REVOLVING, TRUST REVOLVING, AND DEPOSIT FUNDS

Market-Based Securities

Discounts, premiums, and earned interest are explained below.

Discount. Assume a bill is purchased with a par value of \$1,000,000 at a sale price of \$947,017.78.

ccount Summary → View Transactions → Confirmation	Recor	d the principal as a disbursement with a subclass
lick here for printable version		cord the discount as a receipt using a subclass 75.
Request Details Account Number: 20X##45 REVOLVING FUNE Transaction Date: 05/27/2004 As Of Date: 05/27/2004 Inventory Method: N/A Amount Type: Face Security: 912795RM5 MK BILL 11/18/2 Amount Entered: Not Available Price Information Memo Number: 00248209 Transaction Code: BUY Price: 94.701778 Principal: \$1,000,000.00 Discount: \$52,982.22 Premium: \$0.00 Earned Interest: \$0.00	2004 Disco	unt = Principal - <u>(Principal * Price)</u> 100 unt = 1,000,000- <u>(1,000,000 * 94.70177</u> 100
Inflation Compensation: N/A Sales Price: \$947,017.78 Index Ratio: N/A		
Inflation Compensation: N/A Sales Price: \$947,017.78	STATEMENT OF TRANSACTIO	NS
Inflation Compensation: N/A Sales Price: \$947,017.78	STATEMENT OF TRANSACTIO Section I	NS
Inflation Compensation: N/A Sales Price: \$947,017.78 Index Ratio: N/A Appropriation Fund or Receipt Account (1)		Net Disbursements (3)
Inflation Compensation: N/A Sales Price: \$947,017.78 Index Ratio: N/A Appropriation Fund or Receipt Account	Section I Receipts and Revolving Fund Repayments	Net Disbursements
Inflation Compensation: N/A Sales Price: \$947,017.78 Index Ratio: N/A Appropriation Fund or Receipt Account (1) (88)20X##45	Section I Receipts and Revolving Fund Repayments (2) 52,982.22 Section II	Net Disbursements (3)

If this security is held to maturity the earnings would be \$52,982.22.

FedInvest Home Today's Prices Overnight Rates Prior Days Prices News Account Summary → View Transactions → Confirmation			
Click here for printable version Request Details Account Number: 20X##45 REVOLVING FUND Transaction Date: 11/18/2004 As Of Date: 11/18/2004 Inventory Method: N/A Amount Type: N/A Security: 912795RM5 MK BILL 11/18/2004 Amount Entered: N04 Available		Record the principal as a receipt with a subclas	
		98. Reverse the discount on purchase by recordi a negative receipt with a subclass 75. Record the earned discount as a receipt with a subclass 76.	
Memo Number: 00253154 Transaction Code: MATU Price: 100.000000 Principal: \$1,000,000.00 Discount: \$0.00 Premium: \$0.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$1,000,000.00 Index Ratio: N/A)		
	STATEMENT OF TRANSACT	IONS	
	Section I		
		Net Disbursements	
Appropriation Fund or Receipt Account	Receipts and Revolving Fund Repayments		
Fund or Receipt	Revolving Fund	(3)	
Fund or Receipt Account	Revolving Fund Repayments		
Fund or Receipt Account (1) (98)20X##45 (75)20X##45	Revolving Fund Repayments (2) 1,000,000.00 52,982.22 CH 52,982.22 Section II		

Assume this security is sold on September 30, 2004, at a price of 99.166000. This would result in net earnings of \$44,642.22.

FedInvest Home Today's Prices Overnight Rates F		
	Prior Days Prices News	
count Summary → View Transactions → Confirmation		
ck here for printable version		a receipt with a subclass 98.
		n purchase by recording a negat
Request Details		75. Record the earned discount
Account Number: 20X##45 REVOLVING FUND	receipt with a subclass	/0.
Transaction Date: 09/30/2004 As Of Date: 09/30/2004		
Inventory Method: FIFO		
Amount Type: Face		
Security: 912795RM5 MK BILL 11/18/2004 Amount Entered: Not Available		
Price Information		
Memo Number: 00249311		
Transaction Code: SELL		
Price: 99.166000 Principal: \$1,000,000.00		
Discount: \$8,340.00		
Premium: \$0.00		
Earned Interest: \$0.00 Inflation Compensation: N/A		
Sales Price: \$991,660.00		
Index Ratio: N/A		
Discount = 1,000,000 - <u>(1,000,00</u> 1	00 * 99.166) 00	
STATEM	ENT OF TRANSACTIONS	
STATEM	ENT OF TRANSACTIONS Section I	
	Section I	
Appropriation	Section I Receipts and	Net Disbursements
	Section I Receipts and Revolving Fund	Net Disbursements
Appropriation Fund or Receipt Account	Section I Receipts and Revolving Fund Repayments	
Appropriation	Section I Receipts and Revolving Fund	Net Disbursements (3)
Appropriation Fund or Receipt Account (1)	Section I Receipts and Revolving Fund Repayments (2)	
Appropriation Fund or Receipt Account (1) (98)20X##45	Section I Receipts and Revolving Fund Repayments (2) 1,000,000.00	
Appropriation Fund or Receipt Account (1) (98)20X##45 (75)20X##45	Section I Receipts and Revolving Fund Repayments (2) 1,000,000.00 52,982.22 CR	
Appropriation Fund or Receipt Account (1) (98)20X##45	Section I Receipts and Revolving Fund Repayments (2) 1,000,000.00	
Appropriation Fund or Receipt Account (1) (98)20X##45 (75)20X##45 (76)20X##45	Section I Receipts and Revolving Fund Repayments (2) 1,000,000.00 52,982.22 CR 44,642.22 Section II	
Appropriation Fund or Receipt Account (1) (98)20X##45 (75)20X##45	Section I Receipts and Revolving Fund Repayments (2) 1,000,000.00 52,982.22 CR 44,642.22 Section II	

Premium. Assume a bond is purchased with a par value of \$2,500,000 at a price of \$2,531,250.00.

	Pending Requests View Securities Update Profile iedInvest Home Today's Prices Overnight Rates Prior Days Prices Hews		
ccount Summary → View Transactions → Confirmation			
<u>Click here for printable version</u>		Record the principal as a disbursement with a subclass 88. Record the premium as a negative rece	
Request Details		using subclass 76.	
•		ising subclass /0.	
Account Number: 20X##45 REN Transaction Date: 08/15/2004 As Of Date: 08/15/2004 Inventory Method: N/A Amount Type: Face Security: 9128210EH7 Amount Entered: Not Available	/OLVING FUND MK BOND 7.875% 02/15/2021		
Amount Entered. Not Available		Premium = (Price - 100) * Principal	
Price Information		Premium = (<u>Price - 100) * Principal</u> 100	
Memo Number: 00248597 Transaction Code: BUY Price: 101.250000 Principal: \$2,500,000.00 Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00 Index Ratio: N/A		$Premium = (\frac{101.25 - 100) * 2,500,00}{100}$	
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00			
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00		IONS	
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00)	IONS	
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00) STATEMENT OF TRANSACTI Section I Receipts and Revolving Fund	IONS Net Disbursements	
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00 Index Ratio: N/A Appropriation Fund or Receipt) STATEMENT OF TRANSACTI Section I Receipts and		
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00 Index Ratio: N/A Appropriation Fund or Receipt Account (1)) STATEMENT OF TRANSACTI Section I Receipts and Revolving Fund Repayments	Net Disbursements (3)	
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00 Index Ratio: N/A Appropriation Fund or Receipt Account) STATEMENT OF TRANSACTI Section I Receipts and Revolving Fund Repayments	Net Disbursements (3) 2,500,000.00	
Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$2,531,250.00 Index Ratio: N/A Appropriation Fund or Receipt Account (1) (88)20X##45 (76)20X##45	STATEMENT OF TRANSACTI Section I Receipts and Revolving Fund Repayments (2) 31,250.00 (Net Disbursements (3) 2,500,000.00	

Assume this bond is held to maturity.

Account Summary Buy Securities	► Sell Securities ► Pending Requests ► View Securities ► Update Profile
ccount Summary → View Transaction	FedInvest Home Today's Prices Overnight Rates Prior Days Prices News ons → Confirmation
lick here for printable version	1
Request Details	
Transaction Date: As Of Date: Inventory Method: Amount Type:	02/15/2021 N/A N/A 9128210EH7 MK BOND 7.875% 02/15/2021
Price Information	
Principal: Discount: Premium: Earned Interest: Inflation Compensation:	MATU 100.000000 \$2,500,000.00 \$0.00 \$0.00 \$98,437.50 N/A \$2,598,437.50

Record the principal as a receipt with a subclass 98. Record the earned interest as a positive receipt with subclass 76.

Interest 2

Earned = 2,500,000 * .07875 Interest 2

	STATEMENT OF TRANSACTIONS	
	Section I	
Appropriation	Receipts and	Net Disbursements
Fund or Receipt Account	Revolving Fund	
	Repayments	
(1)	(2)	(3)
(98)20X##45	2,500,000.00	
(76)20X##45	98,437.50	
	Section II	
1. Add Payment Transactions Accomplished:		
This Month		-2,598,437.50

Assume this bond is sold on April 24, 2006, at a price of 102.0625.

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Account Summary Buy Securities	Sell Securities Pending Requests View Securities Update Profile	
Account Summary → View Transactio	FedInvest Home Today's Prices Overnight Rates Prior Days Prices News	
Click here for printable version		Record the principal as a receipt with a subclass 98.
Request Details		Record the premium and earned interest as a receipt using subclass 76.
Transaction Date As Of Date	04/24/2006	
Inventory Method: Amount Type: Security: Amount Entered:	Face 9128210EH7 MK BOND 7.875% 02/15/2021	
Price Information		
Principal: Discount: Premium Earned Interest: Inflation Compensation	: SELL : 102.062500 \$2,500,000.00 : \$51,562.50 : \$36,982.04 : N/A : \$2,588,544.54	

Premium = (<u>Price - 100) * Principal</u> 100	Days from last Earned = <u>Principal * Rate * interest payment</u> Interest # of days in interest period * 2
$Premium = (\frac{102.0625 - 100}{100}) * 2,500,000$	Earned = <u>2,500,000 * .07875 * 68</u> Interest <u>181 * 2</u>

STATEMENT OF TRANSACTIONS		
Section I		
Appropriation Fund or Receipt	Receipts and Revolving Fund	Net Disbursements
Account (1)	Repayments (2)	(3)
(98)20X##45 (76)20X##45	2,500,000.00 88,544.54	
	Section II	1
1. Add Payment Transactions Accomplished:		
This Month		-2,588,544.54

Assume this bond is sold on April 24, 2006, at a price of 98.500.

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Account Summary > Buy Securities	► Sell Securities ► Pending Requests ► View Securities ► Update Profile
	FedInvest Home Today's Prices Overnight Rates Prior Days Prices News
ccount Summary → View Transaction	ns → Confirmation
lick here for printable version	
Request Details	
Account Number: 2	20X##45 REVOLVING FUND
Transaction Date:	04/24/2006
As Of Date: (
Inventory Method:	
Amount Type: F	
Security: S	9128210EH7 MK BOND 7.875% 02/15/2021
Amount Entered.	NOT AVAIIABLE
Price Information	
Memo Number:	00287497
Transaction Code:	SELL
	98.500000
•	\$2,500,000.00
Discount:	
Premium:	•••••
Earned Interest:	
Inflation Compensation:	
Sales Price: Sale	

Record the principal as a receipt with a subclass 98. Record the discount as a negative receipt and earned interest as a positive receipt using subclass 76.

Discount = Principal - <u>(Principal * Price)</u> 100	Days from last Earned = <u>Principal * Rate * interest period</u> Interest # of days in interest period * 2
Discount = $2,500,000 - (98.5 * 2,500,000)$ 100	Earned = $\frac{2,500,000 * .07875 * 68}{181 * 2}$

STATEMENT OF TRANSACTIONS			
Section I			
Appropriation Fund or Receipt	Receipts and Revolving Fund	Net Disbursements	
Account (1)	Repayments (2)	(3)	
(98)20X##45 (76)20X##45	2,500,000.00 517.96 CR Section II		
1. Add Payment Transactions Accomplished:			
This Month		-2,499,482.04	

Earned Interest. Assume the bond is purchased with a par value of \$2,500,000 at a price of 101.25 on October 11, 2004.

Account Summary → Buy Securities → Sell Securities → Pending Requests Fedinvest Home Today ccount Summary → View Transactions → Confirmation	► View Securities ► Update Profile S Prices Overnight Rates Prior Days Prices News			
lick here for printable version			as a disbursement with a subclast and earned interest as a negative	
Request Details		receipt with a subclas		0
Account Number: 20X##45 REVOLVING FUI Transaction Date: 10/11/2004 As Of Date: 10/11/2004 Inventory Method: N/A Amount Type: Face Security: 9128210EH7 MK BOND 7.4 Amount Entered: Not Available Price Information				
Memo Number: 00307441 Transaction Code: BUY Price: 101.250000 Principal: \$2,500,000.00 Discount: \$0.00 Premium: \$31,250.00 Earned Interest: \$30,494.23 Inflation Compensation: N/A Sales Price: \$2,561,744.23 Index Ratio: N/A		Interest # of	Days from <u>sipal * Rate * interest</u> days in interest perio 0,000 * .07875 * 57 184 * 2	Period
	STATEMENT OF TRANS	SACTIONS		
	Section I			
Appropriation Fund or Receipt Account (1)	Receipts Revolving Repayme (2)	g Fund	Net Disbursements	
(88)20X##45 (76)20X##45	Section II	61,744.23 CR	2,500,000.00	
1. Add Payment Transactions	Accomplished:			

When the semiannual interest is paid on February 15, 2005, the amount is recorded as a receipt.

FedInvest SM	ests View Securities Update Profile	
FedInvest Home Tod	lay's Prices Overnight Rates Prior Days Prices News	
ccount Summary → View Transactions → Confirmation		
Click here for printable version		Record the interest as a receipt with subclass
Request Details		
Account Number: 20X##45 REVOLVING F Transaction Date: 02/15/2005 As Of Date: 02/15/2005 Inventory Method: N/A Amount Type: N/A Security: 9128210EH7 MK BOND Amount Entered: Not Available		
Price Information		
Memo Number: 00317215 Transaction Code: INT. PAY. Price: 0.000000 Principal: \$0.00 Discount: \$0.00 Premium: \$0.00 Earned Interest: \$88,437.50 Inflation Compensation: N/A Sales Price: \$98,437.50 Index Ratio: N/A		
S	STATEMENT OF TRANSA	CTIONS
	Section I	
Appropriation Fund or Receipt Account (1)	Receipts a Revolving F Repayment (2)	und
		137.50
(76)20X##45	Section II	
(76)20X##45 1. Add Payment Transactions		

Special Issue Securities

Investment. Assume a special issue certificate of indebtedness is purchased on August 19, 2004.

Account Summary Buy Securities	Sell Securities Pending Requests View Securities Update Profile FedInvest Home Today's Prices Overnight Rates Prior Days Prices News	
Account Summary → View Transaction		
Click here for printable version		Record the principal as a disbursement with subclass 88.
•		
Account Number: Transaction Date: As Of Date:		
Inventory Method:		
Amount Type:	Face SSA C/I 08/19/2004 SSA C/I 4.625% 06/30/2005	
Amount Entered:		
Price Information		
Memo Number:	00315644	
Transaction Code:		
	100.00000	
Discount:	\$8,000,000.00 \$0,00	
Premium:		
Earned Interest:		
Inflation Compensation:		
	\$8,000,000.00	
Index Ratio:	N/A	

	STATEMENT OF TRANSACTIONS	
	Section I	
Appropriation Fund or Receipt Account	Receipts and Revolving Fund Repayments	Net Disbursements
(1)	(2)	(3)
(88)20X##45		8,000,000.00
	Section II	
1. Add Payment Transact	ions Accomplished:	
This Month		8,000,000.00

Redemption. When special issue securities mature or are redeemed early, the investor receives the principal plus earned interest.

ccount Summary > Buy Securities > Sell Securities > Pending Requests > View Securities > Update Profile FedInvest Home Today's Prices Overnight Rates Prior Days Prices	
ccount Summary → View Transactions → Confirmation	
lick here for printable version	Record the principal as a receipt with a subclass 98. Record the earned interest as a receipt with a subclass 76.
Request Details	76.
Account Number: 20X##45 REVOLVING FUND Transaction Date: 11/30/2004 As Of Date: 11/30/2004 Inventory Method: Par Value Special Issue Amount Type: Need	
Security: SSA C/I 08/19/2004 SSA C/I 4.625% 06/30/2005 Amount Entered: Not Available	Days
Amount Entered: Not Available	Earned = Principal * Rate * Outstandi
Price Information	Interest Days in interest period * 2
Memo Number: 00322444 Transaction Code: SELL	
Price: 100.000000 Principal: \$8.000.000.00	Earned = $8,000,000 * .04625 * 103$
Discount: \$0.00	Interest 184 * 2
Premium: \$0.00	
Earned Interest: \$103,559.78	
Inflation Compensation: N/A	
Sales Price: \$8,103,559.78 Index Ratio: N/A	

	STATEMENT OF TRANSACTIONS	
	Section I	
Appropriation Fund or Receipt Account (1)	Receipts and Revolving Fund Repayments (2)	Net Disbursements (3)
(98)20X##45 (76)20X##45	8,000,000.00 103,559.78 Section II	
1. Add Payment Transact	ions Accomplished:	
This Month		-8,103,559.78

APPENDIX 1

Semiannual Interest. Assume this security is held to maturity. Semiannual interest is paid on December 31 and on June 30 on the number of days the security is outstanding. Therefore, the amount of interest paid on December 31 and June 30 is 134,728.26 and 185,000.00, respectively.

FedInvest Home ccount Summary → View Transactions → Confirmation	Today's Prices Overnight Rates Prior Days Prices News		
lick here for printable version		Record the intere	est as a receipt with a subclass 76.
Request Details			
Account Number: 20X##45 REVOLVING Transaction Date: 12/31/2004 As Of Date: 12/31/2004 Inventory Method: N/A Amount Type: N/A Security: SSA C/I 08/19/2004 SS Amount Entered: Not Available		Earned = Interest	Days <u>Principal * Rate * Outstandi</u> Days in interest period * 2
Price Information			
Memo Number: 00323978 Transaction Code: INT. PAY. Price: 0.000000 Principal: \$0.00 Discount: \$0.00 Premium: \$0.00 Earned Interest: \$134,728.26 Inflation Compensation: N/A Sales Price: \$134,728.26 Index Ratio: N/A		Earned = Interest	<u>8,000,000 * .04625 * 134</u> 184 * 2
	STATEMENT OF TRAN		
	Section I		
Appropriation Fund or Receipt Account (1)	Receipts a Revolving F Repayment (2)	und	Net Disbursements (3)
(76)20X##45	13	34,728.26	

This Month

-134,728.26

1-Day Certificates

Investment. Assume a 1-day certificate is purchased on August 19, 2004.

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	► Pending Requests ► View Securities ► Update Profile		
Fedin Account Summary → View Transactions → Confirmation	vest Home Today's Prices Overnight Rates Prior Days Prices News		
Click here for printable version		Record the prinsubclass 88.	ncipal as a disbursement with a
Request Details			
Account Number: 20X##45 REVC Transaction Date: 08/19/2004 As Of Date: 08/19/2004 Inventory Method: N/A Amount Type: Face Security: ONE DAY 08/19 Amount Entered: Not Available	DLVING FUND 9/2004 ONE DAY 1.27% 08/20/2004		
Price Information			
Memo Number: 00315101 Transaction Code: BUY Price: 100.000000 Principal: \$5,600,000.00 Discount: \$0.00 Premium: \$0.00 Earned Interest: \$0.00 Inflation Compensation: N/A Sales Price: \$5,600,000.00 Index Ratio: N/A			
	STATEMENT OF TRANSA	CTIONS	
	Section I		
Appropriation Fund or Receipt Account (1)	Receipts and Revolvi Repayments (2)	ng Fund	Net Disbursements (3)
(88)20X##45			5,600,000.00
	Section II		
1. Add Payment Transact	ions Accomplished:		
This Month			5,600,000.00

Maturity. When 1-day securities mature, the investor receives the principal plus earned interest.

ccount Summary	ties		
count Summary → View Transactions → Confirm	ation		
ick here for printable version			al as a receipt with a subclass erest as a receipt with subclass
Request Details			
Account Number: 20X##4 Transaction Date: 08/20/20 As Of Date: 08/20/20 Inventory Method: N/A	004		
Amount Type: N/A Security: ONE DA	AY 08/19/2004 ONE DAY 1.27% 08/20/2004		
Amount Entered: Not Avai Price Information	lable	Earned = <u>P</u> Interest	rincipal * Rate 360
		THEELEBE	300
Memo Number: 003154 Transaction Code: MATU Price: 100.000 Principal: \$5,600,	0000	Earned = <u>5</u> Interest	,600,000 * .0127 360
Discount: \$0.00 Premium: \$0.00 Earned Interest: \$197.56 Inflation Compensation: N/A Sales Price: \$5,600, Index Ratio: N/A			
	STATEMENT OF TRANS	SACTIONS	
	Section I		
Appropriation Fund or Receipt Account	Section I Receipts an	und	Net Disbursements
Fund or Receipt	Section I Receipts ar Revolving Fu	und	Net Disbursements
Fund or Receipt Account	Section I Receipts an Revolving Fu Repayments (2)	und	

This Month

-5,600,197.56

Inflation Protected Security

Investment. Assume a Treasury Inflation Protected Security (TIPS) note is purchased with a par value of \$100,000,000 at a price of 98.125000 on July 16, 2003.

FedInvest Home Toda Account Summary → View Transactions → Confirmation	's Prices Overnight Rates Prior Days Prices News	
Click here for printable version	Record the net principal and in	
	disbursement with a subclass 8	
Request Details	receipt with a subclass 75 and e	earned interest as a negative
Account Number: 20X##45 REVOLVING FUI	receipt with a subclass 76.	
Transaction Date: 07/16/2003 As Of Date: 07/16/2003		
Inventory Method: N/A		
Amount Type: Face Security: 9128210FD5 MK TIPS 3.62	5% 04/15/28	
Amount Entered: Not Available	Inflation = (Principa	al*Index ratio)-Prin
Price Information	Compensation	
	Inflation = $(100,000,000)$) * 1.135490)- 100,0
Memo Number: 00198597 Transaction Code: BUY	Compensation	
Price: 98.125000 Principal: \$100,000,000.00		
Discount: \$2,129,043.75 Premium: \$0,00		
Earned Interest: \$1,034,660.97		
Inflation Compensation: \$13,549,000.00 Sales Price: \$112,454,617.22		
Index Ratio: 1.135490 Days d = <u>Principal * Rate * Outsta</u> Pest Days in interest peri	nding * Index Ratio od * 2	
Days d = Principal * Rate * Outsta	od * 2	
Days ed = <u>Principal * Rate * Outsta</u> est Days in interest peri ed = <u>1,000,000 * .03625 * 92</u> *	od * 2	
Days ed = <u>Principal * Rate * Outsta</u> est Days in interest peri ed = <u>1,000,000 * .03625 * 92</u> *	1.135490	
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> Test 183 * 2	od * 2 1.135490 STATEMENT OF TRANSACTIONS Section I Receipts and Net D	isbursements
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> test 183 * 2 Appropriation Fund or Receipt Account	STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund Repayments	
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> test 183 * 2 Appropriation Fund or Receipt	od * 2 1.135490 STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund	isbursements (3)
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> test 183 * 2 Appropriation Fund or Receipt Account	STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund Repayments (2)	(3)
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> rest 183 * 2 Appropriation Fund or Receipt Account (1) (88)20X##45 (75)20X##45	STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund Repayments (2) 113 2,129,043.75	
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> rest 183 * 2 Appropriation Fund or Receipt Account (1) (88)20X##45	STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund Repayments (2) 113 2,129,043.75 1,034,660.97 CR	(3)
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> rest 183 * 2 Appropriation Fund or Receipt Account (1) (88)20X##45 (75)20X##45 (76)20X##45	STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund Repayments (2) 113 2,129,043.75 1,034,660.97 CR Section II	(3)
Days d = <u>Principal * Rate * Outsta</u> Days in interest peri d = <u>1,000,000 * .03625 * 92 *</u> rest 183 * 2 Appropriation Fund or Receipt Account (1) (88)20X##45 (75)20X##45	STATEMENT OF TRANSACTIONS Section I Receipts and Revolving Fund Repayments (2) 113 2,129,043.75 1,034,660.97 CR Section II	(3)

Assume this note is held to maturity and the index ratio is 1.554840.

Assume this note is note to maturity and the index ratio is 1.554640.	
Federact Us Set Securities Pending Requests View Securities Legal Notices Log Off * Account Summary Buy Securities Set Securities Pending Requests View Securities Update Profile redinvest Home Today's Prices Overnight Rates Prior Days Prices Heip Account Summary → View Transactions → Confirmation Click here for printable version Request Details Account Number: 20X##45 REVOLVING FUND Transaction Date: 04/15/2028 As Of Date: 04/15/2028 Inventory Method: N/A Amount Type: N/A	Record the net principal and inflation compensation as a receipt with a subclass 98. In addition, reclassify the original discount at investment as earnings by recording a negative receipt using subclass 75 and a positive receipt using subclass 76. Record earned interest as a positive receipt using subclass 76.
Amount Type: N/A Security: 9128210FD5 MK TIPS 3.625% 04/15/28 Amount Entered: Not Available Price Information Memo Number: 00387572 Transaction Code: MATU Price: 100.000000 Prince: 100.000000 Prince: 100.00000 Discount: \$0.00 Premium: \$0.00 Earned Interest: \$2,818,328.75 Inflation Compensation: \$55,494,000.00 Sales Price: \$158,312,328.75 Index Ratio: 1.554840	
Inflation = (Index Ratio * Principal) - Principal Compensation Inflation = (1.554840 * 100,000,000) - 100,000,000 Compensation	Earned = <u>Principal * Rate * Index Ratio</u> Interest 2 Earned = <u>1,000,000 * .03625 * 1.554840</u> Interest 2
STATEMENT OF TRAN Section I	

Appropriation Receipts and Net Disbursements Fund or Receipt Revolving Fund Account Repayments (1) (2) (3) 155,494,000.00 (98)20X##45 (75)20X##45 2,129,043.75 CR (76)20X##45 4,947,372.50 Section II 1. Add Payment Transactions Accomplished: -158,312,328.75 This Month

Assume this note is redeemed on August 4, 2005, at a price per hundred of 101.750 and the index ratio is 1.198520.

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ccount Summary → View Transaction	ns → Confirmation
lick here for printable version	
Request Details	
	20X###45 REVOLVING FUND
Transaction Date:	
As Of Date:	
Inventory Method:	
Amount Type:	
	9128210FD5 MK TIPS 3.625% 04/15/28
Amount Entered:	Not Available
Price Information	
Memo Number:	00201581
Transaction Code:	
Price:	101.750000
Principal:	\$100,000,000.00
Discount:	\$0.00
	\$2,097,410.00
Earned Interest:	
Inflation Compensation:	
	\$123,290,786.38
Index Ratio:	1.198520

Record the net principal and inflation compensation as a receipt with a subclass 98. Record the premium and earned interest as a receipt with a subclass 76. In addition, reclassify the original discount at investment as earnings by recording a negative receipt to subclass 75 and a positive receipt using subclass 76.

Premium = (Price - 100) * Principal * Index Ratio 100

 $Premium = (\frac{101.750 - 100) * 100,000,000 * 1.198520}{100}$

	STATEMENT OF TRANSACTIONS	
	Section I	
Appropriation Fund or Receipt	Receipts and Revolving Fund	Net Disbursements
Account (1)	Repayments (2)	(3)
(98)20X##45 (75)20X##45 (76)20X##45	119,852,000.00 2,129,043.75 CR 5,567,830.13 Section II	
1. Add Payment Transactic		
This Month	nis Accomprished.	-123,290,786.38

APPENDIX 1

Daily Inflation Compensation. It is critical that Treasury accurately reflects the outstanding public debt at all times. Therefore, on a daily basis, Treasury must record the inflated value of all TIPS securities. This is done by adjusting the carrying value of the investment on a daily basis by the current day index ratio in relation to the prior day index ratio. **Note:** The inflation compensation can be negative as well as positive, therefore decreasing the carrying value of the security. Again, this is accomplished with two transactions. Treasury pays the investing fund the inflation compensation earned and immediately reinvests the inflation to inflate the principal.

	► Buy Securities	▶ Sell Securities	► Pending Requests	► View Securities ► Update I ces Overnight Rates Prior Days Pr
unt Summ	<u>ary</u> → View Transacti	ons → <u>Choose Accou</u>	<u>int</u> → Daily Inflation Com	pensation
ion Comp	ensation			
Accour	nt Number: 2	20X##45 REVO	I VING FUND	
100001		6/18/2004 to 06		
	Date: 0	10/10/2004 10 00	10/2004	
	Security Descr	iption	Daily Inflati	on Compensation
MK	TIPS 4.25% 0	1/15/10		\$154,200.00
MK	TIPS 3.50% 0	1/15/11		\$169,200.00
MK	TIPS 3.875%	01/15/09		\$183,950.00
MK	TIPS 3.625% (01/15/08		\$128,400.00
		Total:		\$635,750.00
		i Uldi.		φ000,700.00

Record the daily inflation compensation interest payment as a receipt with a subclass 76. In addition, record the reinvestment as a disbursement with a subclass 88.

	STATEMENT OF TRANSACTIONS	
	Section I	
Appropriation Fund or Receipt	Receipts and Revolving Fund	Net Disbursements
Account (1)	Repayments (2)	(3)
(88)20X##45 (76)20X##45	635,750.00	635,750.00
	Section II	
1. Add Payment Transactic	ons Accomplished:	
This Month		0.00

APPENDIX 1

Semiannual Interest. When the semiannual interest is paid, the amount is based on the original principal plus the inflation compensation earned to date. Assume the index ratio on the payment date is 1.142315.

Account Summary Buy Securities Sell Securities Pending Require			
FedInvest Home Too Account Summary → View Transactions → Confirmation	day's Prices Overnight Rates Prior Days Prices News		
Click here for printable version		Record the int	erest as a receipt with a subclass 76
Request Details			
Account Number: 20X##45 REVOLVING FU Transaction Date: 10/15/2004 As Of Date: 10/15/2004 Inventory Method: N/A Amount Type: N/A Security: 9128210FD5 MK TIPS 3.6 Amount Entered: Not Available			
Price Information			
Memo Number: 00200241 Transaction Code: INT. PAY. Price: 0.00000 Principal: \$0.00 Discount: \$0.00 Premium: \$0.00 Earned Interest: \$2,070,445.94 Inflation Compensation: \$2,070,445.94			
Index Ratio: 0.000000			
. , ,	Index Ratio		
Index Ratio: 0.000000 Earned = Principal * Rate *			
Index Ratio: 0.00000 Earned = <u>Principal * Rate *</u> Interest 2 Earned = <u>100,000,000 * .0362</u> Interest 2		ACTIONS	
Index Ratio: 0.00000 Earned = <u>Principal * Rate *</u> Interest 2 Earned = <u>100,000,000 * .0362</u> Interest 2	25 * 1.142315	ACTIONS	
Index Ratio: 0.00000 Earned = <u>Principal * Rate *</u> Interest 2 Earned = <u>100,000,000 * .0362</u> Interest 2 Appropriation Fund or Receipt	25 * 1.142315 STATEMENT OF TRANS Section I Receipts a Revolving F	and Fund	Net Disbursements
Index Ratio: 0.000000 Earned = <u>Principal * Rate *</u> Interest 2 Earned = <u>100,000,000 * .0362</u> Interest 2 Appropriation	25 * 1.142315 STATEMENT OF TRANS Section I Receipts a	and Fund	Net Disbursements
Index Ratio: 0.00000 Earned = <u>Principal * Rate *</u> Interest 2 Earned = <u>100,000,000 * .0362</u> Interest 2 Appropriation Fund or Receipt Account	25 * 1.142315 STATEMENT OF TRANS Section I Receipts a Revolving H Repaymen (2)	and Fund	
Index Ratio: 0.00000 Earned = <u>Principal * Rate *</u> Interest 2 Earned = <u>100,000,000 * .0362</u> Interest 2 Appropriation Fund or Receipt Account (1)	25 * 1.142315 STATEMENT OF TRANS Section I Receipts a Revolving H Repaymen (2) 2,070, Section II	and Fund ts	

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