

Product	Description	Maturity	Disbursement	Prepayment Penalty	Repayment	Common Uses
Advance Restructuring	A solution that extends the maturity and reduces the rate of existing advances, restructure outstanding advances for certain eligible product types and blend the contractual prepayment fee into the rate of the new long-term advance.	Maturity determined by new advance.	Next day settlement if requested by 1:00 p.m.	There is no cash settlement of the prepayment fee since it is blended into the rate of the new advance. Once restructured, new loan product prepayment guidelines apply.	Once restructured, new loan product prepayment guidelines apply.	Allows the members to extend duration of advances without increasing their advance balance. May result in a lower cost on new advances compared to the original advance. Improved NIM.
Classic Advance (offers both short and long term maturities)	Fixed term, nonamortizing advance. Automatic discount off posted rate with a maturity of more than one year if your advance-to-assets ratio is 10% or more. Ability to lock in a guaranteed rate up to two years before disbursement. ²	Terms out to 20 years.	Next-day if requested by 3:00 p.m. (Same-day possible if requested by noon)	Prepayable if maturity of more than six months, subject to a fee.	Principal due at maturity and interest is due on second business day of the month. For maturities of one year or less, you have the option to pay principal and interest at maturity.	Manage liquidity needs. Manage interest-rate risk sensitivity. Fund short- or long-term assets.
Overnight Funding						
Daily Cash Manager	Overnight funding product available until 5:00 p.m. There is no minimum and rate is set at the time of the transaction.	One day.	Same-day.	N/A	Principal and interest automatically charged to your IDEAL Way account at maturity.	Manage daily liquidity needs.
Rollover Cash Manager	Overnight funding with automatic rollover at maturity.	One day.	Same day or next-day.	N/A	Automatic rollover to a new one-day advance at the prevailing rate. Interest due monthly on second business day of the month.	Manage daily liquidity needs.
IDEAL Cash Manager	Overnight funding using your IDEAL Way line of credit. Term of one business day and will be automatically charged back to your account on the business day following issuance.	One day.	Same-day.	N/A	Automatically charged to your IDEAL Way account at maturity. Interest due monthly on the second business day of the month.	Manage daily liquidity needs.

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Long-Term Fixed Rate Advances						
Amortizing Advance	Fixed-term, amortizing advance with an amortizing principal. Automatic discount off posted rate with a maturity of more than one year if your advance-to-assets ratio is 10% or more. Ability to lock in a guaranteed rate of up to two years before disbursement. ³	Terms out to 20 years.	Funds will be available the same day if you call by noon and the following day if requested by 3:00 p.m.	Prepayable in full or in part at anytime. Partial payments may be in amounts as small as \$100,000. With partial prepayments, principal and interest payments recalculated.	Principal and interest due on the first business day of the month.	Fund short- or long-term assets whose principal balance declines on a monthly basis due to amortization and/or prepayment.
Classic Plus Cap Advance	Nonamortizing, fixed-term advance with an interest rate that adjusts periodically below the initial rate if LIBOR exceeds a predetermined strike-rate you choose.	Terms out to 20 years.	Two business days after the trade date.	Advances may be prepaid subject to a fee. Please see the Classic Plus Cap Advance Application for more information on the payment fees.	Principal due at maturity and interest due at one- or three-month intervals, in accordance with the index.	Limit exposure to rising interest rates with the added benefit of a reduced interest rate if rates rise above the cap strike level. Fund short- or –long-term assets.
Expander Advance	Nonamortizing fixed-term and rate advance. You have a one-time opportunity to increase the principal amount by 100% of the original amount, at the original interest rate for the remaining term of the advance.	Terms out to 20 years.	Two business days after the trade date	Advances may be prepaid subject to a fee. Please see the Expander Advance Application for more information on the payment fees.	Principal is due at maturity and interest is due on the second business day of the month.	Limit exposure to rising interest rates. Fund short- or long-term assets.
HLB-Option Advance³	Nonamortizing fixed-rate and term advance. The Bank holds the option to cancel on certain specified dates prior to maturity. Offered with an initial lockout period during which the Bank cannot cancel the advance three	6 months to 15 years.	Two Boston business days.	Advances may be prepaid, subject to a fee. Please see the HLB-Option Advance Application for more information.	Principal due at maturity. Interest due monthly on second business day of the month. If cancelled, principal and interest due on cancellation date.	Generally used in a flat-yield curve environment to obtain a lower cost of funding than a Classic advance with a maturity equal to the lockout period. Fund short- or long-term assets.

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	months to 10 years.					
HLB-Option Plus Cap Advance	Nonamortizing, fixed-rate and term advance. The Bank holds the option to cancel on specified dates prior to maturity. Advance rate may decrease if LIBOR rises above a member-chosen strike rate.	Terms out to 20 years.	Two business dates after the trade date.	Advances may be prepaid, subject to a fee. Please see the HLB-Option Plus Cap Advance Application for more information.	Principal due at maturity. Interest due at one or three month intervals in accordance with the index. If canceled, principal and interest due on the cancellation date.	Generally used in a flat-yield curve environment to obtain a lower cost of funding than a Classic advance with a maturity equal to the lockout period. Added benefit of a reduced interest rate if rates rise above the cap strike level.
Knockout Advance³	Nonamortizing, fixed-rate and term advance. The advance will be cancelled automatically if LIBOR equals or exceeds a specified strike rate on selected dates, both selected by the member. ⁴	Terms out to 20 years.	Two business days after the trade date.	Advances may be prepaid, subject to a fee. Please see the Knockout Advance Application for more information.	Principal due at maturity. Interest due monthly on second business day of the month. If cancelled, principal and interest due on cancellation date or you may replace the advance with a new advance.	Generally used in a flat-yield curve environment to obtain a lower cost of funding than Classic advances with a maturity equal to the lockout period. Fund short- or long-term assets.
Member-Option Advance	Nonamortizing, fixed-term and rate advance. Members have the option to cancel the advance on specified cancellation dates the select. One-time cancellation options available. Protects your cost of funds against future rate changes, whether rates go up or down. Ability to lock in a guaranteed rate up to two years before disbursement. ²	Terms out to 20 years.	Three business days after the trade date.	Prepayable in full or in part, on specified cancellation dates with no prepayment fee. The advance may be prepaid subject to fee on any date other than a specified cancellation date. See Member-Option Advance Application for more information.	Principal due at maturity, Interest due monthly on the second business day of the month. Members may repay some or all of the principal on the specified cancellation dates.	Manage interest-rate-risk sensitivity. Fund short- or long-term assets. Manage exposure to prepayment risk of assets.

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Symmetrical Prepayment Advance³	Nonamortizing, fixed-term and rate advance with a special prepayment feature that allows you to prepay the advance at its approximate market value.	Terms out to 20 years.	Next-day if requested by 3:00 p.m.	Advances may be prepaid, with two business days prior notice, in an amount equal to the approximated market value of the advance. For more information please see the Symmetrical Prepayment Advance Application and Symmetrical Prepayment Advance table .	Principal due at maturity and interest is due monthly on second business day of the month.	Manage liquidity needs. Manage interest-rate-risk sensitivity. Fund short- or long-term assets. In a rising-rate environment, the gain from prepayment can be used to offset the loss on sale of securities or other assets.
Long-Term Variable-Rate Indexed Advances						
Capped Floater Advance	Nonamortizing fixed rate that periodically adjusts according to LIBOR and is capped at a strike level you choose.	Terms out to 20 years.	Two business days after the trade date.	Advances may be prepaid, subject to a fee. Please see the Capped Floater Advance application for more information.	Principal due at maturity. Interest due on rate-adjustment dates.	Manage interest rate risk. Fund LIBOR-indexed assets containing a lifetime cap.
Collar Advance	Nonamortizing, fixed-term advance with an interest rate that periodically adjusts according to changes in LIBOR. The advance contains a combination of an interest-rate cap and an interest-rate floor you choose. The interest rate on the advance floats within the cap and floor plus the spread to the index.	Terms out to 20 years.	Funds are available two business days from the trade date.	The advance may be prepaid, subject to a fee. Please see the Collar Advance Application for more information.	Principal due at maturity. Interest due on rate-adjustment date.	Cost-effective alternative to the Capped Floater advance to limit exposure to rising rates while giving up some of the benefits of falling interest rates. Fund LIBOR-indexed assets.

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Corridor Advance	Nonamortizing, fixed-term advance containing two member-chosen interest-rate caps. The advance rate will be fixed if the index is between cap one and cap two, and it will periodically adjust when the index exceeds cap two.	Terms out to 20 years.	Two business days after the trade date.	Advances may be prepaid, subject to a fee. Please see the Corridor Advance Application for more information.	Principal due at maturity. Interest due on rate-adjustment dates.	Manage exposure to rising interest rates. Fund adjustable-rate assets and realize a wider margin on the transaction as long as market rates remain within an interest-rate corridor.
Discount Note Auction-Floater Advance	Nonamortizing, fixed-term advance with an interest rate that adjusts periodically according to changes in the FHLB System, Office of Finance discount-note auction rates.	Terms out to 20 years.	Next day.	Prepayable with two business days prior notice only on reset dates with no fee. Please see the Discount Note Auction-Floater Application for more information.	Principal due at maturity. Interest due on the rate-adjustment date.	Manage liquidity needs. Fund adjustable-rate assets. Manage exposure to declining interest rates. Long-term funding commitment at short-term rates.
Flipper Advance³	Nonamortizing, floating-to-fixed-rate advance where the Bank holds the option to cancel the advance on certain specified dates after a specified lockout period. During the lockout period, the advance rate will adjust periodically according to changes in LIBOR and generally be sub-LIBOR (the spread to LIBOR is determined by the member). If the advance is still outstanding after the lockout period, it will flip to a predetermined fixed rate.	Terms out to 20 years.	Two business days after the trade date.	Advance may be prepaid, subject to a fee. Please see the Flipper Advance Application for more information.	Principal due at maturity. Interest is due monthly on the second business day of the month. If the Bank exercises its option to cancel, you must repay the advance, but you may replace it with a new advance.	Generally used in a flat-yield curve environment when margins are under pressure. Manage interest-rate-risk sensitivity.

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LIBOR Indexed Advance	Nonamortizing, fixed-term advance with an interest rate that adjusts periodically, according to changes in LIBOR.	Terms out to 20 years.	Two business days after the trade date.	Advances may be prepaid, subject to a fee. There is no fee if prepaid at reset dates. Please see the LIBOR Indexed Advance Application for more information.	Principal due at maturity and interest due on rate-adjustment dates.	Manage liquidity needs. Fund adjustable-rate assets. Manage exposure to declining interest rates. Long-term funding commitment at short-term rates.
The Slider Advance	Nonamortized, fixed-term advance, with an interest rate that adjusts periodically to changes in LIBOR and an embedded interest-rate floor position. For every basis point LIBOR sets below the strike rate of the floor, the advance rate will decline by two basis points.	Terms out to 20 years.	Two business days after the trade date.	Prepayable with prior notice at rate-reset dates with no penalty for the advance component. Member will be charged for the remaining premium cost of the embedded floor feature net of the actual unwind value on the Bank's underlying floor.	\$10 million minimum per transaction or an aggregate of \$10 million for special offerings. Principal is due at maturity. Interest due on rate-adjustment date.	Manage exposure to declining short-term interest rates. Fund adjustable-rate assets.
Other						
Letters of Credit	Support a wide range of business activity our standby and confirming LOC's issued to members can be used to facilitate residential housing finance and community lending, assist with asset/liability management, or to provide liquidity or other funding. An FHLB Boston issued LOC provides the backing of a triple-A-rated institution that ensures wide acceptance for multiple purposes. For more information on using letters of credit, please consult your relationship manager.					
Community Development Advances	We also offer Community Development Advances for affordable housing, economic development and mixed-use initiatives. Please contact the Housing and Community Development Department at housing@fhlbboston.com or 1-888-424-3863.					

¹This reference includes information that is subject to change without notice. A master application signed by an authorized officer from your institution must be on file at FHLB Boston.

²Forward commitment adds a premium to current rate.

³Orders of less than \$10 million will be aggregated with other requests with identical terms and executed when order totals \$10 million.

⁴LIBOR is the London Interbank Offered Rate, which refers to the rates that most major international banks dealing in Eurodollar currency charge each other for large loans.