

CALCULATION OF OVERDRAFTS

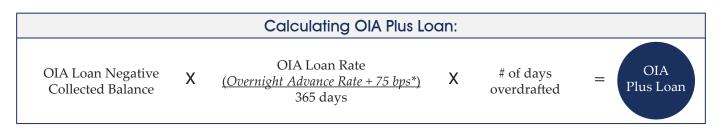
If a member has a negative collected balance after aggregating all of the collected funds in the member's demand accounts under individual member numbers, the member's accounts will be considered overdrawn.

Collected funds include all of the funds presently available in the member's account(s). Uncollected funds are funds that have not yet cleared in a member's account(s).

OIA Plus Loan

The FHLBNY makes Overnight Investment Account (OIA) Loans. This overdraft loan is made to the member for the amount of the negative collected balance plus a predetermined interest rate. The OIA Plus Loan rate is equal to the Overnight Advance Rate plus a specified number of basis points.

Negative Collected Balance: after aggregating all of the collected funds in the member's associated OIA accounts, if the dollar amount is negative, the FHLBNY applies an OIA Plus Loan to the member for the amount of the negative collected balance.



Overdraft Penalty Fee

In an effort to reduce unduly costs and fees to the membership, the Overdraft Penalty Fee was eliminated effective January 1st, 2013.

For more information please refer to the Correspondent Service Manual on 1Link $^{\rm sm}$ or contact a Calling Officer at (212) 441-6700, Funds Transfer at (800) 824-2426, or Deposit Services at (201) 356-1200.

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