

INTEREST RATE SWAPS

Valuation & Prepayment

INTEREST RATE SWAP ("SWAP") VALUATION

The valuation of your swap at any point in time could be an asset, a liability, or have no value to you.

You will only pay or receive breakage costs if the swap is terminated or amended prior to maturity.

Swap breakage is the difference between the original swap rate and the current market replacement swap rate.



PREPAYMENT ECONOMICS

As market rates change, the swap will begin to take on or lose value.

WHEN RATES RISE | Replacement swap rate > Actual swap rate, swap is an asset to you. You will receive payment from the Bank for the value of the swap if the swap is terminated early.

WHEN RATES FALL | Replacement swap rate < Actual swap rate, swap is a liability to you. You will make a payment to the Bank for the value of the swap if the swap is terminated early.

		Time Remaining on Contract					
Example		Replacement Rate	Change	4 Years	3 Years	2 Years	1 Year
Notional: Term: Amortization: Base rate: +Spread:	\$3,000,000 Five (5) years 25 years 2.40% ⁽¹⁾ 2.75%	8.15%	3.0%	308,612	235,045	159,028	87,214
		7.65%	2.5%	259,603	197,275	133,195	72,861
		7.15%	2.0%	209,657	158,957	107,096	58,435
		6.65%	1.5%	158,749	120,082	80,729	43,936
All-in Rate:	5.15%(2)	6.15%	1.0%	106,855	80,637	54,091	29,363
⁽¹⁾ Base Rate includes all transaction fees ⁽²⁾ Indicative rate as of 3/21/22		5.65%	0.5%	53,951	40,611	27,177	14,716
		5.15%	0.0%	-	-	-	-
		4.65%	-0.5%	(54,982)	(41,249)	(27,563)	(14,860)
		4.15%	-1.0%	(111,093)	(83,073)	(55,247)	(29,677)
		3.65%	-1.5%	(168,311)	(125,545)	(83,294)	(44,627)
		3.15%	-2.0%	(226,678)	(168,662)	(111,634)	(59,653)
		2.75%	-2.4%	(274,156)	(203,582)	(134,480)	(71,721)
		Indicative rate as of 3/21/22	2				

Indicative rate as of 3/21/22

The above illustration is provided only as a courtesy using information that TriState Capital Bank believes to be reliable based on current indicative information. It is not intended to be a quote of actual prepayment or breakage fees. Actual costs may vary depending on several factors. This illustration specifically does not include the impact of any unamortized fees of TriState Capital Bank. Such fees would be added to the cost of prepayment or breakage. TriState Capital Bank is not bound by this illustration and makes no representations or warranties about the accuracy, reliability, or completeness of this information. You should contact your financial advisor for more information.

TRISTATE CAPITAL BANK TSCBANK.COM 412-304-0304