



CREDIT PRODUCT DESCRIPTIONS

Whatever your specific funding needs, the Federal Home Loan Bank of New York (FHLBNY) has a credit product designed to meet your objectives. Members can customize advances with a wide variety of maturities and structures, enabling you to conservatively match assets and liabilities. FHLBNY advances can be customized by size, settlement date, amortization schedule, call/put options, and more.

FHLBNY ADVANCE PRODUCTS

Overnight Advance

A quick source of liquidity to help manage daily cash flows and provide funding for various short-term uses

- » Same-day access to funds for immediate cash needs
- » No set-up or renewal fees
- » Can be initiated conveniently through 1Linksm, our secure internet banking system

Repo Advance

Obtain preferential pricing when using Treasury or Agency issued Mortgage-Backed, or CMO securities collateral

- » Effectively utilize your securities portfolio as collateral and obtain improved advance pricing
- » No penalties for pledging smaller blocks of securities collateral
- » Receive the same low rates for AAA-rated Agency and Non-Agency securities
- » Maturities from 2 days to 10 years
- » Eligible with the Symmetrical Prepayment Advance (SPA) feature for maturities of one year or greater and minimum advance size of \$3 million

Fixed-Rate Advance

Achieve a wide variety of financial management goals, with maturities ranging from 2 days to 30 years

- » Meet liquidity needs
- » Fund long-term assets or lock in rates for future funding purposes
- » Forward start dates are available up to 1 year
- » Eligible with the Symmetrical Prepayment Advance (SPA) feature for maturities of one year or greater and minimum advance size of \$3 million

Fixed-Rate Advance with a LIBOR Cap

Combines a fixed-rate borrowing with an embedded interest-rate cap in which the rate remains fixed but may be reduced quarterly if 3-month LIBOR rises above the pre-selected cap

- » Provides protection against rising interest rates (lowers your institution's cost of funds as rates rise)
- » Flexible medium- to long-term funding option best used to extend liabilities, potentially enhance spreads, and preserve margins
- » Eligible with the Symmetrical Prepayment Advance (SPA) feature for maturities of one year or greater and minimum advance size of \$5 million



Adjustable-Rate Credit (ARC) Advance

Match the interest rate characteristics of your adjustable-rate loan portfolio

- » Reduce basis risk by funding adjustable rate assets with financing tied to the same repricing index
- » Can be tailored to meet specific financing needs with a wide range of maturities, up to 30 years
- » Can be linked to a wide variety of indices, including 1-, 3-, and 6-month LIBOR, the Secured Overnight Financing Rate (SOFR), Treasury bills, notes, and bonds, and Fed Funds
- » Can limit exposure to rising and falling interest rates by using embedded derivatives

Amortizing Advance

Match the amortization characteristics of your fixed-rate mortgage portfolio

- » Enhance match funding of long-term assets
- » Borrow fixed-rate funds with the option of customizing the amortization schedule to match a selected prepayment profile
- » Maturities and amortization schedule from 1 to 30 years

Callable Advance

An advance with built-in prepayment options that can help members reduce interest rate risk and prepayment risk at minimal added cost

- » More closely fund fixed-rate mortgages
- » Take advantage of downward movements in interest rates and steep yield curves
- » No prepayment fee when called on specified date
- » Good hedging tool against mortgage loan prepayment risk

Principal-Deferred Advance (PDA)

A hybrid advance product that combines elements of the Fixed-Rate and Amortizing Advance. It begins as a Fixed-Rate Advance, allowing members to choose a specific amount of time they would like to defer the principal payment of the advance up to 5 years. When the lockout or principal-deferred period ends, the advance becomes an Amortizing Advance, where the member makes principal and interest payments on the loan up to another 30 years.

- » Valuable asset/liability management tool
- » Fully amortizing backend with a choice of varying balloon terms
- » Mirrors characteristics of a typical construction deal with a permanent take-out
- » No embedded options in the advance

Putable Advance

A wide array of maturities and lockouts for medium- to long-term funding where the FHLB NY owns an option to terminate the advance at specified times

- » Competitive pricing
- » Customize maturities from 2 to 10 years and lockout periods from 1 year or greater
- » One-time or quarterly option exercise
- » Customized strikes are available



OTHER CREDIT PRODUCTS, PROGRAMS & FEATURES

Advance Rebate Program

Receive a cash rebate on a portion of the fees paid relating to the early extinguishment of eligible advances when new eligible advances are obtained within 30 calendar days. To receive the cash rebate, the prepaid advance(s) must have a remaining term of one year or longer, and new advance(s) must have a term of six months or longer.*

- » Members receive cash rebate
- » Provides additional flexibility with balance sheet management
- » Enhances the value of advance offerings
- » Strengthens and adds value to your Co-op

**Visit www.fhlbny.com/rebate for eligibility criteria for the Advance Rebate Program.*

Symmetrical Prepayment Advance (SPA) Feature

For added flexibility, symmetry can be added to the following advances for an additional 2 basis points. If the advance becomes "in the money" during its term, you could extinguish and realize a gain.

- » Fixed-Rate Advances with maturities of one year or greater and a minimum advance size of \$3 million are eligible
- » Fixed-Rate Advances with a LIBOR Cap with a minimum advance size of \$5 million are eligible
- » Repo Advances with maturities of one year or greater and a minimum advance size of \$3 million are eligible

Letters of Credit (L/C) Program

Supports liquidity, asset/liability management, and housing and economic development activities

- » Triple-A-rated guaranteed payments to third parties in the event of a default of performance by a member
- » Efficient and low-cost way to collateralize state and local government deposits
- » Provides credit enhancements for a variety of transactions
- » Maturities from 2 weeks to 10 years
- » Available at a discounted price to facilitate transactions that promote eligible housing and community development activities

Interest Rate Derivatives

Reduces income fluctuations caused by interest rate volatility

- » Lower the cost of funding
- » Hedge interest rate exposure or increase the certainty of future funding costs
- » Achieve asset/liability management goals

Please Note:

- » Reduced funding under the Community Lending Program is available for all advances with a term less than one year, except Puttable Advances; CLP Advances are not eligible for the SPA feature
- » Our Puttables, Callables, Swaps, and Letters of Credit programs require additional agreements
- » All credit product terms are subject to credit conditions

**For more information contact:
Member Services Desk at (212) 441-6600 or a
Relationship Manager at (212) 441-6700**

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