

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N.Y. 10045-0001

AREA CODE 212-720-5000

November 9, 1998
Clearing Memo #209

TO: Memorandum to Institutions Maintaining Direct Wire
Facilities with the Federal Reserve Bank of New York for
Securities Transfer

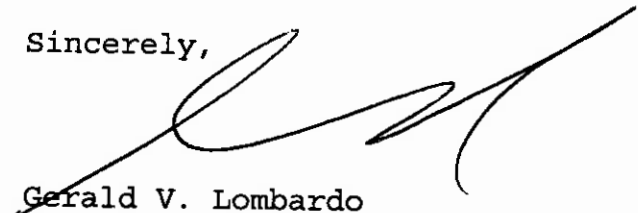
RE: Expansion of Book-Entry Services for the Federal Home
Loan Banks (FHLB)

Further to our Clearing Memo #208 dated October 30, 1998, the Federal Home Loan Banks (FHLB) will also issue Indexed Principal Redemption Bonds with a principal & interest (P&I) remittance on the 15th calendar day of each month. The record date of these new securities will be the last business day of the month and the payment date will be the 15th day of the following month (or the next business day if the 15th is a holiday). As a result, the span between the record date and the payment date for the new securities is 15 days.

All features of these securities, including the alpha mnemonic FHCM, will be the same as outlined in Clearing Memo #208, except for the P&I payment date.

Questions regarding this announcement should be directed to Gail Armendinger, Staff Director, Electronic Payments Department, at (212) 720-7980.

Sincerely,



Gerald V. Lombardo
Assistant Vice President
Electronic Payments Function