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March 29, 2024

Notice of Change of Interest Rates based on USD LIBOR Payable with Respect to CoBank, ACB Series H Preferred Stock and Series I Preferred Stock

This notice relates to changes in the interest rates based upon US Dollar LIBOR ("LIBOR") in connection with CoBank, ACB's ("CoBank") (1) Fixed-to-Floating Rate Series H Non-Cumulative Perpetual Preferred Stock (par value $100 per share) (the "Series H Preferred Stock") and (2) Fixed-to-Floating Rate Series I Non-Cumulative Perpetual Preferred Stock (par value $1,000 per share) (the "Series I Preferred Stock" and, together with the Series H Preferred Stock, the "Preferred Stock").

On June 30, 2023, the administrator of LIBOR ceased publication of USD LIBOR for all tenors on a representative basis (the "Permanent Cessation").

As a result of the Permanent Cessation, references to 3-month LIBOR in (1) the Series H Preferred Stock will be replaced with 3-month CME Term SOFR and a spread of 0.26161% when the dividend rate is reset effective January 1, 2025 and (2) the Series I Preferred Stock will be replaced with 3-month CME Term SOFR and a spread of 0.26161% when the dividend rate is reset effective October 1, 2026, as discussed below and by operation of law under the terms and conditions provided for by regulations promulgated by the Federal Reserve Board under the Adjustable Interest Rate Act (the "LIBOR Act"), Regulation ZZ.[1]

"CME Term SOFR" means the CME Term SOFR Reference Rates published for 1-, 3-, 6-, and 12-month tenors as administered by CME Group Benchmark Administration, Ltd. (or any successor administrator thereof). CME Term SOFR is a forward-looking term rate based on the Secured Overnight Financing Rate ("SOFR") administered by CME Group Benchmark Administration, Ltd. SOFR is based on a broad segment of the overnight repurchase market for direct obligations of the United States ("Treasuries") and is a measure of the cost of borrowing cash overnight collateralized by Treasuries. Due to differences between LIBOR (an unsecured rate with various tenors) and SOFR (a secured, overnight rate), it was necessary to develop and apply a tenor (term) and credit adjustment that has been adopted by the Federal Reserve Board in Regulation ZZ to minimize, to the extent possible, the economic impact of a transition from LIBOR to SOFR, including CME Term SOFR. As part of the transition from LIBOR to CME Term SOFR, a standard adjustment spread will be added that will vary based upon the tenor of LIBOR being replaced. In the case of the Series H Preferred Stock, the spread adjustment added to 3-month CME Term SOFR will be 0.26161% plus, according to the terms of the Series H Preferred Stock, a margin equal to 3.744%. In the case of the Series I Preferred Stock, the spread

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[1] Regulation ZZ is available at https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20221216a1.pdf, and the LIBOR Act (Public Law 117-103, div. U) is available at https://www.govinfo.gov/link/plaw/117/public/103.

adjustment added to 3-month CME Term SOFR will be 0.26161% plus, according to the terms of the Series I Preferred Stock, a margin equal to 4.66%.

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