



2016 Disaster Relief Program Agreement for Home Purchase Assistance

This 2016 Disaster Relief Program Agreement for Home Purchase Assistance (“Agreement”) is made as of this ____ day of _____, 20____, by and between the FEDERAL HOME LOAN BANK OF PITTSBURGH, a corporation organized and existing under the laws of the United States of America, and having its principal place of business at 601 Grant Street, Pittsburgh, Pennsylvania 15219 (“FHLBank”), and _____, a _____, and having a place of business at _____ (the “Member”).

BACKGROUND

FHLBank has established the 2016 Disaster Relief Program for Home Purchase Assistance (the “Home Purchase Assistance Program”) to provide funds to its members to assist qualified homeowners affected by flooding in federally declared disaster areas in West Virginia.

OPERATIVE PROVISIONS

NOW, THEREFORE, intending to be legally bound hereby, incorporating the above-defined terms herein, in consideration of the foregoing and the mutual covenants herein contained, and for further good and valuable consideration, the FHLBank and the Member (sometimes referred to individually as, a “Party” or collectively, the “Parties”) agree as follows:

1. **AHP Regulation.** Pursuant to Section 10(j) of the Federal Home Loan Bank Act (12 U.S.C. 1430(j)) (the “Act”) and the regulations promulgated by the Federal Housing Finance Agency (including any successor thereto, the “Finance Agency”) thereunder at 12 C.F.R. Part 1291 (together with the policies and procedures established by the Finance Agency in connection therewith, and including any modifications or replacements thereof, the “AHP Regulation”), the Home Purchase Assistance Program is offered subject to requirements of the Act and the provisions of the AHP Regulation, which are incorporated by reference thereto into this Agreement. To the extent that the AHP Regulation is amended from time to time, this Agreement is deemed to incorporate such amendments to conform to any new requirements of such amendments; provided, however, no such amendment shall affect the legality of actions taken prior to the effective date of such amendment.
2. **Program Guidance.** The Home Purchase Assistance Program shall be operated in accordance with FHLBank’s Affordable Housing Program Implementation Plan (the “AHP Implementation Plan”) and the 2016 Disaster Relief Program Guidebook for Home Purchase Program Assistance (the “Guidebook”). The AHP Implementation Plan and the Guidebook, as may be amended, modified, or supplemented from time to time by FHLBank, in its sole discretion, are incorporated herein by reference thereto. Any reference to this Agreement shall be a reference to this Agreement, the AHP Implementation Plan, and the Guidebook. The Member hereby acknowledges receipt of the AHP Implementation Plan and the Guidebook. All interpretations of the AHP Implementation Plan and the Guidebook and any other decisions regarding the Home Purchase Assistance Program shall be made by the FHLBank in its sole discretion and shall be final and binding on the Member.
3. **Definitions.** All terms not defined herein shall have the respective meanings set forth in the AHP Regulation, the AHP Implementation Plan, and the Guidebook, as each may be modified or replaced from time to time.
4. **Approval of Application.** The Member shall be bound by the terms and conditions governing the approval and funding of the 2016 Disaster Relief Program Application for Home Purchase Assistance (the “Application”), including any and all representations made in the Application. Approval of the Application by the FHLBank shall be conditional and shall be subject to the AHP Regulation, the AHP Implementation Plan, and the Guidebook. Approval shall be effective only upon written notice from the FHLBank to the Member.
5. **General Requirements of Participation.** Participation in the Home Purchase Assistance Program is subject to compliance by the Member with all the terms, conditions, and procedures set forth in this Agreement. The Member agrees to comply with and be bound by the AHP Regulation, the AHP Implementation Plan, the Guidebook, and the commitments made in the Application.
6. **Retention.**
 - (a) “Retention Period” means five years from the date the retention agreement or mechanism (as described in subparagraph (b) of this paragraph) is executed by a homeowner receiving funds under the Home Purchase Assistance Program (“Homeowner”).
 - (b) The Member shall ensure that each housing unit that is purchased under the Home Purchase Assistance Program shall be subject to a deed restriction or other legally enforceable retention agreement or mechanism, consistent with the AHP Regulation and this Agreement, and requiring at a minimum, that: (i) the FHLBank or its designee be given notice of any sale or refinancing of the unit occurring prior to the end of the Retention Period; (ii) in the case of a sale of the unit prior to the end of the Retention Period, an amount equal to a pro rata share of the home purchase assistance received by the Homeowner (“Home Purchase Assistance”), reduced for every

year the Homeowner owned the unit, be repaid to the FHLBank from any net gain realized upon the sale, after deduction for sales expenses, unless the unit is purchased by a very low-, low- or moderate-income household, as such term is defined at Section 1291.1 of the AHP Regulation; (iii) in the case of a refinancing of the unit prior to the end of the Retention Period, an amount equal to a pro rata share of the Home Purchase Assistance, reduced for every year the Homeowner owned the unit, be repaid to the FHLBank from any net gain realized upon the refinancing, unless, following the refinancing, the unit continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism, incorporating the requirements of clauses (i), (ii), and (iii) of this subparagraph (b); and (iv) the obligation to repay the Home Purchase Assistance to the FHLBank shall terminate after any foreclosure.

- (c) In the event that a housing unit that is purchased under the Home Purchase Assistance Program is sold or refinanced prior to the end of the Retention Period and repayment of the Home Purchase Assistance is required pursuant to this Paragraph 6 and the AHP Regulation, then the Repayment and Recovery Provisions set forth in Paragraph 7 hereinbelow shall apply. If due to circumstances that are not a result of an action or omission of the Member, a unit goes into foreclosure or another form of noncompliance occurs prior to the end of the unit's Retention Period, the Member shall be required to recover and repay to the FHLBank only that amount of the Home Purchase Assistance that the Member can recover through reasonable collection efforts. If a unit in the Home Purchase Assistance Program goes into foreclosure or another form of noncompliance occurs due to an action or omission of the Member, then the Repayment and Recovery Provisions of Paragraph 7 hereinbelow shall apply.
- (d) The Member shall notify the FHLBank in writing of a sale, refinancing, foreclosure or transfer in lieu of foreclosure of a unit that is purchased under the Home Purchase Assistance Program at least thirty (30) days prior to the anticipated happening of such an event.
- (e) Any repayments of Home Purchase Assistance received by the Member shall be paid forthwith to the FHLBank.

7. Repayment and Recovery Provisions.

(a) Noncompliance by Member

The Member shall repay that portion of the Home Purchase Assistance to the FHLBank, plus interest as conclusively determined by the FHLBank consistent with this Agreement that, as a result of the Member's actions or omissions, is not used in compliance with the terms of this Agreement, the Application or the requirements of the AHP Regulation, unless such noncompliance is cured by the Member within a reasonable period of time, as determined by the FHLBank, or the circumstances of such noncompliance are eliminated through an approved

modification of the application for such Home Purchase Assistance.

- 8. Access to Information and Records.** The Member shall provide to FHLBank any documents related to the Home Purchase Assistance Program requested by the FHLBank.

FHLBank may from time to time request that the Member allow the inspection of any of the books and records of the Member pertaining to this Agreement and the Member shall allow such inspections and access to their books and records at reasonable times during their normal business hours and upon reasonable terms without disruption to their normal business operations.

- 9. Representations and Warranties of the Member.** The Member hereby represents and warrants to FHLBank as follows:

- (a) Existence and Power. The execution and delivery of this Agreement and compliance by the Member with all provisions of this Agreement (i) are within the power and authority of the Member, and (ii) have been duly authorized by all requisite corporate proceedings. This Agreement has been duly executed and delivered by the Member and constitutes a valid and binding agreement of the Member, enforceable in accordance with its terms, except as such enforceability may be limited by laws affecting the rights of creditors generally or by principles of equity.
- (b) Authority. The execution and delivery of this Agreement shall not conflict with or result in a breach of the terms, conditions or provisions of, give rise to a right of termination under, constitute a default under, or result in any violation of its Articles of Incorporation or Association, bylaws, or similar instruments or any mortgage, agreement, contract, instrument, order, judgment, decree, or current statute, law, rule or regulation to which the Member or any of its respective assets is subject.
- (c) Statements. The information given by the Member in the Application and in any other documents provided to the FHLBank, or in any oral statement made, in connection with the Application, is complete and accurate in all material respects.
- (d) Eligibility Standards; Use of Funds. The use of the Home Purchase Assistance funds meets the applicable minimum eligibility standards set forth in Section 1291.6 of the AHP Regulations. The funds shall be used only as set forth in the Application, and consistent with the requirements of the AHP Regulations.
- (e) Compliance with All Laws. The Member's participation in the Home Purchase Assistance Program is in compliance with all applicable state and federal laws and regulations.

- 10. Confidentiality.** The Member acknowledges that in connection with the Home Purchase Assistance Program, it will have access to and knowledge of certain confidential and proprietary information, including employment, income, assets, family characteristics and

other non-public personal information as defined by Title V of the Gramm-Leach-Bliley Act (public Law No. 106-102) and its implementing regulations and guidelines (“Confidential and Proprietary Information”).

The Member agrees to (i) use Confidential and Proprietary Information only for the purposes of administering the Home Purchase Assistance Program and ensuring that the Home Purchase Assistance Program meets the eligibility standards required by the AHP Regulation and the Guidebook, (ii) use commercially reasonable controls to safeguard Confidential and Proprietary Information, and comply with all applicable statutes, regulations, rules and other laws and prevent any prohibited or unauthorized use of such information, (iii) promptly notify the FHLBank of any unauthorized disclosure of or access to Confidential and Proprietary Information, and (iv) in the event of any such unauthorized disclosure or access, take such actions as are necessary to remedy such unauthorized disclosure or access.

Notwithstanding the foregoing, the Member will be required to release certain Confidential and Proprietary Information to the FHLBank provided that any such release is (i) necessary to ensure administration of the Home Purchase Assistance Program and its compliance with the AHP Regulation and the Guidebook, and (ii) made in strict compliance with federal and state privacy laws.

11. Miscellaneous.

- (a) Indemnification by Member. The Member agrees to indemnify and hold FHLBank harmless for any and all losses, liabilities, damages, claims, costs, and expenses, including, without limitation, attorneys’ fees, incurred or suffered by FHLBank for any breach of this Agreement by the Member or the willful misconduct or negligence of the Member in the performance of its obligations or responsibilities under this Agreement or its reckless disregard of such obligations or responsibilities. Such defense shall be conducted by legal counsel acceptable to FHLBank.
- (b) Notices. All notices and other communications shall be mailed, sent by facsimile transmission (with confirmation copy), or served personally on a Party at the address indicated below, or at such other address as shall be designated by a Party by future written notice to the other Party. Notice sent by facsimile transmission shall be effective on the date transmitted; notice sent by personal service shall be effective on the date of delivery; and notice sent by U.S. mail shall be effective three days after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid.

If to the Member:

Facsimile: () _____
Attn: _____
Title: _____

If to the FHLBank:

Federal Home Loan Bank of Pittsburgh
601 Grant Street
Pittsburgh, PA 15219-4455
Facsimile: (412) 288-4578
Attn: Community Investment Department

Any Party hereto may change the individual(s) or addresses listed hereinabove from time to time by written notice from an authorized individual of such Party to the other Party hereto.

- (c) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and permitted assigns of each of the Parties hereto.
- (d) Applicable Law; Severability. This Agreement shall be governed by the statutory and common law of the United States and, to the extent federal law incorporates or defers to state law, or is not applicable, the laws of the Commonwealth of Pennsylvania, excluding, however, the conflict of laws rules of such Commonwealth. In the event that any portion of this Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Agreement that can be given effect without the conflicting provision, and to this end the provisions of this Agreement are declared to be severable. To the extent the Finance Agency’s applicable regulations are inconsistent with any term or provision of this Agreement, said regulations shall govern the conduct and obligations of the Parties.
- (e) Amendment; Waivers. No modification, amendment, or waiver of any provision of this Agreement or consent to any departure therefrom shall be effective unless executed by all the Parties. Any forbearance, failure, or delay by a Party, in exercising any right, power, or remedy under this Agreement or under law or regulation shall not be deemed to be a waiver thereof, and any single or partial exercise by a Party of any right, power, or remedy shall not preclude the further exercise thereof. Every right, power, and remedy of a Party shall continue in full force and effect until specifically waived by the Party, in writing.
- (f) Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed an original, but all of which taken together shall be one and the same instrument.
- (g) Waivers. The respective rights and remedies of each Party hereto are cumulative, and no exercise or enforcement by any Party of any right or remedy hereunder shall preclude the exercise or enforcement by such Party of any other right or remedy hereunder, or which such Party is entitled by law to enforce. Any Party may waive any obligation of, or restriction

upon, the other Party hereto only in writing. No failure, refusal, neglect, delay, waiver, forbearance or omission of any Party to exercise any right under this Agreement or to insist upon full compliance by the other Party with their obligations hereunder shall constitute a waiver of any provision of this Agreement.

- (h) Assignment. The Member may not, voluntarily or involuntarily, or by operation of law or otherwise, assign or transfer any of its rights or obligations under this Agreement without the express prior written consent of the FHLBank.
- (i) Relationship of the Parties. No Party hereto shall have any obligation or responsibility to the other Party hereto except as specifically stated herein. It is the intention of the Parties hereto that this Agreement does not create a joint venture or partnership among the Parties, but rather constitutes a contractual arrangement among them.
- (j) Termination. Any Party to this Agreement may terminate its participation in the Home Purchase Assistance Program at any time by giving thirty (30) days' prior written notice to the other Party hereto. If FHLBank terminates this Agreement, FHLBank shall remain obligated to fund any Home Purchase

Assistance that was approved but not yet funded by FHLBank prior to the termination date. Notwithstanding any termination hereunder, all obligations of indemnification, reimbursement and the like set forth in this Agreement, including, without limitation, those set forth in Paragraph 11(a) hereof, shall survive the termination hereof.

- (k) Access to Records. FHLBank may from time to time request that the Member allow the inspection of any of the books and records of the Member, respectively, pertaining to this Agreement and the Member shall allow such inspections and access to their books and records at reasonable times during their normal business hours and upon reasonable terms without disruption to their normal business operations.
- (l) Entire Agreement. This Agreement constitutes the entire agreement among the Parties hereto and supersedes any and all prior agreements or understandings, verbal or written, among the parties with respect to the subject matter hereof.
- (m) Headings. Paragraph headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

[Signature page follows]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date and year first above written.

FEDERAL HOME LOAN BANK OF PITTSBURGH

By: _____

Name: _____

Title: _____

MEMBER

(Member)

By: _____

Name: _____

Title: _____