

BANK TERM FUNDING PROGRAM CREDIT PROTECTION AGREEMENT

THIS BANK TERM FUNDING PROGRAM CREDIT PROTECTION AGREEMENT (this “Agreement”) is made and entered into as of January 13, 2025, by and between the United States Department of the Treasury (“Treasury”) and the Federal Reserve Bank of Atlanta, the Federal Reserve Bank of Boston, the Federal Reserve Bank of Chicago, the Federal Reserve Bank of Cleveland, the Federal Reserve Bank of Dallas, the Federal Reserve Bank of Kansas City, the Federal Reserve Bank of Minneapolis, the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Reserve Bank of Richmond, the Federal Reserve Bank of San Francisco, and the Federal Reserve Bank of St. Louis (each, a “Reserve Bank” and, collectively, the “Reserve Banks”).

WHEREAS, the Board of Governors of the Federal Reserve System (“Board”), with the approval of the Secretary of the Treasury, established the Bank Term Funding Program (“BTFP”) pursuant to section 13(3) of the Federal Reserve Act to make available additional funding to eligible depository institutions in order to help assure that depository institutions have the ability to meet the needs of all of their depositors;

WHEREAS, pursuant to the terms and conditions approved by the Board for the BTFP (as amended, supplemented, or otherwise modified from time to time, with the approval of the Secretary of the Treasury, the “Terms”), each Reserve Bank made advances (“BTFP Advances”) to eligible depository institutions (each, a “Borrower”) on a recourse basis, secured by BTFP Collateral (defined below);

WHEREAS, Treasury pledged in the Terms to provide credit protection to the Reserve Banks in connection with the BTFP in an amount up to \$25,000,000,000, using the Exchange Stabilization Fund (the “ESF”);

WHEREAS, a Reserve Bank from time to time may extend secured credit to a Borrower outside of the BTFP;

WHEREAS, the Reserve Banks ceased making BTFP Advances as scheduled on March 11, 2024; and

WHEREAS, Treasury and the Reserve Banks have determined that it is appropriate to effectuate the Terms by setting forth the methodology for determining the amount of a payment under the Treasury’s Credit Protection Obligation (defined below), if any, and the manner of settlement following the maturity of the last BTFP Advance;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. In addition to the terms otherwise defined herein, the following terms are used herein as defined below:

“Administrator” means the Reserve Bank appointed as agent by each of the Reserve Banks to act on its behalf under this Agreement.

“Advance Repayment Amount” is defined in the same way as in OC-10.

“Available Value” means, with respect to a Borrower and its Obligations, (i) the value (as applicable and without duplication) of any Collateral Realization Amount or Estate Payment, in each case, attributable to the Borrower’s BTFP Collateral, *plus* (ii) the excess, if any, in the value (as applicable and without duplication) of any Collateral Realization Amount or Estate Payment, in each case, attributable to the Borrower’s Non-BTFP Collateral over the amount of the Borrower’s Non-BTFP Obligations.

“BTFP Collateral” means Collateral pledged by a Borrower to a Reserve Bank as security for the Borrower’s BTFP Obligations.

“BTFP Obligations” means all of a Borrower’s Advance Repayment Amounts arising in respect of BTFP Advances.

“Collateral” is defined in the same way as in OC-10.

“Collateral Realization Amount” means, with respect to a Borrower and Specified Event, in the discretion of the lending Reserve Bank, (i) the amount realized by the lending Reserve Bank through the exercise of remedies against the Borrower’s Collateral, less any fees, charges, and costs of collection (which, for the avoidance of doubt includes any reasonable attorney and vendor fees incurred in connection with the disposition of the Collateral), or (ii) an amount mutually agreed between the lending Reserve Bank and Treasury to approximate fair-market value to the extent practicable.

“Estate Payment” means, with respect to a Borrower in receivership, liquidation, or similar proceedings, a payment received by a Reserve Bank in respect of the Borrower’s Collateral pledged to the Reserve Bank.

“Lending Documents” means the email agreement for the BTFP made available from time-to-time by the Reserve Banks at the website frbdiscountwindow.org and submitted by a Borrower as a condition for participation in the BTFP, OC-10, and the Terms, in each case as amended, supplemented, or otherwise modified from time to time.

“Obligation” is defined in the same way as in OC-10.

“Non-BTFP Collateral” means any Collateral of a Borrower that is not BTFP Collateral.

“Non-BTFP Obligations” means a Borrower’s Obligations that do not arise in respect of BTFP Advances.

“OC-10” means Operating Circular No. 10 issued by each Reserve Bank, as amended, supplemented, or otherwise modified from time to time.

“Shortfall” means, with respect to a Borrower, the amount by which the sum of the Borrower’s unpaid BTFP Obligations measured as of the date of a Specified Event exceeds the Available Value.

“Specified Event” means, with respect to a Borrower, the Borrower’s BTFP Advances having become due and payable pursuant to the Lending Documents and the Borrower has failed to repay its BTFP Obligations or has entered receivership, liquidation, or similar proceedings.

2. Effective Date. The effective date of this Agreement is as of March 12, 2023.

3. Commitment by Treasury. Treasury will provide an amount up to \$25,000,000,000 as credit protection for the BTFP, payable from the ESF, in accordance with the terms and conditions of this Agreement.

4. Maintenance of ESF Assets. Treasury will, during the term of this Agreement, maintain at all times the ESF so as to ensure that sufficient assets are available to satisfy Treasury’s obligations under, and in accordance with the terms of, this Agreement.

5. Specified Event; Credit Protection Obligation.

(a) Upon the occurrence, in the sole determination of the lending Reserve Bank, of a Specified Event in respect of a Borrower, the lending Reserve Bank will determine any Shortfall.

(b) No later than ninety days after the last BTFP Advance becomes due and payable (or if the ninetieth day is not a business day, the immediately preceding business day), the Reserve Banks will determine the following amounts:—

(i) The sum of all Shortfalls of the Borrowers of all Reserve Banks (the “Total Shortfall”);

(ii) With respect to any BTFP Advance repaid in whole or in part, an amount determined by applying a rate of 10 basis points to the principal component repaid, calculated in the same manner in which the Reserve Banks calculate interest on BTFP Advances (the “Initial Tranche”);

(iii) The sum of all Initial Tranches for all BTFP Advances across all Reserve Banks (the “Total Initial Tranche”); and

(iv) The amount, if any, by which the Total Shortfall exceeds the Total Initial Tranche (the “Credit Protection Obligation”).

(c) Treasury will be liable to the Reserve Banks for the Credit Protection Obligation, which liability will be capped at \$25,000,000,000.

(d) Promptly after the determinations of the amounts specified in Section 5(b) of this Agreement, the Administrator will notify Treasury of such amounts and provide instructions for settlement of the Credit Protection Obligation.

(e) Treasury will pay the Credit Protection Obligation as soon as reasonably practicable, but no later than the tenth business day, following receipt of the notice provided for in Section 5(d) of this Agreement, in accordance with instructions provided by the Administrator, and promptly following Treasury’s satisfaction of the Credit Protection Obligation in full the

Administrator will by notice to Treasury confirm receipt thereof in satisfaction of Treasury's Credit Protection Obligation.

(f) To the extent that a party to this Agreement has a claim under applicable law against the receivership, liquidation, or other similar insolvency estate of a Borrower in respect of a Shortfall, the parties will work in good faith to (i) file documentation in the Borrower's receivership, liquidation, or other similar insolvency proceeding reasonably necessary to prove such claim, and (ii) allocate as appropriate any payment received by a Reserve Bank to, as applicable, reduce the Credit Protection Obligation or reimburse Treasury for payment of the Credit Protection Obligation.

6. Termination of Agreement. This Agreement will terminate on the date on which the Administrator provides notice to Treasury pursuant to section 5(e) of this Agreement or, if the Credit Protection Obligation calculated pursuant to section 5 of this Agreement is zero, on the date on which the Administrator provides notice to Treasury pursuant to section 5(d) of this Agreement; provided that Sections 5(f), 7(b), 8, 10, and 11 of this Agreement will survive the termination of this Agreement.

7. Reporting to Effectuate the Agreement.

(a) To permit the parties to perform their obligations under this Agreement, promptly following the occurrence of a Specified Event with respect to any Borrower, Administrator will give notice of such Specified Event to Treasury, which notice will include (i) identification of the Borrower; (ii) the Borrower's outstanding BTFP Obligations; and (iii) after such amount, if any, is known, the Shortfall (including, as applicable, the amount of any Collateral Realization Amount or Estate Payment, as applicable).

(b) Subject, as appropriate, to confidentiality restrictions, the Administrator will provide Treasury reporting and documentation as mutually agreed, which at a minimum will include all information necessary for Treasury to comply with its statutory reporting obligations, regulations, and guidelines implementing statutory reporting obligations applicable to Treasury, Generally Accepted Accounting Principles, and related audits of the ESF by internal auditors and external public accountants.

8. Notices. All notices and reports required by this Agreement must be in writing to the contacts below, or such other contact as may be notified in writing by the relevant party or parties from time to time. Such notices and reports and other communications hereunder may be delivered or furnished by electronic mail.

If to Treasury:

The United States Department of the Treasury
1500 Pennsylvania Ave., NW
Washington DC 20220

Attention: Deputy Assistant Secretary for International Monetary Policy

Telephone:

Email Address:

The United States Department of the Treasury
1500 Pennsylvania Ave., NW
Washington DC 20220

Attention: Director, Office of International Monetary Policy

Telephone:

Email Address:

The United States Department of the Treasury
1500 Pennsylvania Ave., NW
Washington DC 20220

Attention: Deputy Assistant Secretary for Federal Finance

Telephone:

Email Address:

and

The United States Department of the Treasury
1500 Pennsylvania Ave., NW
Washington DC 20220

Attention: Assistant General Counsel (Banking & Finance)

Telephone:

Email Address:

If to the Reserve Banks:

Federal Reserve Bank of Minneapolis
90 Hennepin Ave.
Minneapolis, MN 55401

Attention: SVP, Supervision, Regulation, and Credit

Email Address:

With a copy to (such copy does not constitute notice but is required for notice to be effective):

Federal Reserve Bank of Minneapolis
90 Hennepin Ave.
Minneapolis, MN 55401

Attention: SVP, General Counsel

Email Address:

With a copy to (such copy does not constitute notice but is required for notice to be effective):

9. Internal Controls. The Reserve Banks will maintain an internal controls program with respect to the discount window that is designed to ensure effective and efficient operations, reliable reporting, and compliance with applicable laws and regulations, which program applies to the BTFP.

10. Miscellaneous.

(a) Each party hereto represents and warrants that this Agreement constitutes its valid and legally binding agreement enforceable against it in accordance with its terms.

(b) This Agreement will be governed by and construed in accordance with Federal law, and if there is no applicable Federal law, the laws of the State of New York.

(c) This Agreement may be amended, modified, or supplemented only by an instrument in writing executed by Treasury and the Reserve Banks.

(d) This Agreement may be executed in counterparts, and delivery of an executed counterpart of a signature page of this Agreement by telecopy, emailed .pdf, or any other electronic means that reproduces an image of the actual executed signature page will be effective as delivery of a manually executed counterpart of this Agreement. Each party to this Agreement agrees that electronic signatures, whether digital or encrypted, of the parties included in this Agreement have the same force and effect as manual signatures.

(e) This Agreement constitutes a contract solely between Treasury and the Reserve Banks and is enforceable solely by them and no other persons. This Agreement may not be enforced on a third party beneficiary or any similar basis.

(f) Except as provided in this Agreement, neither Treasury nor a Reserve Bank will assign any of its respective rights, benefits, duties or obligations hereunder without the prior written consent of the Reserve Banks or Treasury, respectively.

(g) The parties agree that Treasury, the Board, and the Reserve Banks may make this Agreement publicly available, including by publishing this Agreement on any of their websites.

11. Rules of Construction. The parties agree that this Agreement is based on unique facts and circumstances to the BTFP, is not applicable to any other programs or facilities previously authorized or that may in the future be authorized pursuant to section 13(3) of the Federal Reserve Act, and shall not be interpreted to set forth any broader understanding about the appropriate terms of credit protection between the parties.

[signatures appear on the following page(s)]

In witness whereof, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

UNITED STATES DEPARTMENT OF THE TREASURY

By: _____

Name: _____

Title: Under Secretary

THE FEDERAL RESERVE BANK OF ATLANTA

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF BOSTON

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF CHICAGO

By: _____

Name: _____

Title: _____

[Signature Page to Bank Term Funding Program Credit Protection Agreement]

CLEARED FOR RELEASE

In witness whereof, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

UNITED STATES DEPARTMENT OF THE TREASURY

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF ATLANTA

By: _____
Name: _____
Title: President and Chief Executive Officer

THE FEDERAL RESERVE BANK OF BOSTON

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF CHICAGO

By: _____
Name: _____
Title: _____

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UNITED STATES DEPARTMENT OF THE TREASURY

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF ATLANTA

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF BOSTON

By: _____

Name: _____

Title: President and Chief Executive Officer

THE FEDERAL RESERVE BANK OF CHICAGO

By: _____

Name: _____

Title: _____

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UNITED STATES DEPARTMENT OF THE TREASURY

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF ATLANTA

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF BOSTON

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF CHICAGO

By: _____

Name: _____

Title: President & CEO

THE FEDERAL RESERVE BANK OF CLEVELAND

By: _____
Name: _____
Title: First Vice President

THE FEDERAL RESERVE BANK OF DALLAS

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF KANSAS CITY

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF MINNEAPOLIS

By: _____
Name: _____
Title: _____

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THE FEDERAL RESERVE BANK OF CLEVELAND

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF DALLAS

By: _____

Name: _____

Title: President and CEO

THE FEDERAL RESERVE BANK OF KANSAS CITY

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF MINNEAPOLIS

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF CLEVELAND

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF DALLAS

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF KANSAS CITY

By: _____

Name: _____

Title: president and CEO

THE FEDERAL RESERVE BANK OF MINNEAPOLIS

By: _____

Name: _____

Title: _____

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CLEARED FOR RELEASE

THE FEDERAL RESERVE BANK OF CLEVELAND

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF DALLAS

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF KANSAS CITY

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF MINNEAPOLIS

By: _____

Name: _____

Title: _____ President _____

THE FEDERAL RESERVE BANK OF NEW YORK

By: _____

Name: _____

Title: _____ President and Chief Executive Officer

THE FEDERAL RESERVE BANK OF PHILADELPHIA

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF RICHMOND

By: _____

Name: _____

Title: _____

THE FEDERAL RESERVE BANK OF SAN FRANCISCO

By: _____

Name: _____

Title: _____

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THE FEDERAL RESERVE BANK OF NEW YORK

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF PHILADELPHIA

By: _____
Name: _____
Title: President and CEO

THE FEDERAL RESERVE BANK OF RICHMOND

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF SAN FRANCISCO

By: _____
Name: _____
Title: _____

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THE FEDERAL RESERVE BANK OF NEW YORK

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF PHILADELPHIA

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF RICHMOND

By: _____
Name: _____
Title: President & CEO

THE FEDERAL RESERVE BANK OF SAN FRANCISCO

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Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF NEW YORK

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Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF PHILADELPHIA

By: _____
Name: _____
Title: _____

THE FEDERAL RESERVE BANK OF RICHMOND

By: _____
Name: _____
Title: _____

THE FED SERVE BANK OF SAN FRANCISCO

By: _____
Name: _____
Title: President & CEO

THE FEDERAL RESERVE BANK OF ST. LOUIS

By: _____

Name: _____

Title: President and CEO

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