

# FIXED RATE CREDIT ADVANCE



FHLBank Atlanta's Fixed Rate Credit (FRC) advances offer fixed-rate funding through a stated maturity.

## COMMON USES

- Fund fixed-rate loans and securities
- Manage interest-rate risk while maintaining flexibility
- Supplement retail deposits

## ADDITIONAL FEATURES

(Available for advances with terms of 12 months or greater and notional amounts of \$1 million or more)

- Option for partially or fully symmetrical prepayment\*
- One-time option to embed an interest rate cap or floor in certain circumstances
- Ability to capture the net present value (NPV) on the advance should there be one. A borrower can roll the NPV into a restructured advance – a positive NPV would reduce the rate of the new advance while a negative NPV would increase the rate.

## TERMS:

	Less than 12 months in term or less than \$1 million in notional	12 months or greater in term and \$1 million or more in notional
Interest Payment	Monthly	Monthly or Quarterly
Interest Accrual	Actual/360 days	Actual/360 days
Minimum Trade	None	\$1 million
Funding	Generally available same day	Generally available two Bank business days after the pricing date
Pricing	Interest rate is fixed on or before the funding date and generally priced using posted rates	Interest rate is fixed on or before the funding date and generally priced using live market rates
Prepayment	Non-symmetrical – Present value of daily lost cash flows	Symmetrical (fully* or partially) – cost of unwinding the underlying hedge + administrative fee
Maturity	Generally range from one month to 20 years	

**For rates and additional information, call the Funding Desk at 1.800.536.9650, extension 8011.**

\*Shareholders should consult their own financial accounting advisors prior to obtaining a fully symmetrical advance to determine potential accounting implications, including, among other things, any potential issues related to embedded derivatives.

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