



STANDING INSTRUCTIONS AGREEMENT MOVEMENT AND PLEDGING OF SECURITIES COLLATERAL BETWEEN SUB-ACCOUNTS

DATE: _____

Member Name: _____

Member Number: _____

As the Federal Home Loan Bank of New York ("FHLBNY") is a secured lender, Members are required to pledge eligible collateral to cover all indebtedness. This Standing Instructions Agreement between FHLBNY and the Member permits the FHLBNY to re-balance and/or newly pledge eligible securities collateral from one account to another account to cover a collateral shortfall. To assist with the completion of the form, please refer to the Standing Instructions Template (COL-151).

- Member grants the FHLBNY the authority to transfer securities collateral between Member's Collateral Sub-Accounts to re-balance pledged collateral to ensure each Collateral Sub-Account has sufficient collateral to cover the Member's indebtedness.
- Member grants the FHLBNY the authority to pledge available eligible Securities from Member's Safekeeping Free holding account to cover collateral shortfalls in the below designated Collateral Sub-Account(s) to cover Member's indebtedness.

On behalf of my institution, I request that the FHLBNY use the following account(s) listed below to transfer or pledge collateral:

Name	Account(s)	*Opt-Out	*Re-Balance	*Pledge
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please Note: If you choose "Opt-Out" for an account, the securities in that account will not be used for an account re-balance when a collateral account shortfall with the FHLBNY occurs.*

Terms and Conditions

Actions Taken by the FHLBNY when Automatically Covering a Collateral Shortfall: When the FHLBNY automatically covers a shortfall on a collateral account, the FHLBNY will use securities already pledged to the FHLBNY that are not currently being used to secure another outstanding indebtedness here at the FHLBNY. The FHLBNY can also, based upon your permission in this Standing Instruction form, automatically pledge on your institution's behalf the Qualifying Securities that are in your institution's Safekeeping Free-holding account. (For Qualifying Securities, please reference the Members Products Guide.)

Please note that:

1. Mortgage assets cannot be used to cover Repo-Advances indebtedness.
2. Securities maturing or to be called within 5 business days will be excluded from an auto pledge. The FHLBNY will notify you if only the eligible securities available to cover a shortfall mature or will be called within 5 business days.
3. When realigning eligible securities collateral for pledging purposes on your institution's behalf, the FHLBNY will realign sufficient collateral to cover the collateral shortfall so as to not exceed 5%-10% in excess collateral over the indebtedness.
4. After the indebtedness matures, any movements or pledges of collateral made to cover a collateral shortfall will remain; the FHLBNY will not readjust the collateral to its prior position.
5. All applicable fees with regard to collateral shortfalls shall apply to an automatic pledge. (Please reference the Correspondent Services Manual for more information about fees)
6. The FHLBNY will contact you, via E-mail, with the details of the securities transferred and/or pledged, or will call you if the FHLBNY cannot automatically cover the shortfall.

The pledging of eligible Free Securities will be carried out based on security type in the following sequence:

1. Agency Securities

a. Residential Mortgage-Backed Securities	d. Bonds
b. Commercial Mortgage-Backed Securities	e. Notes
c. STRIPS	

2. Treasuries

a. Bills	d. Notes
b. Strips	e. Bonds
c. Felines	

3. Private Label Mortgage-Backed Securities

When the FHLBNY covers a shortfall by using eligible securities, either automatically or manually, the FHLBNY will send an E-mail to the contact E-mail address specified below. The E-mail will contain the following information:

- | | |
|------------------------------------|-----------------|
| • Covering Type (Transfer/ Pledge) | • Dollar Amount |
| • Original Face | • Account From |
| • Market Value | • Account To |
| • CUSIP | |

If you wish to cancel your existing authorization of the Standing Instructions contained in this form please E-mail the Custody and Pledging Services Group at CustodyandPledgingServices@fhlbny.com indicating your intent to cancel.

Glossary of Defined Terms

Account Re-Balance: An account re-balance represents the actions taken by the FHLBNY as requested by the Member or if the authority is granted by the Member to move Qualifying Collateral between Member collateral sub-accounts.

Collateral Account Shortfall: A shortfall occurs when the total Indebtedness (with any assigned haircut) against your Collateral Account(s) here at the FHLBNY exceeds the total Collateral Pledged in that account. In the event of a collateral shortfall, the shortfall in the collateral account must be remedied by the end of the current business day (Please reference the Member Products Guide).

Free Securities Collateral: Assets in the form of readily marketable securities that are eligible to secure outstanding indebtedness with the FHLBNY. The Member can pledge Qualifying Collateral to the FHLBNY that is currently not being used to secure outstanding indebtedness or pledged elsewhere.

Indebtedness: The amount of credit that has been extended to the Member that includes but is not limited to, Advances, Financial Guarantees, Swaps, and credit enhancement requirements for Acquired Member Assets.

Member Collateral Accounts: An account at the FHLBNY where Members pledge Qualifying Collateral to secure outstanding indebtedness.

Opt-Out: The option to choose which account(s) a Member does not want to use under the Standing Instructions Agreement. If the Member chooses to Opt-Out, the FHLBNY will contact Members for instructions as per current business practices.

Pledged Collateral: Qualifying Collateral pledged by the Member to the FHLBNY to secure outstanding indebtedness. The Member continues to own the Qualifying Collateral but the FHLBNY has a claim against the collateral in the event that the Member defaults in repaying its indebtedness to the FHLBNY.

Standing Instructions to Cover a Collateral Account Shortfall: The authority granted by the Member, in the event of a shortfall in one or more of a Member's Collateral Accounts, to the FHLBNY to automatically transfer pledged securities between a Member's Collateral Accounts to cover a collateral shortfall. This authority also gives the FHLBNY the ability to pledge eligible securities on a Member's behalf provided that the eligible securities are already in the Member's Safekeeping Free-holding account.

Sign-Off and Approvals

Member's Authorized Signature(s)	
Name: _____	Date: _____
Phone Number: _____	Email: _____
Signature: _____	Title: _____
Name: _____	Date: _____
Phone Number: _____	Email: _____
Signature: _____	Title: _____
Federal Home Loan Bank of New York	
Name: _____	Date: _____
Signature: _____	Title: _____
Name: _____	Date: _____
Signature: _____	Title: _____

The FHLBNY requires at least one authorized officer's signature from the Member institution to complete the Standing Instructions.