

APPENDIX D – EXAMPLE OF MEMBER BUSINESS LOANS
 ALTERNATIVE COMPONENT, §702.107(b)
 (EXAMPLE CALCULATION IN BOLD)

<i>Remaining maturity</i>	<i>Dollar balance of MBLs by remaining maturity</i>	<i>Percent of total assets by remaining maturity</i>	<i>Alternative risk weighting</i>	<i>Alternative component</i>
<i>Fixed-rate MBLs</i>				
0 to 3 years	6,000,000	3.0000 %	.06	0.1800 %
> 3 years to 5 years	4,000,000	2.0000 %	.09	0.1800 %
> 5 years to 7 years	2,000,000	1.0000 %	.12	0.1200 %
> 7 years to 12 years	0	0.0000 %	.14	0.0000 %
> 12 years	0	0.0000 %	.16	0.0000 %
<i>Variable-rate MBLs</i>				
0 to 3 years	17,000,000	8.5000 %	.06	0.5100 %
> 3 years to 5 years	4,000,000	2.0000 %	.08	0.1600 %
> 5 years to 7 years	2,000,000	1.0000 %	.10	0.1000 %
> 7 years to 12 years	0	0.0000 %	.12	0.0000 %
>12 years	0	0.0000 %	.14	0.0000 %
Sum of above equals Alternative component*				1.25 %

* Substitute for standard component if lower.