



NEW YORK CITY BANKING COMMISSION
727 MUNICIPAL BUILDING, NEW YORK, N.Y. 10007
Telephone: 212 669 2746

Robert Y. Lee, Secretary

BANKING DEVELOPMENT DISTRICT PROGRAM

The following conditions must be met before the New York City Banking Commission will deposit any funds with a participant in the program.

1. The bank must be a participant in the New York State Banking Department's BDD Program.
2. The bank or Banking Development District (BDD) branch must be a designated depository bank of the City of New York.
3. The participant bank must have opened the branch in the BDD consistent with the provisions of Banking Law §96-d and 3 NYCRR Part 8 prior to the New York City Banking Commission depositing any monies.
4. The participant bank must complete an undertaking agreement with the New York City Department of Finance and/or the Office of the Comptroller of the City of New York pledging sufficient collateral with the City's custodial bank to ensure the City's deposit is fully protected.
5. The participant bank should provide evidence of the State's current and historical BDD deposits (both market rate and below market rate) associated with the BDD program, and for all branches participating in the program.
6. The participant bank must provide to the New York City Banking Commission an independently audited public financial statement for the bank and bank holding company for the current and prior fiscal year.
7. The participant bank must provide to the New York City Banking Commission a report providing at the very least the current and prior year's deposit and loan activity. In addition, please provide deposit and loan projections for the BDD branch for the next three years, and any interim reports as requested by the Banking Commission.
8. Please provide the current managerial structure at the participating bank and bank holding company.
9. Funds will not be wired to the participant bank until facsimile confirmation of the collateral deposit has been delivered to the City's custodial bank. The confirmation must include the agreed upon start date, maturity date, par and rate.

The interest on the deposit will be due at maturity and will be computed as follows:

$$\text{Par} \times \text{Rate} \times \text{days}/360$$

For information regarding BDD deposits:

Department of Finance

Robert Y. Lee, Associate Commissioner, (212) 669-2746

Office of the Comptroller

Denise L. Pease, Director of Commercial Banking, (212) 669-7304

For more specific information regarding Undertaking Agreement, Bond & Pledge Agreement, Collateral Pledge, Letter of Credit with Home Loan Bank please contact:

Department of Finance

Martin Friedland (212) 669-2747

Dean Rainey (212) 669-4749

Office of the Comptroller

David Jeter (212) 669-8539