



Federal Reserve Banks

Boston	Richmond	Minneapolis
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Philadelphia	Chicago	Dallas
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Replaced and superseded by CM275 dated 07/01/2020

Date: August 27, 2007
Clearing Memo # 254

TO: All Fedwire® Securities Service Participants

SUBJECT: Federal Home Loan Banks – Change to Discount Note Payment and Redemption Pattern

Effective November 1, 2007, the Federal Home Loan Bank’s (FHLBanks) payment and redemption increments for their discount note product will change. Currently, FHLBanks’ discount notes are paid and redeemed in 20 increments of 5% each. The new payment and redemption pattern will consist of 4 increments as follows:

Increment 1.	5%
Increment 2.	5%
Increment 3.	5%
Increment 4.	85%

This change is limited to FHLBanks’ discount note product only (class code FHDN) and does not affect other FHLBanks products.

The Federal Reserve Bank’s Depository Institution Test environment (DIT) will be available for customer testing of this new pattern effective September 1st, so the P&I test payments you receive beginning September 6th will reflect this new incremental pattern. To arrange testing please call the Wholesale Testing Unit at 877-569-2488.

Below is an updated listing of FHLBanks’ distribution account, funder accounts, associated class codes and established payment increments which will become effective November 1, 2007.

Issuer:	<i>FHLBanks</i>							
Distribution:	0210-5454-3	DA FHLB Wash						
Funder:	021054763	FHLBDN						
Increment:	5%; 5%; 5%; 85%							
ClassCodes:	FHDN							
Funder:	026590701	FHLBB						
Increment:	100%							
ClassCodes:	FHAS	FHBD	FHFR	FHIB	FHIC	FHII	FHIN	FHIP
	FHLB	FHLC	FHLI	FHLN	FHLP	FHOR	FHPR	FHZC

Please refer to Clearing Memos #247 and #250 for further details.

Questions regarding this announcement should be directed to the Federal Reserve Bank of New York at 800-390-2788.