



CALLABLE ADVANCES

Flexible Funding for Challenging Times

The Callable Advance has built-in prepayment options that can help members reduce interest rate risk and prepayment risk. The added flexibility that the Callable Advance offers can also help meet members' changing liquidity needs and potentially lower funding costs.

Callable Fixed-Rate Advance

The Callable Fixed-Rate Advance gives members the option of calling (terminating) the advance on predetermined dates, prior to maturity, without incurring a prepayment fee. Should liquidity or asset/liability management needs change, the advance can be extinguished at no additional cost.

- Minimum Advance size: \$5 million per trade
- Call options: Bermudan (quarterly) or European (one-time)
- Required notification time to exercise call option: nine business days
- Lockout periods: 1, 2, 3, or 5 years
- Final maturities available: 3, 5, 7, or 10 years
- Interest payment: quarterly based on an Actual/360-day count

CALLABLE FIXED-RATE ADVANCE EXAMPLE:

5NC1 Bermudan (5-Year, Non-Callable 1-Year)

A 5-year advance that permits a member to call the advance (in whole or partially), without penalty, 1 year from the origination date, either one-time or quarterly thereafter, with nine business days' notification. Should you no longer need term funding, simply extinguish the advance at the predetermined strike date(s).

Callable Adjustable-Rate Credit (ARC) Advance

Callable ARCs are tied to the Secured Overnight Financing Rate (SOFR) index with two distinct option structures that give members the flexibility to meet the demands of a dynamic balance sheet. With the Callable ARC Advance, you can strategically extinguish (and potentially rebook) the advance when the remaining term reaches either a 1-month-left-to-maturity or 1-year-left-to-maturity window, affording greater control in managing liquidity needs with no additional prepayment fees.

- Call option: European (one-time)
- Interest payment: quarterly based on an Actual/360-day count
- Available structures: see below

CALLABLE ARC STRUCTURES:

1-Month Call at the End

4 months Non-Call minimum term (maximum 3-year)

1-Year Call at the End

3 year Non-Call 2 year (3yNC2y)

Note: In order to use Callable Advances, a member must complete a Product Disclosure Certification Agreement. The FHLBNY will require this agreement to be re-executed every 2 years. Prior to executing a trade, the member must also attest to observing and understanding the pre-disclosure examples posted on the FHLBNY's public website. Members will be sent a confirmation letter upon completion of a transaction.

ASK US HOW OUR CALLABLE ADVANCES CAN MEET YOUR FUNDING NEEDS:

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

The information provided by the Federal Home Loan Bank of New York (FHLBNY) in this communication is set forth for informational purposes only. The information should not be construed as an opinion, recommendation or solicitation regarding the use of any financial strategy and/or the purchase or sale of any financial instrument. All customers are advised to conduct their own independent due diligence before making any financial decisions. Please note that the past performance of any FHLBNY service or product should not be viewed as a guarantee of future results. Also, the information presented here and/or the services or products provided by the FHLBNY may change at any time without notice.

UPDATED: April 2023