

Manage Interest-Rate Sensitivity with SOFR-Linked Advances

Fixed-Term, Floating-Rate, Non-Amortizing Advances

Lower your borrowing cost, manage interest-rate sensitivity and achieve a consistent spread with SOFR-Linked advances. The SOFR-Linked advance is a fixed-term, floating-rate, non-amortizing advance that is indexed to the Secured Overnight Financing Rate (SOFR), which is published each business day by the Federal Reserve Bank of New York. SOFR is a measure of the cost of borrowing cash overnight that is collateralized by Treasury securities.



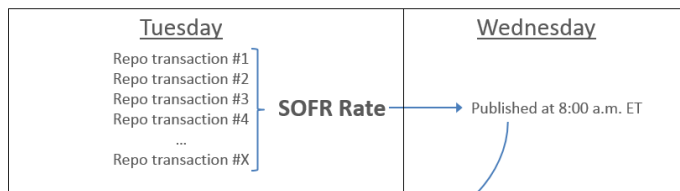
What is a SOFR-Linked Advance?

- An alternative to LIBOR Floating-Rate advances
- Available with 3-, 6-, 9-, 12-, 15- or 18-month terms
- No minimum transaction size
- Quarterly interest payments based on the settlement date

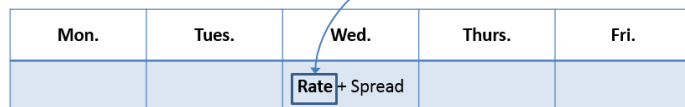
How the SOFR-Linked Advance's Interest Rate is Determined

The SOFR-Linked advance's interest rate resets daily and is based on the SOFR published each business day by the Federal Reserve Bank of New York. The SOFR is based on the previous business day's repo transactions. FHLB Dallas takes the published SOFR, which we refer to as the Reference Rate, and adds a spread to it to determine the SOFR-Linked advance's interest rate for that day.

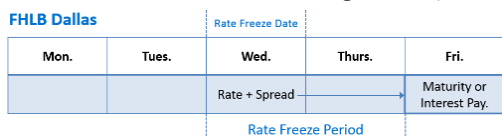
Federal Reserve Bank of New York



FHLB Dallas



The SOFR-Linked advance's interest rate resets daily, except when an interest payment date or advance maturity date is approaching. The interest rate will freeze during the Rate Freeze Period, starting two days before a payment date.



BENEFITS

- Manage interest-rate sensitivity
- Achieve a consistent spread by reducing repricing risk
- Advance is linked to a fully transaction-based index that is not easily manipulated

For more information visit fhlb.com or contact:

Member Services Desk
844.FHL.BANK
member.services@fhlb.com



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