



Federal Home Loan Bank of Pittsburgh
Capital Stock Update

07-22
December 31, 2007

Subject: Excess Capital Stock Repurchase Notice for January 2008

Dear Member:

On Friday, January 4, 2008, the Bank will be executing a stock purchase or repurchase transaction in conjunction with the update to your Maximum Borrowing Capacity (MBC) based on September 30, 2007 regulatory Call Report data. This transaction will result in adjusting your stock position to the minimum capital stock requirement. If your institution is holding capital stock over and above the minimum requirement, your excess capital stock will be repurchased and your DDA will be credited. If your stock position is less than this required amount, the deficit position will be debited against your DDA. Please ensure that your DDA has a sufficient balance to accommodate any such debit on that date. It is important to note that DDA overdrafts as a result of the charge will not be waived and could involve significant penalties.

Calculations for each member's minimum stock requirement are based on 4.65% of loans outstanding and 0.65% of unused borrowing capacity. Unused borrowing capacity is calculated by using each member's MBC, based on 9/30/07 regulatory Call Report data, less each member's loans outstanding. Please note that the unused borrowing capacity component of the stock calculation uses a 30% limit on ORERC (other real estate related collateral) rather than the 50% limit used for MBC-collateral purposes. Each member's MBC Report as of September 30, 2007, will be mailed, and made available on Bank4Banks®, on or prior to January 4, 2008.

Please contact the Member Money Desk at 1-800-288-3400, ext. 4000, should you have questions.