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FOR IMMEDIATE RELEASE:

FHLBank of Chicago Files Form 8-K Announcing Amendments to 2009 Quarterly Reports Related to Condensed Statement of Cash Flows

Today, the FHLBank of Chicago filed an amendment to its Quarterly Reports on Form 10-Q for each of the quarters ended March 31, 2009, June 30, 2009 and September 30, 2009. The Condensed Statement of Cash Flows for each of these reporting periods has been restated, and the FHLBank of Chicago said that the Condensed Statement of Cash Flows previously filed for each of these reporting periods should not be relied upon. The restatement has no impact on the "Net increase (decrease) in cash and due from banks" previously reported by the FHLBank of Chicago. In addition, the restatement has no impact on the FHLBank of Chicago's Statements of Condition, Statements of Income and Statements of Capital as presented for the quarters ended March 31, 2009, June 30, 2009 and September 30, 2009.

None of these changes are material to the combined financial reports of the FHLBank System, and the Office of Finance does not intend to restate any combined financial statements as a result of these changes. Office of Finance management has discussed this matter with its independent external accountants and audit committee. In addition, the Office of Finance believes that the factors leading to this restatement by the FHLBank of Chicago did not affect any other FHLBank.

The FHLBank of Chicago has filed a Form 8-K regarding this matter that describes the reasons for the restatements, along with the Form 10-Q/As. These filings can be viewed by searching the EDGAR database.

About the FHLBanks

The primary purpose of the FHLBanks is to ensure the flow of credit and other services for housing and community development to member financial institutions. This liquidity serves the public by enhancing the availability of residential mortgage and community investment funds. As cooperatives, the FHLBanks seek to maintain a balance between their public policy mission and their obligation to provide adequate returns on the capital supplied by members. The FHLBanks achieve this balance by delivering low-cost financing, and providing members a viable alternative to the secondary mortgage market via the mortgage loan programs, while paying a dividend. The FHLBanks also help members with other local housing and community development needs through self-funded affordable housing programs.

Each individual FHLBank manages its operations independently and is responsible for establishing its own accounting and financial reporting policies in accordance with accounting principles



generally accepted in the United States of America. The accounting and financial reporting policies and practices of individual FHLBanks are not always identical because different policies and/or presentations are permitted under GAAP in certain circumstances.

The FHLBanks have delivered innovation and service to the U.S. housing market for over 77 years, and currently have approximately 8,100 members in all 50 states, including the District of Columbia, American Samoa, Guam, Puerto Rico, and the Northern Mariana and U.S. Virgin Islands. Please contact Mike Ciota at 703-467-3608 (ciota@fhlb-of.com) for additional information.