

FHLBNY 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.

SOLUTIONS SNAPSHOT: AVAILABLE CREDIT PRODUCTS

OVERNIGHT ADVANCES

- Overnight Advance

SHORT-TERM ADVANCES

- Adjustable-Rate Credit (ARC) Advance
- Callable ARC Advance
- Fixed-Rate Advance
- Repo Advance

MEDIUM- & LONG-TERM ADVANCES

- Adjustable-Rate Credit (ARC) Advance
- Amortizing Advance
- Callable ARC Advance
- Callable Fixed-Rate Advance
- Fixed-Rate Advance
- Fixed-Rate Advance with SOFR Cap
- Principal-Deferred Advance (PDA)
- Putable Advance
- Repo Advance

OTHER CREDIT PRODUCTS, PROGRAMS & FEATURES

- Advance Rebate Program
- Letters of Credit
- Interest Rate Derivatives
- Putable Advance Modification Program
- Symmetrical Prepayment Advance (SPA) Feature

0% DEVELOPMENT ADVANCE PROGRAM *(limited subsidized funding)*

ADJUSTABLE-RATE CREDIT (ARC) ADVANCE

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

- More closely match the attributes of adjustable-rate assets with financing tied to floating rate advance funding
- Tailored to meet specific financing needs with a wide range of maturities, up to 30 years
- Link to the Secured Overnight Financing Rate (SOFR) index with the option to use Simple Averaging or Compounding interest accrual calculations
- Limit exposure to rising and falling interest rates by using embedded derivatives (caps/floors)

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
- Choose from a maturities and amortization schedule between 1 to 30 years

CALLABLE ARC ADVANCE

An advance with a call option that can help members flexibly manage their liquidity needs.

- Manage your balance sheet and capital levels tightly
- Take advantage of the call option based on market conditions
- Avoid a prepayment fee when the call option is exercised on the pre-determined date, adding flexibility to extinguish or rebook the advance
- Link to the SOFR index, enabling members to match the interest rate characteristics of adjustable-rate assets

CALLABLE FIXED-RATE ADVANCE

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

- Closely fund fixed-rate mortgages
- Take advantage of downward movements in interest rates
- Avoid a prepayment fee when called on specified date
- Use as a hedging tool against mortgage loan prepayment risk

See the next page for more credit products.

FHLBNY CREDIT PRODUCTS GUIDE

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; available up to 1 year
- Use with the Symmetrical Prepayment Advance (SPA) feature for maturities of one year or greater and a minimum advance size of \$3 million

FIXED-RATE ADVANCE WITH SOFR CAP

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

- Provides protection against rising interest rates (lowers your institution's cost of funds as rates rise)
- Flexible medium-long-term funding option best used to extend liabilities, potentially enhance spreads, and preserve margins
- Available with symmetry for non Community Lending Program Advances with maturities of one year or greater and minimum advance size of \$5 million

OVERNIGHT ADVANCE

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

- Receive same-day access to funds for immediate cash needs
- No set-up or renewal fees
- Can be initiated conveniently through 1Link®, our secure internet banking system

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.

- Use as a valuable asset/liability management tool
- Gain a fully amortizing back-end with a choice of varying balloon terms
- Mirror 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 FHLBNY owns an option to terminate the advance at specified times.

- Provides protection against rising interest rates (lowers your institution's cost of funds as rates rise)
- Flexible medium-long-term funding option best used to extend liabilities, potentially enhance spreads, and preserve margins
- Available with symmetry for non-Community Lending Program Advances with maturities of one year or greater and minimum advance size of \$5 million

REPO ADVANCE

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

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

See the next page for other credit products, programs and features.

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 six months or longer, and new advance(s) must have a term of six months or longer.

- Receive a cash rebate
- Gain additional flexibility with balance sheet management
- Enhance the value of advance offerings
- Strengthen and add value to your Co-op

Visit [FHLBNY Advance Rebate Program](#) for eligibility criteria.

INTEREST RATE DERIVATIVES

Reduces income fluctuations caused by interest rate volatility.

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

Note: Available only for institutions with total assets less than \$10 billion.

LETTERS OF CREDIT (L/C) PROGRAM

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

- Obtain a guarantee of payment by a highly-rated* financial institution – the FHLBNY – to third parties in the event of a default of performance by a member
- Collateralize state and local government deposits at low cost
- Receive credit enhancements for a variety of transactions
- Choose from maturities between 2 weeks to 3 years
- Facilitate transactions that promote eligible housing and community development activities at a discounted price

PUTABLE ADVANCE MODIFICATION PROGRAM

Offers the ability to potentially lower interest expense, reduce optionality in a member's balance sheet and to better manage interest-rate and liquidity risks.

- Members can modify certain Putable Advances into new Fixed-Rate Advance structures. Members can re-modify Putable Advance structures that were previously modified if at least 365 days have passed since the prior modification. Advances that have already been modified into regular fixed structures cannot be re-modified.

Visit [FHLBNY Putable Advance Modification Program](#) to learn more.

SYMMETRICAL PREPAYMENT ADVANCE (SPA) FEATURE

For added flexibility, symmetry can be added for an additional 2 basis points to either Fixed-Rate or Repo Advances with maturities of one year or greater and a minimum advance size of \$3 million. If the advance becomes "in the money" during its term, you could extinguish and realize a gain.

- Gain additional flexibility with balance sheet management and/or restructuring (e.g., gains can serve as an offset to unrealized losses in securities portfolios)
- Enhance value during merger and acquisition scenarios (potential gains on the liability side of the balance sheet)

Transfer of Advances: Advances may be transferred between member institutions on a case-by-case basis. All transaction negotiations (pricing, finding qualified counterparties**, etc.) will be the sole responsibility of the respective member involved in the advance transfer. Upon notification by the respective member that the transaction is complete, the FHLBNY will transfer the advance(s) to the acquiring member and the appropriate collateral and activity-based capital stock adjustments will be made.

Notes:

- Reduced cost of funding under FHLBNY Community Lending Programs (CLP) is available for all advances with a minimum term of one year, except Putable Advances; CLP Advances are not eligible for the SPA feature; CLP advances and advances with remaining maturities of less than one year are not eligible for the Advance Rebate Program; our Putables (when available), Callables, Swaps, and Letters of Credit require additional agreements; all credit product terms are subject to credit conditions. At the FHLBNY's sole discretion, structured advance parameters may potentially be adjusted based on market conditions. Please consult with the Member Services Desk.
- To maintain access to FHLBNY's products, programs, and services, members are required to complete and submit their Member Attestation Form by the requested deadline annually. In addition, throughout the year, members must promptly disclose to the FHLBNY any material adverse change events that may impact their financial condition.

*The FHLBNY is currently rated "Aa1" and "AA+" by Moody's and Standard & Poor's, respectively. These ratings are equivalent to those assigned to the U.S. Government.

**To obtain transaction approval, the acquiring member will need to meet FHLBNY credit criteria and collateral requirements.

See the next page for the 0% Development Advance Program.

0% DEVELOPMENT ADVANCE PROGRAM

THE 0% DEVELOPMENT ADVANCE (ZDA) PROGRAM: *LIMITED SUBSIDIZED FUNDING*

Our 0% Development Advance (ZDA) Program provides members with subsidized funding in the form of interest-rate credits to assist in originating loans or purchasing loans/investments that meet one of the eligibility criteria under the five individual advances listed below. This program is intended to support economic development by incentivizing members to provide below-market-rate loans or invest in qualified initiatives.

BUSINESS DEVELOPMENT ADVANCE (BDA)

For originating or purchasing fixed-rate loans to support the funding needs of small businesses, including farms and non-profit customers.

CLIMATE DEVELOPMENT ADVANCE (CDA)

For originating or purchasing climate or energy efficient-oriented loans/ investments in support of environmental initiatives (e.g., loans for solar panels, farm and agricultural loans, or the purchase of green bonds or related ESG securities).

INFRASTRUCTURE DEVELOPMENT ADVANCE (IDA)

For originating or purchasing loans and investment securities to support local infrastructure development (e.g., construction or C&I loans, Bond Anticipation Notes or Securities that give rural communities access to clean water supply, reliable energy and vital internet access).

TRIBAL DEVELOPMENT ADVANCE (TDA)

For originating loans or purchasing assets that support housing and community and economic development on tribal lands.

HOUSING DEVELOPMENT ADVANCE (HDA)

For assisting members in originating or purchasing loans that support the pre-development or acquisition phases of affordable housing projects.

2025 ZDA Program Allocation

Members can apply for interest-rate credits up to \$250,000 on a first-come, first-served basis through the ZDA Application Form. An overall program total of \$7.2 million in interest-rate credits are available to the membership, and can be utilized, in any combination, within the five advance types of the ZDA Program.

Please [refer to our website](#) for the most up to date information on funding availability. Here you can also find the ZDA Overview & Guidelines for program attributes, structure, loan qualifications, guidelines and mechanics.

Note: The ZDA Program is not administered through the Community Lending Program (CLP).

CONTACT US FOR MORE INFORMATION:

Member Services Desk: (212) 441-6600 | Relationship Managers: (212) 441-6700

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