found in Section 221.2 of Regulation U.</p> <p>Person: Any individual, corporation, partnership, association, joint stock company, business trust, or unincorporated organization.</p> <p>Purpose credit: Credit extended for the purpose of purchasing or carrying margin stock, or to reduce or retire indebtedness previously incurred for that purpose.</p> <p>In the ordinary course of business: Occurring or reasonably expected to occur from time to time in the course of any activity of a person for profit or the management and preservation of property or, in the case of a person other than an individual, carrying out or in furtherance of any business purpose.</p> <p>Margin stock: Includes (1) stocks registered on a national securities exchange or any OTC security designated for trading in the National Market System, (2) debt securities that are convertible into, or carry a warrant or right to subscribe to or purchase margin stock, (3) any such warrant or right, and (4) shares of most mutual funds.</p> <p>Indirectly secured: In general, credit is indirectly secured by margin stock if there is an understanding between the borrower and the lender (1) which is designated to make the margin stock more available to the lender in case of default than to the borrower's other creditors, or (2) which limits the borrower from exercising full dominion over the margin stock to sell, pledge, or donate them, or determining where they shall be placed physically.</p>							

Background Information

1. Principal lines of business:

2. Registrant is: (check one)

- Sole proprietorship Private investor
 Partnership Other (specify)
 Corporation

a. If registrant is a sole proprietor, private investor, or other, state full residence address:

b. If registrant is a corporation, state date and place of incorporation:

Date: _____ Place: _____

c. Person responsible for maintaining records in connection with Regulation U:

Name: _____ Title: _____

Telephone Number (include area code): _____

3. If any of the accounts or records of registrant are kept or maintained by anyone other than the person named in 2(c), furnish the name and address of the other individual, firm, or organization:

4. a. Does any person not named in items 2(c) or 3 above exercise or have power to exercise a controlling influence over the management or policies of registrant, directly or indirectly, through stock ownership, agreement, or otherwise?

- Yes No

b. If "yes", state the name of such person and describe the agreement, arrangement, or nature of the controlling influence:

5. a. Does the registrant extend credit in connection with an employee stock option or stock purchase plan pursuant to the special "plan-lender" provision set forth in Section 221.4(a) of Regulation U? If so, submit two copies of documents establishing the plan, a prospectus, and other information which supports adherence to plan-lender limitations.

- Yes No

5. b. Does the registrant extend credit to an employee stock ownership plan (ESOP) qualified under section 401 of the Internal Revenue Code (26 U.S.C. 401), as set forth in Section 221.4(c) of Regulation U? If so, submit two copies of documents establishing the plan and any other pertinent supporting information.

- Yes No

Schedule A--Securities Credit

As of _____, _____

	I ¹ Total credit outstanding at end of quarter (dollars)			II ² Credit extended during quarter (dollars)		
	Mil	Thou	Dollars	Mil	Thou	Dollars
A. Credit to purchase or carry margin stock (Purpose Loans):						
1. Secured directly by margin stock:						
a. Listed stocks and OTC margin stocks						
b. Debt securities convertible into margin stock						
c. Mutual funds and other margin stock						
2. Secured indirectly by margin stock						
3. TOTAL (Purpose Credit)						
B. Other credit (Nonpurpose Loans):						
1. Secured directly by margin stock:						
a. Listed stocks and OTC margin stocks						
b. Debt securities convertible into margin stock						
c. Mutual funds and other margin stock						
2. Secured indirectly by margin stock						
3. TOTAL (Nonpurpose Credit)						

1. "Credit outstanding" (Column I) includes credit extended by the registrant during the quarter covered by this report, and during previous quarters, that has not been extinguished before the end of the quarter covered by this report.

2. "Credit extended" (Column II) is credit extended by the registrant at any time during the quarter covered by this report. Column II includes new credit extended during the quarter regardless of whether such credit was extinguished at the end of the quarter. An increase in an existing loan is new credit.

Schedule B—Balance Sheet

As of _____, _____

This schedule is to be completed only by lenders not submitting corporate balance sheets certified by an independent public accountant or used to meet reporting requirements of a state or federal regulatory authority.

(\$ Thousands)

ASSETS	LIABILITIES AND NET WORTH
Cash and bank deposits _____	Short-term bank borrowings _____
Trade accounts and notes receivable (net allowance for bad debts of _____) _____	Other notes and accounts payable _____
Other accounts and notes receivable (include credit to executives and employees) _____	Long-term debt _____
Marketable securities _____	All other liabilities _____
Inventories _____	TOTAL LIABILITIES _____
Investments in non-consolidated subsidiaries _____	Capital stock _____
Fixed assets (net of depreciation) _____	Additional paid-in capital _____
All other assets _____	Retained earnings/undivided profits _____
TOTAL ASSETS _____	Total Equity Capital ¹ _____
	TOTAL LIABILITIES AND EQUITY CAPITAL _____

1. Registrants not reporting capital stock, additional paid-in-capital or retained earnings/undivided profits must nevertheless indicate total equity capital.

Certification

The registrant filing this registration form and any attachments thereto and the person by whom it is executed represent hereby that all information contained therein is true and complete.

Date

Signature of sole proprietor, general partner, managing agent, or principal officer

Telephone number (including area code)

Print or type name

Title

This mandatory report is needed to elicit certain background and financial information about a Regulation U lender and the types and amount of credit activities engaged in that are secured by margin stock.

Honest, accurate, and timely statements are required by law.
(15 U.S.C. § 78ff; 18 U.S.C. § 1001)

Form G-2—Deregistration Statement

FR G-2
OMB No. 7100-0011
Approval expires April 30, 2005

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
**Deregistration Statement For
Persons Registered Pursuant to Regulation U
(Federal Reserve Form G-2)**

A. For use by Noncorporate Registrants

This deregistration statement is required by law (15 U.S.C. 78g and 78w; 12 CFR 221).

The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0011), Washington, DC 20503.

Certificate

I (We), doing business under the name _____

IRS Identification No.*

hereby certify that I (we) have not, during the preceding six calendar months, had a total of \$200,000 or more of credit outstanding secured directly or indirectly by margin stock.

I (We) understand that if I (we), in the future, extend a total of \$200,000 or more during any calendar quarter, or have

outstanding at any time during a calendar quarter a total of \$500,000 or more, in credit that is secured directly or indirectly by collateral that includes any margin stock, I (we) shall within 30 days following the end of such calendar quarter reregister and remain registered for at least six months with the Board of Governors of the Federal Reserve System by filing Federal Reserve Form G-1 with the Federal Reserve Bank of the district in which my (our) principal office is located.

This certification is given in connection with an application for termination of registration pursuant to Section 221.3(b)(2) of Regulation U of the Board of Governors of the Federal Reserve System.

Signature(s) _____

Date _____

Print or type name(s) and title(s) _____

Name of firm _____

Telephone number (including area code) _____

*A registrant who is an individual is not required to disclose his or her Social Security number.

**Honest, accurate, and timely statements are required by law.
(15 U.S.C. §78ff; 18 U.S.C. §1001)**

FR G-2
OMB No. 7100-0011
Approval expires April 30, 2005

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
**Deregistration Statement For
Persons Registered Pursuant to Regulation U
(Federal Reserve Form G-2)
B. For use by Corporate Registrants**

This deregistration statement is required by law (15 U.S.C. 78g and 78w; 12 CFR 221).

The Federal Reserve may not conduct or sponsor, and an organization for a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0011), Washington, DC 20503.

Officer's Certificate

I hereby certify that _____
Name of corporation

IRS Identification No.

quarter, or has outstanding at any time during a calendar quarter a total of \$500,000 or more, in credit that is secured directly or indirectly by collateral that includes any margin stock, the Corporation shall within 30 days following the end of such calendar quarter reregister and remain registered for at least six months with the Board of Governors of the Federal Reserve System by filing Federal Reserve Form G-1 with the Federal Reserve Bank of the district in which the principal office of the corporation is located.

("Corporation") has not, during the preceding six calendar months, had a total of \$200,000 or more of credit outstanding secured directly or indirectly by margin stock.

It is understood that if the Corporation shall, in the future, extend a total of \$200,000 or more during any calendar

This certification is given in connection with an application for termination of registration pursuant to Section 221.3(b)(2) of Regulation U of the Board of Governors of the Federal Reserve System.

Signature of duly authorized officer

Print or type name

Title

Telephone number (including area code)

Date

**Honest, accurate, and timely statements are required by law.
(15 U.S.C. § 78ff; 18 U.S.C. § 1001)**

Form G-3—Purpose Statement

FR G-3
OMB No. 7100-0018
Approval expires April 30, 2005

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

**Statement of Purpose for an Extension of Credit Secured by Margin
Stock by a Person Subject to Registration Under Regulation U
(Federal Reserve Form G-3)**

Name of Lender

This form is required by law (15 U.S.C. 78g and 78w; 12 CFR 221).
The Federal Reserve may not conduct or sponsor, and an organization for a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0018), Washington, DC 20503.

Instructions

1. This form must be completed when a lender subject to registration under Regulation U extends credit secured directly or indirectly, in whole or in part, by any margin stock.
2. The term "margin stock" is defined in Regulation U (12 CFR 221) and includes, principally: (1) stocks that are registered on a national securities exchange or any OTC security designated for trading in the National Market System; (2) debt securities (bonds) that are convertible into margin stock; and (3) shares of most mutual funds.
3. Please print or type (if space is inadequate, attach separate sheet).

Part I To be completed by borrower(s)

1. What is the amount of the credit being extended? _____
2. Will any part of this credit be used to purchase or carry margin securities? Yes No

If the answer is "no," describe the specific purpose of the credit _____

I (We) have read this form and certify that to the best of my (our) knowledge and belief the information given is true, accurate, and complete.

Signed: _____	Signed: _____
Borrower's signature _____	Borrower's signature _____
Date _____	Date _____
Print or type name _____	Print or type name _____

This form should not be signed if blank.

A borrower who falsely certifies the purpose of a credit on this form or otherwise willfully or intentionally evades the provisions of Regulation U will also violate Federal Reserve Regulation X, "Borrowers of Securities Credit."

Part II To be completed by lender only if the purpose of the credit is to purchase or carry margin securities (Part I(2) answered "yes")

1. List the margin stock securing this credit; do not include debt securities convertible into margin stock. The maximum loan value of margin stock is 50 per cent of its current market value under the current Supplement to Regulation U.

No. of shares	Issue	Market price per share	Date and source of valuation (See note below)	Total market value per issue

2. List the debt securities convertible into margin stock securing this credit. The maximum loan value of such debt securities is 50 per cent of the current market value under the current Supplement to Regulation U.

Principal amount	Issue	Market price	Date and source of valuation (See note below)	Total market value per issue

3. List other collateral including non-margin securities securing this credit.

Describe briefly	Market price	Date and source of valuation (See note below)	Good faith loan value

Note: Lender need not complete "Date and source of valuation" if the market value was obtained from regularly published information in a journal of general circulation or automated quotation system.

Part III To be signed by an authorized representative of the lender in all instances

I am a duly authorized representative of the lender and understand that this credit secured by margin stock may be subject to the credit restrictions of Regulation U. I have read this form and any attachments, and I have accepted the customer's statement in Part I in good faith as required by Regulation U*; and I certify that to the best of my knowledge and belief, all the information given is true, accurate, and complete.

Signed:

Date
Authorized representative's signature

Title
Print or type name

* To accept the customer's statement in good faith, the authorized representative of the lender must be alert to the circumstances surrounding the credit and, if in possession of any information that would cause a prudent person not to accept the statement without inquiry, must have investigated and be satisfied that the statement is truthful. Among the facts which would require such investigation are receipt of the statement through the mail or from a third party.

This form must be retained by the lender for three years after the credit is extinguished.

Form G-4—Annual Report

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM Annual Report (Federal Reserve Form G-4) For the year ended June 30, _____		FR G-4 OMB No. 7100-0011 Approval expires April 30, 2005
<p>This report is required by law (15 U.S.C. 78g and 78w; 12 CFR 221).</p> <p>The Federal Reserve Board regards the information provided by each respondent as confidential. If it should be determined subsequently that any information collected on this form must be released, respondents will be notified.</p> <p>The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.</p>	<p>Public reporting burden for this collection of information is estimated to average 2.0 hours per response, including the time to gather and maintain data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0011), Washington, DC 20503.</p>	
Name of registrant: _____		IRS Identification No.* _____
Address of principal office: _____		
Street _____		
City _____		County _____
State _____		ZIP Code _____
<p>GENERAL INSTRUCTIONS</p> <p>Who must file: Section 221.3(b)(3) of the Federal Reserve Regulation U requires a report on Form G-4 to be filed by every person subject to the registration requirement of Section 221.3(b)(1) of the rule. Any person registered under the regulation may apply for termination of registration by filing FR Form G-2 [see Section 221.3(b)(2)], if such person has not, during the preceding six calendar months, had a total of \$200,000 or more of credit outstanding secured directly or indirectly by margin stock.</p> <p>When and where to file: Form G-4 shall be filed, <i>in duplicate</i>, with the Federal Reserve Bank of the district in which the registrant's principal place of business is located, within 30 days following June 30 of each calendar year.</p> <p>What to file: The registrant is required to file with this report two copies of the registrant's balance sheet, certified by an independent public accountant, as of the end of its most recent fiscal year. If a certified balance sheet is not available, registrant should file with this report a balance sheet in the form prescribed by Schedule B on FR Form G-1, or if subject to supervision by a state or federal regulatory agency, the latest balance sheet filed with such agency.</p>	<p>DEFINITIONS</p> <p>Terms used in this form are explained below. Precise definitions may be found in Section 221.2 of Regulation U.</p> <p>Person: Any individual, corporation, partnership, association, joint stock company, business trust, or unincorporated organization.</p> <p>Registrant: Any person who is subject to the registration requirement of Section 221.3(b)(1).</p> <p>Purpose credit: Credit extended for the purpose of purchasing or carrying margin stock, or to reduce or retire indebtedness previously incurred for that purpose.</p> <p>Margin stock: Includes (1) stocks registered on a national securities exchange or any OTC security designated for trading in the National Market System, (2) debt securities that are convertible into, or carry a warrant or right to subscribe to or purchase margin stock, (3) any such warrant or right, and (4) shares of most mutual funds.</p> <p>Indirectly secured: In general, credit is indirectly secured by margin stock if there is an understanding between the borrower and the lender (1) which is designated to make the margin stock more available to the lender in case of default than to the borrower's other creditors, or (2) which limits the borrower from exercising full dominion over the margin stock to sell, pledge, or donate them, or determining where they shall be placed physically.</p>	
<p>*A registrant who is an individual is not required to disclose his or her Social Security number.</p>		

Instructions for Completing Schedule of Securities Credit

A. Report all Purpose Credit secured by margin stock extended during the reporting period, as well as all purpose credit secured by margin stock outstanding as of June 30, on Part A of the Schedule of Securities Credit.

B. Registrants reporting Purpose Credit secured by margin stock in Part A must also complete Part B if any nonpurpose credit was extended during the reporting period or is outstanding as of June 30.

C. Registrants *not* reporting Purpose Credit in Part A must

complete Part B if any nonpurpose credit was extended during the reporting period or is outstanding as of June 30.

D. Registrants who maintain records based upon fiscal quarters that do not coincide with calendar quarters have an option of reporting credit outstanding and extended in a slightly different manner. These registrants may report the annual data required by FR Form G-4 as of the year ended on either April 30 or May 31. A registrant reporting in this manner should change the date in Column I of the Schedule of Securities Credit to reflect the year end date used.

Employee Stock Option, Purchase, and Ownership Plan Credit

1. Is part or all of the credit extended pursuant to an employee stock option, purchase, or ownership plan?

Yes

No

2. A. If "yes," does the credit qualify under the special provisions set forth in Section 221.4 of Regulation U?

Yes

No

B. If credit reported in Column I of the Schedule of Securities Credit includes outstanding employee stock option, purchase, or ownership plan credit, please report the following:

i. Outstanding "Plan-Lender" credit pursuant to Section 221.4(a) \$ _____

ii. Outstanding credit to an ESOP pursuant to Section 221.4(c) \$ _____

3. Has any of the credit reported above been extended pursuant to a plan adopted since the submission of the last annual report?

Yes

No

If yes, please submit two copies of the plan and any supporting documents.

Schedule of Securities Credit

	I ¹ Total credit outstanding as of June 30, ____ (dollars)			II ² Credit extended during reporting period (dollars)		
	Mil	Thou	Dollars	Mil	Thou	Dollars
A. Credit to purchase or carry margin stock (Purpose Loans):						
1. Secured directly by margin stock:						
a. Listed stocks and OTC margin stocks						
b. Debt securities convertible into margin stock						
c. Mutual funds and other margin stock						
2. Secured indirectly by margin stock						
3. TOTAL (Purpose Credit)						
B. Other credit (Nonpurpose Loans):						
1. Secured directly by margin stock:						
a. Listed stocks and OTC margin stocks						
b. Debt securities convertible into margin stock						
c. Mutual funds and other margin stock						
2. Secured indirectly by margin stock						
3. TOTAL (Nonpurpose Credit)						

1. "Credit outstanding" (Column I) includes credit extended by the registrant during the year covered by this report, and during previous years, that has not been extinguished before the end of the year covered by this report.

2. "Credit extended" (Column II) is credit extended at any time during the year covered by this report. Column II includes all new credit extended during the year regardless of whether such credit was extinguished at the end of the year. An increase in an existing loan is new credit.

Changes in Background Information

For material included in background information, see the second page of FR Form G-1 Registration Statement

Have there been any changes in background information since the previous G-4 report (G-1 report for a registrant filing its first G-4 report)?

Yes No

If yes, describe any such changes pertaining to name, address, IRS Identification No., organizational structure (e.g., a sole proprietorship becoming incorporated), name of person responsible for maintaining Regulation U records, control, or location of records.

Certification

The registrant filing this annual report and any attachment thereto and the person by whom it is executed represent hereby that all information contained therein is true and complete.

Date

Signature of sole proprietor, general partner, managing agent, or principal officer

Telephone number (including area code)

Print or type name

Title

This mandatory report is needed to elicit certain background and financial information about a Regulation U lender and the types and amount of credit activities engaged in that are secured by margin stock.

Honest, accurate, and timely statements are required by law.
(15 U.S.C. § 78ff; 18 U.S.C. § 1001)

