

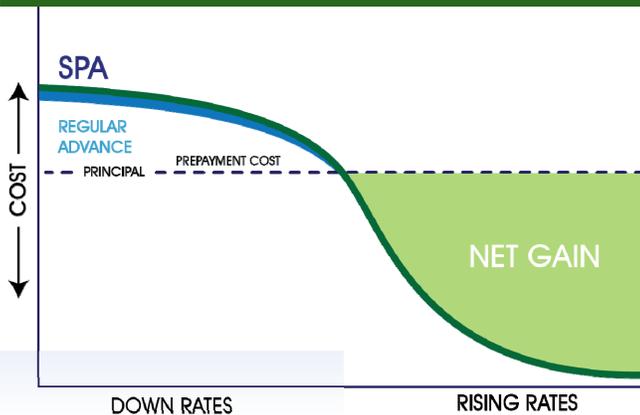


SYMMETRICAL PREPAYMENT ADVANCE (SPA) FEATURE

The Federal Home Loan Bank of New York (FHLB NY) is pleased to announce members now have the ability, at the time of the trade, to add symmetry to certain advances with maturities of one year or greater. The SPA feature allows members to receive compensation for favorable changes in the Fair Value of an advance and adds flexibility to the suite of eligible advance products in a rising rate environment.

The symmetry feature will be available at the time of booking an advance transaction at a rate of an **additional two basis points** over an advance without symmetry.

HOW DOES THE SPA FEATURE WORK?



If interest rates decline, a member would have to pay a fee in order to prepay an advance regardless of whether the SPA feature is in place. However, if interest rates rise, a potential net gain can be realized on an advance with symmetry, allowing a member to repay the advance at an amount below the outstanding par value.

The SPA option is available at the time of booking select advance transactions for a two basis point premium versus an advance without symmetry.

Terms	1 year up to 30 years - (term dictated by individual product limits)
Minimum Transaction Size	\$3 million
Minimum Partial Prepayment Size	\$3 million
Advance Types with Symmetrical Prepayment Feature	Fixed-Rate (non-amortizing) and Defined Maturity Fixed-Rate Structured Advances * Not available for Community Lending Program advances

\$ Potential Benefits to Members

- ✓ Provides more flexibility to the Balance Sheet (e.g. offset unrealized losses in the securities portfolio)
- ✓ Can potentially harvest gains during balanced sheet restructuring

HOW DOES THE SPA FEATURE WORK?

Market conditions today demand flexibility. The SPA feature was developed to provide an advance alternative for members looking for funding tools which offer greater flexibility in a rising rate environment. Members can use the SPA feature to meet their liquidity needs, and will retain the ability to prepay the advance. However, unlike all other advance products, changes in Fair Value of the advance which are favorable to the member may be captured at prepayment. In all cases, the member is still required to pay a minimum prepayment fee to ensure the FHLB NY's financial indifference to the prepayment of the advance. A portion of the prepayment fee may be eligible for the FHLB NY's Advance Rebate Program.

**Interested in adding the SPA feature to your next qualified Fixed-Rate Advance?
Contact a Relationship Manager at (212) 441-6700 or Member Services Desk at (212) 441 – 6600.**

Disclaimer: Notwithstanding any language to the contrary, nothing contained in this disclosure is intended to constitute an offer, inducement, promise, or contract of any kind. This product description and pricing may be subject to change without notice.

The content provided in this disclosure is presented as a courtesy to be used only for informational purposes and is not represented to be error free. The FHLB NY makes no representations or warranties of any kind with respect to the content contained herein, such representations and warranties being expressly disclaimed. The FHLB NY is not a financial or investment advisor.

Moreover, FHLB NY does not represent or warrant that the content of this disclosure is accurate, complete or current for any specific or particular purpose or application. It is not intended to provide nor should anyone consider that it provides legal, accounting, tax or other advice. Such advice should only be rendered in reference to the particular facts and circumstances appropriate to each situation. FHLB NY encourages you to contact appropriate professional(s) and consultant(s) to assess your specific needs and circumstances and to render such advice accordingly. In addition, FHLB NY is not endorsing or recommending the use of the means or methods contained in or through this disclosure for any special or particular purpose.

It is solely your responsibility to evaluate the risks or merits of any funding or investment strategy. In no event will FHLB NY or any of its officers, directors or employees be liable for any damages – whether direct, indirect, special, general, consequential, for alleged lost profits, or otherwise – that might result from any use of or reliance on these materials.

The information provided by the Federal Home Loan Bank of New York (FHLB NY) 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 FHLB NY 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 FHLB NY may change at any time without notice.