

Lending*

Key Metrics	Description	Reason / Purpose	J.P. Morgan ACCESS Report	Date Completed
Borrower Exposures by Market Value and % on Loan	The borrowers involved in the lender's program by market value and their proportionate share.	Lending program should have a diversified universe of borrowers in order to eliminate concentration risk. Lenders may want to aggregate borrower exposures with other non-securities lending activities to determine overall firm-wide exposure to various counterparties.	Dashboard or Loan Summary by Borrower	
Loan Collateralization Levels	The market value of: 1) the cash collateral investment portfolio and/or 2) the securities provided as collateral by the borrower.	Compare collateral market value vs. market value of the securities on-loan to make certain that the collateralization of the loaned securities remains at a sufficiently protective level (e.g., 102% / 105%).	Dashboard or Loan Position Detail Report	
Weighted Average Rebate Rate	Rate or yield (i.e., interest) that is owed back to the borrowers on their cash collateral.	To avoid negative earnings, the program's weighted average rebate rate needs to be lower than the investment yield on the cash collateral.	Dashboard	
Securities On-Loan	Details of each security out on loan.	Provide visibility to an investment manager with respect to the borrowing demand for a specific security or securities within their portfolio(s).	Loan Position Detail	
Securities Trading Special	Securities that are experiencing very high borrowing demand as noted by very low and sometimes negative rebate rates (i.e., high intrinsic spreads) or high fees paid by the borrower.	Lenders may want to inform their investment managers of "specials" in order to provide additional transparency.	Dashboard or Top Securities by Earnings	
Loan Type - Term vs. Open on a Market Value and % basis	Proportionate share of loans that can be terminated on any day and whose rebate rate can fluctuate daily vs. a loan for a specific period of time for a locked-in rebate rate or fee.	Changes in Fed Funds Open and Target rates, investor sentiment and supply/demand dynamics of the borrowed securities will impact a lending program's profitability. Open loans are more sensitive to these changes as lending terms (e.g., rebate rate) will reset.	Open vs. Term	
Utilization Rates and Market Values for Program and by Security Type	Percentage of overall portfolio out on-loan and by security type as well.	Gauges supply/demand dynamics of the lender's portfolio.	Utilization Analysis	

*If you require this checklist in Excel format, please contact your Securities Lending Relationship Manager.

