



Putable Advances

AVAILABLE TERM:
1 to 15 years

LOCKOUT PERIOD:
3 months to 5 years

ACCOUNT MANAGERS

RUSTY DAVIS
720.212.9873
rusty.davis@fhlbtopeka.com

DAVID HARRIS
800.933.2988
david.harris@fhlbtopeka.com

DREW SIMMONS
405.831.7678
drew.simmons@fhlbtopeka.com

JEFF STEINER
800.933.2988
jeff.steiner@fhlbtopeka.com

TONY VENDITTE
402.890.6838
tony.venditte@fhlbtopeka.com

LENDING | 800.809.2733

DEREK LAYTON
derek.layton@fhlbtopeka.com

MICHELLE OLIVER
michelle.oliver@fhlbtopeka.com

ERIKA SKINNER
erika.skinner@fhlbtopeka.com

LOWER YOUR BORROWING COST WITH A PUTABLE OPTION FROM FHLBANK TOPEKA. We are pleased to offer the regular fixed putable advance.

In finance, a put option allows the buyer the right to unwind the transaction within a specified time frame. In the case of putable advances, FHLBank has the right to put (or call away) the advance at a predetermined time.

Like our former convertible advance, you lock in at a lower rate compared to traditional bullet advances by essentially selling the put options to FHLBank.

The advance is likely to be called when rates have risen, and less likely to be called when rates move lower.

COMMON USES

- Complements your deposits when used for overall balance sheet funding
- Lowers the overall cost of borrowing versus like-term bullets
- Provides a strong alternative to brokered deposits

HOW DOES THE PUTABLE ADVANCE WORK?

Example structure: 5 year/1 year

- The rate will be fixed until the end of the lockout period of 1 year.
- At the end of the lockout period, FHLBank holds one or multiple options to call the advance
 - European style - one option
 - Bermudan style - quarterly options
- If FHLBank **calls the advance**, it will prepay and you can take down replacement funding if desired.
- If FHLBank chooses **not to call the advance**, it remains at the initial fixed rate until the next option date or through its stated maturity.

RATE COMPARISON (as of Oct. 30, 2023)

Traditional Bullet Structures			Putable Structures	
1yr Bullet	5yr Bullet	10yr Bullet	5yr/1yr Bermudan	10yr/1 yr Bermudan
5.63%	5.11%	5.54%	4.34%	3.94%