



FHLBank
Chicago

**Frequently Asked Questions:
COVID-19 Relief Advance
Available May 3 – 28, 2021**

Overview

1. What is the new COVID-19 Relief Advance?

We are pleased to announce that the Board of Directors of the Federal Home Loan Bank of Chicago (FHLBank Chicago) has approved an opportunity for members to continue participating in a COVID-19 Relief Program consisting of **zero-rate advances** (new COVID-19 Relief Advance) for a one-year term under the A121 Fixed Rate Fixed Term advance product to support liquidity needs resulting from the COVID-19 economic crisis. The new COVID-19 Relief Advance is available to all of our member and associate member institutions.

The new COVID-19 Relief Advance opens on Monday, May 3, with funds available through Friday, May 28.

2. Is the new COVID-19 Relief Advance first-come, first-served?

Applications will be processed on a first-come, first-served basis but the amount of funds allocated for the new COVID-19 Relief Advance will allow all members and associate members to request a COVID-19 Relief Advance up to \$5 million. Funds are subject to all collateral and advance eligibility requirements. The requested advance amount is a one-time only election made on the application submitted by the member institution. Requests for this advance can be made immediately and throughout the week during the advance availability period (May 3 – May 28, 2021), but advance proceeds will be funded once per week on Fridays (May 7, 14, 21, and 28). See question 6 for additional details on when advance requests can occur.

3. Can I adjust the term of the advance to be shorter or longer than one year?

No; the COVID-19 Relief Advance has a one-year maturity based on the settlement date.

4. Are there limits on how much a member can borrow under the new COVID-19 Relief Advance?

The maximum COVID-19 Relief Advance amount per member is \$5 million, but members may choose to borrow less than \$5 million. Members may only execute one advance (i.e., members cannot execute multiple advances that sum up to \$5 million).

Request Process and Application

5. Can all FHLBank Chicago members request the new COVID-19 Relief Advance?

All FHLBank Chicago members and associate members are eligible for the new COVID-19 Relief Advance; however, members must meet all standard collateral, credit, capital stock, and other eligibility requirements on the settlement date.

6. When can advance requests occur?

Requests can be made immediately and throughout each week the advance is available up until Thursday, May 27 at 3 p.m. Advance proceeds will be funded once per week on Fridays (May 7, 14, 21, and 28).

7. What is the application process?


Any individual with Advance Transact Authorization can complete a new COVID-19 Relief Advance application on behalf of one's institution. Once completed, the form should be

emailed to reliefadvance@fhlbc.com for processing. COVID-19 Relief Advance applications will be processed on a first-come, first-served basis. Applications submitted and processed between 8 a.m. on Monday through 3 p.m. CST on Thursday of each week during the advance availability period will be scheduled to fund on that Friday (May 7, 14, 21, and 28). Applications submitted after 3 p.m. CST on Thursday (May 6, 13, and 20) will be funded on the Friday of the following week. FHLBank Chicago reserves the right to delay funding to the subsequent week or weeks depending on member demand.

8. Where can I find the new COVID-19 Relief Advance application?

The new COVID-19 Relief Advance application can be found on the [COVID-19 Resource Center](#).

9. How do I download the application?

The new COVID-19 Relief Advance application can be found on the [COVID-19 Resource Center](#), the application is located on the drop-down labeled "New COVID-19 Relief Advance Application." Click on the link to download the application, this will bring you to a new browser page featuring the application form. In the upper right hand corner, click on the "Download"  icon and save the file to your desktop computer. Once the application has finished downloading, open your desktop files and locate the application you have just downloaded. The application should open in Adobe. Then you may fill out the necessary fields and click on the button at the bottom of the form to return the completed form to reliefadvance@fhlbc.com.

10. What if I do not have Adobe or my firewall system prevents me from downloading PDFs?

Click on the link to download the application, then print out the application. Complete the application with all of the necessary information and either scan or take a photo of the completed form. Attach the scanned or the photo of the completed document and email it to reliefadvance@fhlbc.com.

11. Should members expect to receive a confirmation of their COVID-19 Relief Advance request?

You will receive an advance confirmation via email when the request is processed. You will receive an additional advance confirmation via email when the advance is funded on Fridays (May 7, 14, 21, and 28). If you have further questions regarding the process, please email reliefadvance@fhlbc.com.

Common Application Questions

12. How will the new COVID-19 Relief Advance be capitalized?

All COVID-19 Relief Advances will be capitalized at 2% under the Reduced Capitalization Advance Program (RCAP).

13. Where do I locate my member number to include on the application for the new COVID-19 Relief Advance?

You may locate your member number by accessing our [eBanking system](#); your member name and member number appears on the upper right part of the eBanking screen pages. If you have any issues finding your member number, please contact your Sales Director.

14. I'm not an individual with Advance Transact Authorization for my member

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institution. Can I still submit an application for the new COVID-19 Relief Advance?

Only individuals with Advance Transact Authorization may submit the application

15. My member institution has multiple individuals with Advance Transact Authorization. Who should submit the application?

Only one individual with Advance Transact Authorization should submit the application on behalf of the member institution. Before submitting the application, make sure that the advance requested amount is accurate for the needs of your member institution and that all authorized users have agreed as only one advance may be transacted per member institution (i.e. members cannot execute multiple advances that equal up to \$5 million).

16. Is there any supporting documentation required?

No; additional supporting documentation is not required. Only the COVID-19 Relief Advance application is required to request a COVID-19 Relief Advance.

17. When will members receive their new COVID-19 Relief Advance funds?

Members will receive a Notification of Commitment for Forward-Starting Advance once the application has been processed that will indicate the Funding Date.

18. Does the new COVID-19 Relief Advance include additional compliance requirements for the members?

No; there are no additional compliance requirements associated with the COVID-19 Relief Advance. The COVID-19 Relief Advance is not tied to a member's lending activity (as Community Advances are).

19. Are there any prepayment penalties if I decide to prepay the new COVID-19 Relief Advance?

No; there are no prepayment penalties and the advance can be prepaid at any time, but additional COVID-19 Relief Advance funds may not be requested after full or partial prepayment of the advance.

Other

20. My institution is in the process of a merger or acquisition. Am I able to participate in the COVID-19 Relief Advance? What about the other institution involved in the merger?

Yes; as long as the advance is funded before the merger for the merging institution. The surviving institution can also request funds pre- or post-merger as long as they are also a member of FHLBank Chicago and only request a COVID advance once for their institution. Refer to question four above.

21. Who do I contact if I have additional questions?

Questions can be directed to your Sales Director.