

October 19, 2022

Federal Housing Finance Authority  
400 7<sup>th</sup> Street, SW  
Washington, DC 20024

Re: Federal Home Loan Bank of New York

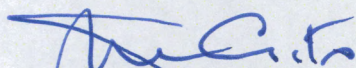
The Federal Home Loan Bank of New York has been a critical partner of Merchants Commercial Bank (MCB) since its inception sixteen years ago.

By providing a reliable, cost-effective source of liquidity in both healthy economic environments as well as challenging scenarios, the FHLBNY has enabled MCB to serve the Territory of the Virgin Islands of the United States on a consistent basis. As the only active commercial bank chartered in the Virgin Islands, MCB has survived the financial disruption of the 2008-2009 recession, as well as multiple category 5 hurricanes, in large part due to the support provided by FHLBNY through recovery grant programs and Disaster Relief funding. Countless numbers of U.S.V.I small businesses remain operative today due to the funding provided by the FHLBNY in the aftermath of natural disasters.

These disasters have resulted in extraordinarily high insurance premiums for virtually all real property policies, and in many cases led to carriers no longer providing coverage in the marketplace. The FHLBNY has provided the means for the few local carriers that remain to obtain funding for their operations at competitive rates, which in turn can increase capacity and create a more competitive pricing environment.

The officers of the FHLBNY take the time to understand the unique needs of the Territory and have made the effort to tailor programs to meet those needs. We are grateful for their contribution and request that they continue to receive the support of the Federal Housing Finance Agency to carry out their critical mission.

Sincerely,



James E. Crites  
CEO