

FIXED-TO-FLOAT CONVERTIBLE OPTION ADVANCE

Our Fixed-to-Float Convertible Option Advance offers you an initial below-market fixed rate advance, where the Bank owns the option* to convert the advance on a one-time basis from a fixed rate to a SOFR-based adjustable interest rate on a specified date (or dates). The advance provides both below market funding and term certainty, as the funding is guaranteed until the maturity of the advance.



CALIFORNIA

Features

Interest Rate	Fixed during lockout; may convert to floating post lockout
Interest Payment Frequency	Quarterly and at repayment
Terms	1-10 years
Day Count	Actual/360
Availability	Same day until 12pm PT
Additional Details	Various lockout periods available Conversion options are European or Bermudan with 2 business days notice Prepayment Symmetry is available while the advance is in the fixed rate period

Opportunities

- » Term certainty
- » Lower immediate term funding costs to help mitigate compressed Net Interest Margins (NIM)
- » Address regulatory liquidity concerns

*The Fixed-to-Float Convertible Option Advance has a complex interest rate risk profile and may be an inappropriate product for some institutions. The member will be required to have a Statement of Authority on file with the Bank before it can transact the advance. After the expiration of the lockout period, the initial fixed rate of the Fixed-to-Float Convertible Option Advance may convert to a floating rate at FHLBank San Francisco's sole discretion. FHLBank San Francisco makes no representations as to the criteria or factors that may support its decision to exercise the conversion option of the Fixed-to-Float Convertible Option Advance. This information is not intended as investment advice. The decision to obtain a Fixed-to-Float Convertible Option Advance and the analysis of how or whether it may fit into a borrower's financial or business strategy remain solely the borrower's responsibility.

FHLBank
San Francisco

Questions?

Contact the Member Services Desk
or your Relationship Manager.

Member Services Desk

Phone: (415) 616-2500

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