

EXHIBIT A

Federal Reserve

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Frequently Asked Questions

Discount Window Lending Programs

Last Updated: 03/25/2009

Please note the following temporary changes to Discount Window lending programs:

- The spread of the primary credit rate over the FOMC's target federal funds rate has been reduced to 25 basis points.
- On March 17, 2008, the [primary credit program was temporarily changed](#) to allow primary credit loans for terms of up to 90 days.
- On July 30, 2008, the Federal Reserve introduced a collateral requirement for long-term advances.

These changes will remain in place until the Federal Reserve determines that market liquidity has improved.

Please see our [Collateral FAQs](#) for answers to questions frequently asked since the [Federal Reserve's announcement](#) of temporary changes to the primary credit discount window facility.

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Discount Window Lending Programs:

Primary and Secondary Credit Programs

1. [Why did the Federal Reserve change the Discount Window at the beginning of 2003? What are the major objectives of the primary and secondary credit Discount Window facilities?](#)

2. What are the key features of primary credit and secondary credit?
3. How do Reserve Banks administer the primary and secondary credit Discount Window programs?
4. Is a depository institution that is eligible for primary credit allowed to use the Federal Reserve as a regular source of funds?
5. Are there any restrictions on the use of funds a depository institution borrows from the Federal Reserve under the primary credit program? Under the secondary credit program?
6. How do Reserve Banks determine which financial institutions are eligible for primary credit? For secondary credit? How often is eligibility reassessed? When are institutions notified about their eligibility?
7. How is the primary credit rate set?
8. How do bank supervisors/examiners view an institution's use of primary credit?
9. Does the Federal Reserve share the list of depository institutions eligible for primary and secondary credit with bank regulators? Does the Federal Reserve share information about institutions' use of the discount window with bank regulators?
10. Does the Federal Reserve publish information about which depository institutions are allowed to borrow from the Discount Window at the primary credit rate?
11. How does the Federal Reserve publish data on borrowings under the primary and secondary credit programs?
12. The Federal Reserve describes the primary credit program as a 'no questions asked' program with minimum administration. What does that mean?
13. How many times may a depository institution borrow from the Discount Window in any given period?
14. Is there any threshold for the size of a loan beyond which a Reserve Bank will ask the depository institution some questions regarding the loan?
15. In what situations may a Reserve Bank extend primary credit for consecutive days? What is the maximum period that credit can be outstanding?
16. What procedures should a depository institution follow to borrow from the Discount Window?

17. When are the proceeds of Discount Window loans made available to the borrower? When is the subsequent repayment posted?

Seasonal Lending Program

18. What is the purpose of the seasonal lending program? Where can I find more information about the seasonal lending program?
19. Did the introduction of the primary and secondary credit programs have any impact on the seasonal credit program?
20. If a depository institution is in the seasonal credit program, may it use seasonal credit rather than the primary credit facility for short-term needs?

Discount Window Lending Programs:

Primary and Secondary Credit Programs

1. Why did the Federal Reserve change the Discount Window at the beginning of 2003? What are the major objectives of the primary and secondary credit Discount Window facilities?

The restructuring of the Discount Window at the beginning of 2003, including repositioning the discount rate from below the FOMC's target rate to above the target rate, was designed to improve the window's operation as a mechanism for implementing monetary policy and as a backup source of funds for individual depository institutions.

The primary credit program aids the implementation of monetary policy by: (1) making funds readily available at the primary credit rate when there is a temporary shortage of liquidity in the banking system, thus keeping the actual federal funds rate from rising much above the primary credit rate, (2) making the process of borrowing from the Discount Window administratively easier, and (3) promoting consistency in the lending function across the Federal Reserve System. By minimizing the administration of and restrictions on the use of Discount Window credit, and by limiting extensions of credit to generally sound depository institutions, the primary credit program reduces depository institutions' reluctance to borrow, thus making the Discount Window a more effective policy instrument. The secondary credit program makes credit available, when appropriate, to meet