



## WIRE TRANSFER AGREEMENT

This Wire Transfer Agreement ("Agreement"), the Global Authorization Forms and the Correspondent Services Manual of the Federal Home Loan Bank of New York ("Bank") establish the procedures to be used by the Bank and the Customer when executing wire transfers. All terms not defined herein shall have the meanings given to them in Article 4A of the Uniform Commercial Code ("Article 4A") as in effect in New York.

### I. When the Customer is Requesting a Wire Transfer

- Description of Wire Transfer Agreement:** The Services will enable the Customer to give wire transfer instructions to the Bank instructing it to transfer funds by wire from the account(s) designated in the Wire Transfer Services Set-up Forms (the "Account") to Beneficiaries. Prior to commencement of wire transfer services, the Customer will complete and execute this Agreement. The Bank will not accept outgoing wire transfer requests without a completed and executed Agreement on file. If an amended Agreement is sent to the Customer, the Customer shall have thirty calendar days to re-execute the amended Agreement and return it to the Bank. After thirty calendar days have elapsed, the Bank shall have no further obligation to accept wire transfers for the Customer.
- Security Procedures:** The Bank will provide the Customer with a Test Key Algorithm Value Table and a Fixed Number specific to the Customer for use in calculating a Test Code for each wire request. The Bank will also assign a PIN to each Authorized Individual. The Customer shall not allow Authorized Individuals with a PIN to have access to the Test Code calculation. It is the Customer's responsibility to ensure that the confidentiality of PINs and Test Codes is maintained and to inform the Bank immediately of any changes to Authorized Individuals' authorities. Authorized Individuals must provide the Test Code and PIN when initiating a wire transfer. If the Authorized Individual cannot provide a valid Test Code and PIN, the Bank will not accept the wire transfer. When a wire transfer accompanied by the Test Code and PIN are received, the Bank will call a second Authorized Individual to verify the authenticity and accuracy of the Customer's Payment Order request. If the Authorized Individual receiving the callback is unavailable or unable to verify the request, the Bank will not accept the wire transfer request. A callback to an Authorized Individual may not be performed for wire transfers that are repetitive and pre-authorized, or in which the Customer is both the originator and the beneficiary. If a request for a wire transfer is transmitted through 1Link<sup>sm</sup>, the Correspondent Services Agreement, as amended, and the Correspondent Services Manual, as amended, will govern such wire transfer. Information concerning the security requirements surrounding the use of 1Link for wire transfers can be found in section 5 of the Correspondent Services Manual. The Customer agrees that the Security Procedures it selected are commercially reasonable and are the Security Procedures that best meet its requirements given the size, type and frequency of the wire transfer the Customer will issue to the Bank. The Customer understands and agrees that the Security Procedures established hereunder are solely intended to determine whether any wire transfer instruction received by the Bank was sent by an authorized person of the Customer, and not to detect errors in amount. Customer irrevocably authorizes the Bank to act in accordance with, and rely on, any instructions or other communication received by it from the Customer pursuant to this Agreement, whether or not authorized, when verified in accordance with the security procedures established hereunder. The Customer shall be responsible for safeguarding the confidentiality of all user IDs, codes, passwords, Security Devices, and other similar devices associated with the Services and to distribute them only to its authorized personnel or agents. The Customer shall notify the Bank immediately if it learns that the Security Procedures have been breached or that any unauthorized person has been given access or been able to gain access to IDs, codes, passwords, Security Devices and the like. Customer must provide written confirmation of such breach with 48 hours of the oral notification. Customer agrees to indemnify the Bank for Customer's failure to safeguard the Security Procedures.
- Cut-Off Times:** Domestic Wire Transfer requests (including those processed on 1Link) must be received by the Bank's Electronic Payments Department no later than 4:00 p.m. Eastern Time. The Bank may execute a wire transfer received after the 4:00 p.m. deadline on the same day the Bank receives the request, but it shall have no legal obligation to do so. Any wire transfer requests received by the Bank after the 4:00 p.m. deadline which are not executed by the Bank on the same day must be requested by the Customer to be executed on the following Business Day. The Bank may amend the stated cutoff times upon 10 Business Days prior written notice to the Customer to correspond to changes in the stated deadlines for the Federal Reserve Communications System ("Fedwire"), or any other wire transfer system employed hereunder.
- Amendments and/or Cancellations:** When the Customer wishes to either amend or cancel a wire transfer, whether repetitive or non-repetitive, the Customer shall notify the Bank immediately via telephone. All Customer amendments or cancellations will be subject to the same identification procedures used when initiating a wire transfer request. If the amendment or cancellation request is received by the Bank prior to acceptance of the Customer's Payment Order, the Bank will make a reasonable attempt to act on the Customer's wire transfer request upon verification of the caller's authority. In the event the Customer's amendment or cancellation request is received after execution of the Customer's wire transfer, the Bank will use reasonable efforts to initiate a wire transfer Service Message requesting an amendment or a wire reversal as instructed by the Customer. The Wire Transfer Service Message is an administrative wire that will be executed by the Bank in accordance with

existing Federal Reserve System rules and regulations. The Bank's execution of a Wire Transfer Service Message does not constitute the Bank's acceptance of the Customer's amendment or cancellation request. Under no circumstances will the Bank be liable to the Customer for amendments or cancellations received by the Bank after execution of the Customer's wire transfer. The Customer agrees to reimburse the Bank for any costs, losses or damages, including reasonable attorney's fees, the Bank incurs in connection with the Customer's amendment or cancellation request.

5. **Notice of Rejection:** In the event the Bank rejects an outgoing wire transfer request, the Bank shall provide notice of such rejection to the Customer by telephone or by electronically notifying an Authorized Individual. In the event the Bank is unable to so notify the Customer, the Bank shall attempt to notify the Customer within a reasonable time via the most practicable methods available at such time. Nothing in this Agreement shall be interpreted as obligating the Bank to accept any payment order, or to take any action with respect thereto, except as expressly provided in Article 4A or this Agreement.
6. **Name and Number of Receiving Bank or Beneficiary:** If a wire transfer describes the person to receive payment inconsistently by name and account number, payment may be made on the basis of the account number even if the account number identifies a person different from the named person. If the Bank is notified by the beneficiary's bank that the beneficiary's bank is unable to identify the beneficiary because the account number identifies a person other than the named person, the Bank may, at its option, and without liability to the Customer, cancel the wire transfer or let the wire transfer lapse before transmitting a new wire transfer containing the corrected name or account number. If a wire transfer describes a financial institution inconsistently by name and identification number, the identification number alone may be relied upon as the proper identification of the financial institution. In any instance in which the Bank may be considered the Originator of a wire transfer, because it is making payment of a letter of credit issued by it, or otherwise, the account party or other person requesting that the Bank make payment on the basis of payment instructions provided by the Beneficiary shall indemnify the Bank for any losses and expenses (including court costs and reasonable attorneys' fees) arising from the Bank's reliance on such information.
7. **Overdrafts:** For each wire transfer executed by Bank in accordance with the terms of this Agreement, the Customer authorizes the Bank to debit or credit, as applicable, the account specified in the Transfer Instruction. The Bank shall have no obligation to accept a request for a wire transfer if such acceptance would create an overdraft in such Account. Should it elect to so: (1) such election will not obligate it to do so in any future instance; and (2) interest may be charged from the date such overdraft was created until the date of repayment in accordance with the formula for "Overdrawn Accounts" set forth on the Bank's Credit Service Fee schedule, Form HLB-202, as amended from time to time, and which may be found on the Bank's website at [www.fhlbny.com](http://www.fhlbny.com) when signing onto 1Link, Tools and "Manuals and Guides."
8. **Compliance--Dodd-Frank Act/OFAC:** Customer acknowledges that it is its responsibility to follow all compliance regulations and the Dodd-Frank Wall Street Reform and Consumer Protection Act when processing outgoing wires where the beneficiary is a third party and disclosures are otherwise required. The Bank is not responsible for providing disclosures to beneficiaries that are not customers of the Bank.

Customer also acknowledges that the Bank is not permitted to transfer funds in violation of federal law or regulations. Customer hereby warrants and covenants that it will maintain its own filter to test each Originator and Beneficiary of a requested Payment Order against the list of prohibited names maintained by the Office of Foreign Assets Control ("OFAC"), and further warrants and covenants that it will not request any wire transfer which, if accepted by the Bank, will cause the Bank to be in violation of any rule, regulation, or order of such Agency or subject the Bank to any sanction imposed by such Agency. All penalties imposed by OFAC to the Bank for any violation will be passed on to the Customer. Customer agrees that it will indemnify, defend and hold harmless against any loss or cost arising from the Customer's failure to screen its wire transfers.

## II. When the Customer Is the Beneficiary of a Payment Order

1. **Notice of Wire Receipt:** If the incoming wire transfer instructs payment to the Customer's account, notice of incoming funds to the Customer will be deemed to have occurred when the Bank makes available the Customer's Daily Advice of Account Activity, the Wire Transfer Statement or when notification is made available on 1Link. If the Customer subscribes to the Bank's 1Link Information Reporting Service, notice of incoming funds will be deemed to have occurred at the time such item has been credited to Customer's account and is listed under today's transactions in the Bank's 1Link Information Reporting Service. Should there be a final and non-appealable determination of any court that such funds were improperly credited to the Customer's account; the Customer shall return the same, with interest payable at the Fed Funds Effective Rate as published on a daily basis by the New York Federal Reserve Bank.

## III. General Provisions

1. **Rights and Obligations:** All wire transfers processed by the Bank on the Customer's behalf shall be subject to and governed by this Agreement and the Bank's Correspondent Services Manual, as each may be amended from time to

time. It is understood and agreed that unless otherwise specifically provided herein, and to the extent permitted by applicable law, the parties will be bound by the rules of any wire transfer system utilized to effect such wire transfer.

2. **Account Statements:** The Bank will make available electronically to the Customer a Daily Wire Transfer Statement and a monthly Overnight Investment Account Statement via 1Link. Additionally, the Customer subscribes to the Bank's Information Reporting Service which retrieves the Daily Advice of Account Activity and Daily Wire Transfer Statement electronically via 1Link, the Bank's internet banking application. The Customer will exercise ordinary care to determine whether a wire transfer accepted by Bank was either erroneous or not authorized. In the event of an account discrepancy, the Customer will notify the Bank within three (3) days of receipt of the Wire Transfer Statement, the Daily Advice of Account Activity, or the 1Link Information Reporting Service, if the discrepancy is reflected in any of the foregoing, and within fifteen (15) days of receipt of the monthly Demand and Deposit Account Statement if the discrepancy is reflected only in the monthly Overnight Investment Account Statement. If notice of the discrepancy is made to the Bank via telephone, the Customer must follow up with notice of the discrepancy to the Bank in writing via e-mail **and** letter to the Bank's Electronic Payments department via a nationally recognized overnight courier service to Senior Manager, Electronic Payments, Federal Home Loan Bank of New York, 101 Park Avenue, New York, NY 10178 within 48 hours of Customer's telephone notification identifying the particular wire transfer or transfers to which it objects. Because failure of the Customer to detect an erroneous or unauthorized wire transfer may make it difficult or impossible for the Bank to recover the funds from a third party, and may also facilitate the commission of further errors or the execution of further unauthorized transfers, the Bank may, in its sole discretion, terminate the Customer's right to request wire transfers in the event that a report is received outside of the foregoing time periods.
3. **Interest Rate:** In the event the Bank must refund or re-credit the Customer's account as required under applicable law, and is required to pay interest to the Customer, interest will be paid at the prevailing Overnight Investment Account (OIA) rate, on collected balances as set forth in the Correspondent Services Manual in the Customer's Overnight Investment Accounts.
4. **Customer Provided Information:** Any changes to information provided by the Customer to the Bank shall be effective only at such time as the Bank has had a reasonable opportunity to act after receipt of written notice from the Customer. The Customer will notify the Bank in writing of changes in the list of Authorized Persons. The Bank shall have no liability for losses caused by the Customer's failure to provide such notification. The Bank will be fully protected in relying on the Customer's notices.
5. **Custodial Mortgage Accounts ("CMA"):** The Customer must execute a separate Agreement for its Demand Account(s) and each of its Custodial Mortgage Accounts. Each such Agreement shall identify all Authorized Individuals authorized to access the account for which the Agreement is executed.
6. **Telephone Recording:** Notice is hereby given that all telephone calls to and from the Bank's Electronic Payments Department are recorded. Execution of this Agreement constitutes the Customer's consent to such recording.
7. **Complete Agreement:** This Agreement must be executed in its entirety, without alteration or addition. This Agreement contains the final, complete and exclusive understanding of, and supersedes all prior or contemporaneous, oral or written, agreements, understandings, representations and negotiations between, the parties relating to the subject matter of this Agreement, and, with respect to wire transfers contemplated hereunder, supersedes any Agreement between the Bank and Customer. Both parties further agree that this Agreement may not in any way be explained or supplemented by a prior or existing course of dealings between the parties, by any usage of trade or custom, or by any prior performance between the parties pursuant to this Agreement or otherwise. In the event that any provision of this Agreement is determined by a court or tribunal of competent jurisdiction to be illegal or unenforceable for any reason, such provision shall be replaced by a legal and enforceable provision that comes as close as possible to carrying out the intent of the original provision. This Agreement shall be binding upon and inure to the benefit of the parties' respective successors and assigns.
8. **Termination:** This Agreement may be terminated by either party upon 30 days prior written notice to the other and may be terminated by the Bank immediately if there is a material breach of any provision of this Agreement. If a Payment Order is to be processed in accordance with a statute, rule, or regulation of the United States, or any federal agency, the Payment Order will be governed by that statute, rule, or regulation. Sections I (6), I (8), II (1) and III (14) shall survive termination of this Agreement.
9. **Bank's Responsibilities:** The Bank may send instructions by wire, telegraph, telephone, cable, or whatever other transmission method the Bank considers to be reasonable. The Bank will not be liable for any third party's failure to process or delay in processing any instruction.
10. **Governing Law; Jurisdiction:** All matters relating to this agreement shall be governed by, and construed and interpreted according to federal law and the internal laws of the State of New York (without reference to conflicts of law rules, other than those found in Article 4A-507).. Any action arising out of or relating to this Agreement shall be litigated in, and only in, courts located in the City and State of New York and the parties hereby submit to the exclusive jurisdiction of such courts and agree

that they are a convenient forum. EACH PARTY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT.

11. **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same.

12. **Business Days:** A Business Day shall mean any day on which banks in New York are not required or permitted to be closed.

13. **Limitation of Liability:** The Customer understands and agrees that wire transfers are generally effected through automated processes, that the persons conducting such operations do not have knowledge of the Customer's unique circumstances, even though such circumstances may be known to other persons within the Bank, and that it is not the duty of persons possessing such knowledge to communicate it to persons responsible for wire transfer operations. THE CUSTOMER (1) UNDERSTANDS AND AGREES THAT ANY CLAIM AGAINST THE BANK SHALL BE LIMITED TO CLAIMS FOR WHICH A REMEDY IS PROVIDED EITHER BY ARTICLE 4A OF THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN NEW YORK OR BY THIS AGREEMENT; AND (2) WAIVES THE RIGHT TO BRING ANY CLAIM ON ANY OTHER LEGAL THEORY WHATSOEVER, WHETHER IN CONTRACT OR IN TORT IRRESPECTIVE OF WHETHER OR NOT UNDER SUCH THEORY OR THEORIES THE ASSERTED BANK DUTIES OR OBLIGATIONS ARE DEEMED TO BE IN ADDITION TO OR INCONSISTENT WITH THOSE SET FORTH HEREIN OR IN ARTICLE 4A OF THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN NEW YORK. THE BANK HEREBY DISCLAIMS ANY IMPLIED WARRANTIES OR COVENANTS APPLICABLE TO CONTRACTS GENERALLY ARISING UNDER OR RECOGNIZED BY NEW YORK LAW. IN NO EVENT WILL THE BANK BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES, WHETHER OR NOT THE LIKELIHOOD OF SUCH DAMAGES WAS KNOWN TO THE BANK.

14. **Indemnification:**

(a) In General. The Customer agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from all claims, demands, losses, liabilities, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of or in any way connected with performance or interpretation of this Agreement or determination of the rights and duties of the parties hereto. For avoidance of doubt, indemnification shall be required in all instances in which a dispute arises and the Bank retains an attorney, regardless of whether claims are asserted by or against third parties or between the Customer and the Bank, whether litigation is commenced, or whether the Customer, the Bank, or the third party is the prevailing party.

(b) **Attachment and Asset Forfeiture in cases in which the Bank is the intermediary bank in a wire transfer.** Without limiting the generality of the foregoing, this section establishes the rules that apply when the Bank is acting as an intermediary bank on behalf of the Customer, and prior to execution of the payment order, is prevented or restrained from so doing by a blocking regulation, forfeiture, asset seizure, or legal process. The Customer shall indemnify the Bank for any damage or loss suffered by the Bank in any instance in which funds are seized, or a court of competent jurisdiction requires the Bank to complete an interrupted transfer, notwithstanding that the rules of Article 4A would not permit the Bank to receive or retain any payment made for such wire transfer. Interest as calculated according to section III (3) above shall be due from the effective date of the attachment, seizure, or legal process to the date of payment. The Bank shall be authorized to debit any account of the Customer for any amounts due hereunder, as well as legal fees and court costs, as described in (a) above.

15. **Force Majeure:** Except as otherwise provided by Article 4A, the Bank will not be liable for its inability to perform its obligations under this Agreement when such inability arises out of causes beyond its control, including, without limitation, any act of God, accident, equipment failure, system failure, act of war or terrorism, labor dispute, or the failure or inability of any third party to provide any electronic or telecommunication service, provided that the Bank shall have exercised such diligence as the circumstances require.

**ACCEPTED AND AGREED:**

\_\_\_\_\_ [Customer Name]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_