

**FEDERAL HOME LOAN BANK OF NEW YORK  
DIRECTOR POSITION DESCRIPTION  
AND COMPETENCIES**

1. To oversee the operations of the Bank in conformity with its statutory authorities:
  - To provide advances for liquidity, housing, and community economic development to its members;
  - Purchase mortgages from its members;
  - Administer AHP grants; and
  - Provide other correspondent banking services.
2. In doing so, each director must act in good faith, administer the affairs of the Bank fairly and impartially, and without discrimination in favor of or against any member.
3. A director should have a working familiarity with finance and accounting, including the ability to understand financial statements.
4. Attend and actively participate in approximately 8 two-day meetings per year, plus travel and ample preparation time, along with occasional conference calls. The annual director fee is established by the Board of Directors, and is reported annually in the Form 10-K filed with the SEC.

**Duties and Responsibilities**

1. Facilitate strategic planning process and monitor the Bank's progress toward established strategic objectives.
2. Provide that risk management policies (broadly defined) and internal controls are in place and functioning.
3. Assist management in defining a balance between the risks and benefits of the Bank's activities by:
  - Identifying objectives and the degree of risk acceptable for attaining those objectives;
  - Monitoring credit, interest rate, market, counterparty, model, political, and reputation risk trends and incorporating them into goal setting; and
  - Overseeing customer outreach and financial reporting.
4. Select, evaluate, counsel, and determine compensation for the CEO.
5. Provide for CEO succession.

**Accountabilities**

1. Shared:
  - Demonstrate prudent and competent governance;
  - Fulfill the Bank's mission, while balancing the interests of its member-shareholders, the public, and other FHLBNY stakeholders;
  - Fulfill the Bank's strategic objectives; and
  - Enhance the Bank's image.
2. Individual:
  - Continuously improve their governance skills;
  - Continuously improve their financial literacy;
  - Enhance on-going awareness of banking and public policy issues affecting financial services, housing, and community economic development;
  - Maintain on-going compliance with the director eligibility and disclosure requirements

- for independent or member directors; and
- Enhance fundamental understanding of corporate structure and agency relationships.

## PERSONAL CHARACTERISTICS OF DIRECTORS

### 3. Each Director should exhibit:

- **Integrity and Accountability**

Character is the primary consideration in evaluating any Director. Directors must have high ethical standards and integrity in their personal and professional dealings. Directors must be willing to act on and remain accountable for their Boardroom decisions.

- **Informed Judgment**

A Director should be able to provide wise, thoughtful counsel on a wide range of issues. Directors should possess high intelligence and wisdom, and be able to apply it to decision making. Directors should be able to comprehend new concepts quickly.

- **Financial Literacy**

Directors should be financially literate. Directors should know how to read a financial statement and understand financial ratios. Directors should have a working familiarity with basic finance and accounting practices.

- **Mature Confidence**

Directors should approach others in a self-assured, responsible and supportive manner. Directors should value board and team performance over individual performance. Directors should be able to raise tough questions in a manner that encourages open discussions. Directors should be inquisitive and curious and ask questions of management. Directors should not rush to judgment on a matter until issues are fully vetted.

- **High Performance Standards**

Directors should have a history of achievement that reflects high standards for themselves and others. Directors must be able to travel to attend Board and System meetings throughout the United States.

- **Political Awareness**

Directors should possess an awareness of the importance of politics, and comprehend the public-private partnership inherent to the operation of a government-sponsored enterprise.

## **CORE COMPETENCIES OF THE BOARD**

The Board as a whole should possess these core competencies. Below is a non-exhaustive list of desired skills and experiences that should be considered in making Board nominations. This list is not intended to represent mandatory requirements, but instead represent guidelines for targeted recruitment designed to achieve diversity of perspective, thought and experience.

### **Accounting and Finance**

The Board must be able to see that stockholder value is enhanced through corporate performance and protected through adequate internal controls. The Board should possess expertise in financial accounting and corporate finance.

### **Business Judgment**

The Board needs to be able to monitor corporate management. Directors should understand and competently evaluate general management practices in the financial industry.

### **Crisis Response**

Directors need to be able to perform their duties and provide time for doing so during periods of crisis.

### **Industry Knowledge**

The Board should have one or more Directors with in-depth industry specific knowledge, including housing, community/economic development banking, and SEC reporting.

### **Risk Management**

The Board should have one or more Directors with experience in managing financial, operational, political, and other kinds of risk.

### **Leadership**

Directors need to possess empowerment skills and be able to motivate high-performing talent.

### **Strategy/Vision**

Directors should possess the skill and capacity to provide strategic insight and direction by encouraging innovation, conceptualizing key trends, evaluating strategic decisions, and continuously challenging the organization to achieve its vision.

### **Political Savvy**

The Board should have one or more Directors that possess the skill to be influential with policy makers at all levels.

### **Assessment of Desirable Skills and Experience for Independent Director Candidates**

The Board has established selection guidelines to be considered when reviewing the independent director candidates. The guidelines are as follows:

- Current staffing and expertise needs of the Board;
- Training and experience base of the candidate;
- Public interest directors must have four years or more experience representing community or consumer interests on banking services, credit needs, housing or financial consumer protections;
- Other Independent Directors must have demonstrated knowledge or experience in finance, accounting, risk management, derivatives, project development or other expertise established by FHFA regulations;
- Expertise in financial reporting and SEC registration and reporting, or other unique business skill set (including willingness to learn our industry);
- Proven track record of success, with strong communication skills and a good record of working constructively and ethically with others;
- Willingness and ability to commit to the time and travel requirements (approximately 20 – 22 days per year);
- Residency within the district (New York, New Jersey, Puerto Rico or United States Virgin Islands);
- Candidate diversity (gender, race, ethnicity, demographic or geographic) to enhance the quality of the decision making and governance process; and
- Candidate meets and will likely continue to meet the eligibility requirements and the public interest designation requirements (if applicable).

**For More Information / Questions On  
FHLBank of New York  
Board Service**

Questions concerning directorships at the Federal Home Loan Bank of New York should be directed in writing to:

General Counsel  
Federal Home Loan Bank of New York  
101 Park Avenue  
New York, N.Y. 10178

Website information links:

Federal Home Loan Bank of New York     [www.fhlbny.com](http://www.fhlbny.com)

FHLBank System links:

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|-------------------------------------|--|
| 1. Federal Housing Finance Agency   | <a href="http://www.fhfa.gov">www.fhfa.gov</a>         |
| 2. Office of Finance                | <a href="http://www.fhlb-of.com">www.fhlb-of.com</a>   |
| 3. Council of FHLBanks              | <a href="http://www.fhlbanks.com">www.fhlbanks.com</a> |
| 4. FHFA Office of Inspector General | <a href="http://www.fhfaoig.gov">www.fhfaoig.gov</a>   |