

## INFORMATION SHARING AND CONFIDENTIALITY AGREEMENT

This Information Sharing and Confidentiality Agreement ("Agreement") is entered into as of the 18<sup>th</sup> day of November 2009, between the Federal Home Loan Bank of New York ("FHLBank") and the Office of the Commissioner of Financial Institutions of the Commonwealth of Puerto Rico ("Banking Department") to enhance the communication and exchanges of information between the FHLBank and the Banking Department to aid each party in the discharge of its respective missions.

The FHLBank and the Banking Department desire to enter into this Agreement to set forth the terms on which the FHLBank and Banking Department will share information with respect to state-chartered banking institutions that are members of the FHLBank or applicants for membership in the FHLBank.

The FHLBank and the Banking Department hereby agree as follows:

1. For purposes of this Agreement, references to "disclosing party" shall mean each party in its capacity as a discloser of information and references to "receiving party" shall mean each party in its capacity as a recipient of information from the disclosing party.
2. For reasons consistent with § 22 of the Federal Home Loan Bank Act, 12 U.S.C. §1442 (the "Act") and to enable the FHLBank to carry out the provisions of the Act, the Banking Department agrees that upon advance written request, or by mutually agreed to methods of data transmission or sharing, the Banking Department will in a timely manner, without charge, provide the FHLBank with reports, records and other information, including, without limitation, examination reports and other non-public supervisory information that is requested for reasons consistent with § 22 of the Act in regard to such FHLBank members and applicants.
3. The FHLBank and the Banking Department agree that sharing information about state banks that are members of the FHLBank would be mutually beneficial to the FHLBank and the Banking Department. To the extent permitted by applicable law (and applicable contractual obligations), the FHLBank agrees to provide to the Banking Department updated periodic information concerning state banks that are members (including information about FHLBank credit facilities available and outstanding, member credit ratings [if applicable] and member classifications within credit ratings [as applicable] and decisions to reduce credit availability). The Banking Department agrees to provide to the FHLBank updated periodic information listing member state banks whose composite CAMELS ratings are 3, 4, or 5, as well as to provide, on request of the FHLBank, copies of reports of examination for any FHLBank member banking institution regulated by the Banking Department (subject to the authorization of the Federal Deposit Insurance Corporation or The Board of Governors of the Federal Reserve System if the report is jointly issued by the Banking Department and another banking regulator), and other Banking Department supervisory communications with such members. The FHLBank and the Banking Department agree to explore means to enhance processes and procedures for information sharing going forward.

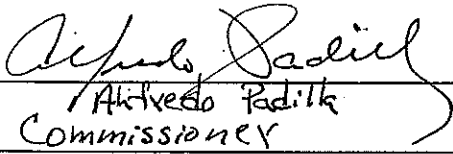
4. The Banking Department agrees to provide the FHLBank, on a quarterly basis, the CAMELS ratings of the FHLBank members it regulates (subject to the authorization of the Federal Deposit Insurance Corporation or The Board of Governors of the Federal Reserve System if the rating is jointly determined by the Banking Department and another banking regulator).
5. The FHLBank and the Banking Department agree that the member and applicant information provided by the Banking Department to the FHLBank and/or by the FHLBank to the Banking Department shall be Confidential Information ("Confidential Information"). All Confidential Information provided under this Agreement belongs to and shall remain the property of the party from which it was originally obtained. Confidential Information may include, but is not necessarily limited to, examination reports and other supervisory information about or communications with members or applicants for FHLBank membership, CAMELS ratings, information about FHLBank credit facilities available and outstanding, and FHLBank member credit ratings and member classifications within credit ratings. Confidential Information shall also include information of the type described herein that has previously been provided to the FHLBank by the Banking Department and which is now in the possession of the FHLBank. For purposes of this Agreement, all information obtained by the FHLBank under this Agreement and all information obtained by the Banking Department under this Agreement shall be treated as Confidential Information subject to the terms of this Agreement unless the disclosing party specifically identifies in writing that the information is public information.
6. Each of the FHLBank and the Banking Department agrees that it shall not release, disseminate or transfer, either verbally or by other means, to any third party (other than to the receiving party's attorneys or auditors or to a federal department or agency to assist such entity in the fulfillment of its duties) any Confidential Information provided to it under the terms of this Agreement without the prior written consent of the disclosing party, which consent shall not be unreasonably withheld, except that an FHLBank may disclose (i) to a member or applicant for membership that it is aware of its CAMELS rating and (ii) Confidential Information in connection with a member's default under its applicable agreements with the FHLBank and the FHLBank's corresponding acceleration of indebtedness and/or enforcement of its remedies with respect to such default.
7. The receiving party shall keep the Confidential Information confidential and secure and shall use at least the same standard of care to protect the Confidential Information as the receiving party employs for the protection of its own proprietary information, but in no case less than a reasonable standard of care. The receiving party shall promptly notify the disclosing party in writing of any actual or suspected loss or unauthorized use, disclosure or access of the disclosing party's Confidential Information of which it becomes aware, and shall take all steps reasonably requested by the disclosing party to limit, stop or otherwise prevent such loss or unauthorized use, disclosure or access.

8. The receiving party agrees that with respect to any Confidential Information it receives from the disclosing party hereunder, such Confidential Information may be produced to the extent that the receiving party becomes compelled by order of a competent judicial or regulatory authority to disclose any Confidential Information, but only after, unless prohibited by law, the receiving party provides timely written notice to the disclosing party so that the disclosing party may seek an appropriate protective order or other remedy. If a remedy acceptable to the disclosing party is not obtained by the date that the receiving party must comply with the disclosure order, the receiving party may disclose such Confidential Information without liability hereunder. It is expressly agreed that Confidential Information provided by the FHLBank to the Banking Department shall be treated as confidential and not subject to immediate disclosure pursuant to a state freedom of information or similar law.
9. This Agreement may be terminated with thirty (30) days advance written notice by the terminating party to the other party. The rights and obligations accruing prior to termination as set forth herein shall survive termination of this Agreement for a period of five (5) years.
10. Upon any termination of this Agreement in accordance with its terms, within a reasonable period of time following written request from the disclosing party, the receiving party will return all of the disclosing party's Confidential Information and all copies thereof, except for a single archival copy that may be retained by the receiving party's legal department solely for dispute resolution purposes. Notwithstanding anything to the contrary in this Agreement, a party shall not be obligated to erase Confidential Information that is contained in an archived computer system backup made in accordance with such party's security and/or disaster recovery procedures provided that such archived copy (i) will be irretrievably erased or destroyed eventually in the ordinary course of such party's data processing procedures and (ii) until such erasure or destruction will remain fully subject to the terms and conditions stated herein.
11. To ensure compliance with the confidentiality requirements of this Agreement, each of the parties shall inform employees, officers and agents who have access to Confidential Information of their obligations in receiving Confidential Information.
12. The FHLBank may request and the Banking Department in its sole discretion may agree in writing that one or more of the provisions of this Agreement may be waived.
13. This Agreement shall be governed in all respects by the internal laws (but not the conflicts laws) of the Commonwealth of Puerto Rico.
14. This Agreement shall be binding on and shall inure to the benefit of the parties hereto, their respective successors and assigns. This Agreement may not be assigned in whole or part without the written consent of the non-assigning party; provided, that such written consent shall not be required where: (i) such assignment is made as part of a merger, acquisition, or other corporate reorganization of the assignor, or in connection with the sale of substantially all the assets of the assignor, (ii) the assigning party provides prior written notice of

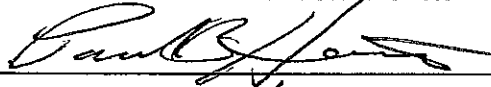
the assignment to the non-assigning party, and (iii) the assignee expressly assumes in writing all obligations hereunder. Any assignment permitted pursuant to the preceding sentence shall not release the assignor and its Representatives from their nondisclosure and non-use obligations hereunder.

15. This Agreement may be executed in any number of counterparts, any one of which shall be considered an original, but all of which shall be binding upon each party by which any counterparts are executed. The individuals executing this Agreement on behalf of the FHLBank and the Banking Department do hereby represent and warrant that they are duly authorized to execute this Agreement on behalf of their respective principals.

**Office of the Commissioner of Financial Institutions of the  
Commonwealth of Puerto Rico**

By:  11-28-09.  
Its: Alvaro Padilla  
Commissioner

**Federal Home Loan Bank of New York**

By:  11-19-09  
Its: PAUL B. HEROUX  
SENIOR VICE PRESIDENT