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## Notice to Members Increase in Minimum Stock Requirement, Effective August 25, 2023

FHLBank Atlanta is notifying members of an increase in the Bank's Membership Stock Requirement (Subclass B1 Capital Stock (B1)) and Activity-Based Stock Requirement applicable to the Advances Stock Requirement for Subclass B2 Capital Stock (B2). Computations reflecting these increases are scheduled for August 25, 2023, and may result in an adjustment transaction to your institution's Daily Investment Account (DIA).

### Notice of Change to Stock Requirement Factors; Adjustment to Stock Balances

Pursuant to the Bank's Capital Plan, FHLBank Atlanta's board of directors has approved increases, effective **August 25, 2023**, in the B1 Membership Stock Requirement factor from **0.05% to 0.07%** of a member's total assets and the dollar cap from **\$15 million to \$18 million**. The board also approved an increase effective **August 25, 2023**, of the B2 Advances Stock Requirement factor from **4.25% to 4.75%** of a member's outstanding advances. The Bank's board of directors has a continuing obligation to review and adjust the Minimum Stock Requirement<sup>1</sup> to ensure the Bank has appropriate capital levels during times of increased volatility in advance demand.

On **August 25, 2023**, the Bank will recalculate each member's B1 Membership Stock Requirement using that member's total assets as of December 31, 2022, based on the factor of 0.07% (7 basis points), subject to the \$18 million cap, which will result in an adjustment transaction for members. The Bank will also recalculate each member's B2 Advances Stock Requirement based on the factor of 4.75% (475 basis points), which will result in an adjustment transaction for members with outstanding advances at the close of business on that day. The Bank will debit (charge) the member's DIA for the corresponding amounts and increase the amount of the member's Subclass B1 Capital Stock and Subclass B2 Capital Stock accordingly. All Capital Stock added to a member's account will be eligible for dividend payouts, along with other stock currently held by that member. Excess Subclass B2 Capital Stock repurchases will be subject to a minimum excess stock threshold, currently set at \$100,000, and also subject to the Capital Plan.

### Adjustments to Stock and DIA Balances Will Occur at the Close of Business on August 25, 2023

During the week of August 21, 2023, a form will be placed on FHLBAccess® with the daily calculation of the Minimum Stock Requirement applying the changes above as of close of business of the prior business day. The form will provide an estimate of the B1 and B2 stock purchase amounts expected for each member on August 25, 2023, subject to changes in the member's advance balance as of close of business on August 25, 2023. In the event that the member's DIA reflects insufficient funds as of August 25, 2023, the Bank may take any of the actions authorized pursuant to the account terms and conditions then in effect. If you have questions about this notice or about the form when it is available, please refer to the Bank's Capital Plan or call the Funding Desk at 1.800.536.9650, extension 8011.

<sup>1</sup>The Minimum Stock Requirement is the sum of a member's Membership Stock Requirement (the amount of Subclass B1 stock a member must own to become and remain a member) and its Activity-based Stock Requirement (the amount of Subclass B2 capital stock and Subclass B3 stock a member must own for as long as a particular transaction between the Bank and the member remains outstanding). Please refer to the Bank's [Capital Plan](#) available on our corporate website for more information on the Minimum Stock Requirement.



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