

IRREVOCABLE STAND-BY LETTER OF CREDIT NO. \_\_\_\_\_

\_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_, as Letter of Credit Trustee (the “Beneficiary”)

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Ladies and Gentlemen:

1. This Letter of Credit is issued to you as Letter of Credit Trustee (the “Letter of Credit Trustee”) under that certain Letter of Credit Trust Agreement dated as of \_\_\_\_, between \_\_\_\_\_, a member of the Federal Home Loan Bank of Boston (the “FHLBank”), having its principal offices in \_\_\_\_\_, as Trustor (the “Member”), and you, as the Letter of Credit Trustee (the “Trust Agreement”).

2. At the request, and for the account of the Member, and in order to facilitate a transaction entered into between you and the Member, the FHLBank hereby issues its Irrevocable Stand-by Letter of Credit No. \_\_\_\_\_ (this “Letter of Credit”) in your favor as support for the payment of principal and interest on certain deposits held at the Member as set forth in the Trust Agreement (the “Deposits”). Subject to the terms and conditions of this Letter of Credit, the FHLBank authorizes you to draw on the FHLBank up to the maximum amount of \$ \_\_\_\_\_ (the “Maximum Credit Amount”). Partial drawings are permitted. This Letter of Credit is effective immediately and expires at 4:00 p.m. on \_\_\_\_\_ or, if such day is not a Business Day (as hereinafter defined), on the next succeeding Business Day (the “Expiration Date”). This Letter of Credit is subject to automatic termination as provided in paragraph 6 hereof.

The term “Business Day” means any day upon which the FHLBank is open for business. References to any time of day in this Letter of Credit shall refer to Eastern Standard Time or Eastern daylight saving time, as in effect in the Commonwealth of Massachusetts on such day.

3. Funds under this Letter of Credit are available to you following your presentation to the FHLBank, on a Business Day prior to the termination of this Letter of Credit, of: (i) your sight draft in the form of Annex 1, referring thereon to the number of this Letter of Credit; and (ii) your written and completed certificate in the form of Annex 2 hereto

4. Presentation of your sight draft and certificate, as aforementioned, and delivery of all notices required hereunder may be made at the FHLBank’s offices at 800 Boylston Street, 9th Floor, Boston, Massachusetts, 02199, Attention: Chief Financial Officer, by United States mail or nationally recognized overnight courier. You may also fax your sight draft and certificate and deliver any notices hereunder to the FHLBank at 617-375-2236, provided, immediately thereafter, you verbally attempt to confirm the FHLBank’s receipt of the faxed documents by calling the FHLBank’s Customer Service Department at 1-800-357-3452 (option 3), and provided further that any failure to get such confirmation

shall not invalidate any such presentation. Presentation of your sight draft and certificate and delivery of all notices required hereunder shall be deemed to have been duly given when actually received by the FHLBank. In addition, following use of any such fax, you also agree to send to the FHLBank by United States mail or nationally recognized overnight courier the signed originals of such documents. Presentation may not be made in any manner other than as provided in this paragraph 4. If such presentation is made in strict conformity with the terms and conditions of this Letter of Credit at or prior to 11:00 a.m. on a Business Day, payment hereunder will be made in the manner described below on the same Business Day on which such presentation is made. If such presentation is made after 11:00 a.m. on a Business Day, payment hereunder will be made in the manner described below on the next Business Day following the day on which such presentation is made. Any drawing under this Letter of Credit Confirmation will be paid from funds of the FHLBank. Payments under this Letter of Credit will be made by wire transfer of immediately available funds to such account as is designated in your sight draft.

5. Demands for payment under this Letter of Credit honored by FHLBank shall not, in the aggregate, exceed the Maximum Credit Amount. Subject to the preceding sentence, each demand for payment honored under this Letter of Credit shall pro tanto reduce the then current amount available under this Letter of Credit.

6. This Letter of Credit shall automatically terminate upon the first to occur of: (a) the Expiration Date (as such date may have been extended); (b) the date on which FHLBank receives a certificate from you in the form of Annex 3 hereto that this Letter of Credit has been terminated prior to its Expiration Date (as such date may have been extended); (c) the date this Letter of Credit terminates pursuant to its terms; or (d) the date on which the final drawing available hereunder is honored. You shall use your best efforts to promptly surrender this Letter of Credit to FHLBank upon any such termination, provided, however, that you shall not be required to surrender this Letter of Credit in the event that this Letter of Credit terminates as a result of the occurrence of the Expiration Date. Notwithstanding the foregoing, nothing herein shall require the surrender of this Letter of Credit as a condition to the honoring by FHLBank of the final drawing available hereunder.

7. This Letter of Credit is transferable in its entirety (but not in part) with the consent of FHLBank, which consent shall be given for any transferee who you certify to FHLBank has succeeded you as Trustee under the Trust Agreement, and may be successively transferred in the same manner. Transfer of this Letter of Credit to such successor transferee shall be effected by the payment by the Member to the FHLBank of any cancellation and transfer fees then in effect, and the presentation to the FHLBank of this Letter of Credit accompanied by a certificate substantially in the form of Annex 4 hereto appropriately completed and executed. Upon satisfaction of the conditions set forth in this paragraph 7, the FHLBank agrees to issue a substitute letter of credit to any such successor trustee (and to successively replace any such substitute letter of credit). Each substitute letter of credit will be in substantially the form of this Letter of Credit, except for the date and letter of credit number.

8. Only you (or a transferee permitted by the terms of this Letter of Credit) may make a demand for payment under this Letter of Credit. Upon the payment to you, your designee, or your account of the amount specified in a demand for payment, the FHLBank shall be fully discharged on its obligation under this Letter of Credit with respect to such demand for payment, and FHLBank shall not thereafter be obligated to make any further payments under this Letter of Credit with respect to such demand for payment to you or any other person. By paying to you an amount demanded in accordance herewith, the FHLBank makes no representation as to the correctness of the amount demanded.

9. This Letter of Credit sets forth in full the terms of FHLBank’s undertaking, and this undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement. All drafts, drawings and certificates referred to herein that are presented to FHLBank from time to time shall become an integral part of this Letter of Credit and shall be binding on any transferee permitted by the terms of this Letter of Credit.

10. This Letter of Credit has been issued under the authority of the Federal Home Loan Bank Act, Rules and Regulations of the Federal Housing Finance Agency and policies, guidelines and directives of the Federal Housing Finance Agency. Except as otherwise provided herein, this Letter of Credit shall be governed by and construed in accordance with the International Chamber of Commerce (ICC) Publication 590-International Standby Practices, (the “ISP 98”), or any subsequent revisions or restatements thereof, which may be adopted by the ICC and in use by the FHLBank. As to matters not covered by the ISP 98 and to the extent not inconsistent with the ISP 98 or made inapplicable by this Letter of Credit, this Letter of Credit shall be governed by the laws of the Commonwealth of Massachusetts, including the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts.

11. The FHLBank will assume no liability or responsibility for consequences, beyond commercially reasonable efforts, arising out of the interruption of its business by Acts of God, riots, civil commotions, insurrections, wars or any other causes beyond our control, or strikes or lockouts.

12. With the prior written consent of the FHLBank in the form of an executed amendment to this Letter of Credit in the form of Annex 5 hereto, the Maximum Credit Amount set forth in paragraph 2 hereof may be modified. Any request for an increase in the Maximum Credit Amount shall be evidenced by an application in the form of Annex 6 hereto executed by the Member and delivered to the FHLBank. Any request for a reduction in the Maximum Credit Amount shall be evidenced by an application in the form of Annex 7 hereto executed by the Member and the Beneficiary and delivered to the FHLBank.

Very truly yours,  
FEDERAL HOME LOAN BANK  
OF BOSTON  
  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ANNEX 1 To  
Letter of Credit No. \_\_\_\_\_

Sight Draft

Reference: FHLB - Boston Irrevocable  
Stand-by Letter of Credit Reference No:  
\_\_\_\_\_

To: Federal Home Loan Bank of Boston  
800 Boylston Street, 9<sup>th</sup> Floor  
Boston, MA 02199

Date:

Pay to the order of: \_\_\_\_\_(the "Beneficiary")

\$ \_\_\_\_\_(U.S. Dollars)

By wire transfer in same day funds to Account No. \_\_\_\_\_, ABA Routing No. \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ANNEX 2 To  
Letter of Credit No. \_\_\_\_\_

Federal Home Loan Bank of Boston  
800 Boylston Street, 9<sup>th</sup> Floor  
Boston, MA 02199

Attention: Chief Financial Officer

**Re: FHLB – Boston Irrevocable Stand-by Letter of Credit Reference No: \_\_\_\_\_ (the  
“Letter of Credit”)**

Ladies and Gentlemen:

The undersigned, \_\_\_\_\_, as Letter of Credit Trustee (the “Trustee”) under the Trust Agreement, hereby certifies to the Federal Home Loan Bank of Boston (the “FHLBank”), with reference to the Letter of Credit (the capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Letter of Credit), that:

1. The Trustee is the Letter of Credit Trustee under the Trust Agreement for certain depositors of \_\_\_ named therein.
2. Demand is hereby made under the Letter of Credit in the amount of \$\_\_\_\_\_, which amount does not exceed the amount available under the Letter of Credit, was computed in accordance with the terms and conditions of the Trust Agreement, and shall be applied pursuant to the provisions of the Trust Agreement.
3. The Trustee represents and warrants that this demand is made in accordance with and as permitted by the terms of the Trust Agreement.
4. If this certificate is initially presented by fax, the original of this certificate on the Trustee’s letterhead manually signed by one of its officers is being sent to FHLBank concurrently by United States mail or nationally recognized overnight courier.

IN WITNESS WHEREOF, the Trustee has executed and delivered this certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_, as Letter of Credit Trustee

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

ANNEX 3 To  
Letter of Credit No. \_\_\_\_\_

Federal Home Loan Bank of Boston  
800 Boylston Street, 9<sup>th</sup> Floor  
Boston, MA 02199

Attention: Chief Financial Officer

**Re: FHLB – Boston Irrevocable Stand-by Letter of Credit Reference No: \_\_\_\_\_  
\_\_\_\_\_ (the “Letter of Credit”)**

Ladies and Gentlemen:

The undersigned, \_\_\_\_\_, as Letter of Credit Trustee (the “Trustee”) under the Trust Agreement, hereby certifies to the Federal Home Loan Bank of Boston (the “FHLBank”), with reference to the Letter of Credit (the capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Letter of Credit), that:

- (1) The Trustee is the Letter of Credit Trustee under the Trust Agreement for certain depositors of \_\_\_ named in the Trust Agreement.
- (2) The Letter of Credit shall be terminated on the date the FHLBank receives this certificate.
- (3) [INSERT ONE OF THE FOLLOWING:] [The Trustee is herewith delivering the Letter of Credit for cancellation][The Trustee cannot locate the Letter of Credit and presumes that the Letter of Credit has been lost stolen or destroyed, and the Trustee hereby requests that the FHLBank cancel the Letter of Credit without the return of the Letter of Credit. In order to induce the FHLBank to cancel the Letter of Credit without the return of the Letter of Credit: (a) the Trustee represents and warrants to the FHLBank that (i) the Trustee has made or caused to be made a diligent search for the Letter of Credit and has been unable to find or recover the same, and (ii) the Letter of Credit or any right of the Trustee in the Letter of Credit has not, in whole or in part, been assigned, transferred, hypothecated, pledged or otherwise disposed of, and no person, firm or corporation has any right, title, claim, equity or interest in, to, or respecting said Letter of Credit or any proceeds thereof; (b) the Trustee agrees that if the Letter of Credit comes into the hands, custody or power of the Trustee or any person over which the Trustee has control, it will promptly and without consideration deliver or cause to be delivered the Letter of Credit to the FHLBank for cancellation; and (c) the Trustee agrees that it shall pay, and indemnify and hold harmless the FHLBank from and against, any and all losses, claims, damages, obligations, liabilities, penalties, actions, judgments, suits, costs, expenses and

disbursements of any kind or nature whatsoever (including, without limitation, reasonable fees and expenses (including disbursements) of the FHLBank's counsel) to which the FHLBank may become subject or which may be incurred or suffered by the FHLBank with respect to or as a result of the FHLBank being required to make a payment under the Letter of Credit or the FHLBank cancelling the Letter of Credit without the return of the Letter of Credit].

IN WITNESS WHEREOF, the Trustee has executed and delivered this certificate this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_, as Letter of Credit Trustee

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

ANNEX 4 To  
Letter of Credit No. \_\_\_\_\_

Federal Home Loan Bank of Boston  
800 Boylston Street, 9<sup>th</sup> Floor  
Boston, MA 02199

Attention: Chief Financial Officer

**Re: FHLB – Boston Irrevocable Stand-by Letter of Credit Reference No: \_\_\_\_\_  
\_\_\_\_\_ (the “Letter of Credit”)**

Ladies and Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably transfers to:

(Name of Transferee) (the “Transferee”)  
(Address)

all rights of the undersigned beneficiary to draw under the Letter of Credit in its entirety (the capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Letter of Credit). The Transferee has succeeded to the undersigned as Letter of Credit Trustee under the Trust Agreement.

By this transfer, all rights of the undersigned beneficiary in this Letter of Credit are transferred to the Transferee and the Transferee shall have the sole rights as beneficiary thereof, including sole rights relating to any amendments whether increases, reductions or extensions or other amendments and whether now existing or hereafter made. All amendments are to be advised direct to the Transferee without necessity of any consent of or notice to the undersigned beneficiary.

The original of the Letter of Credit is returned herewith, and in accordance therewith you are hereby requested to issue a new letter of credit to the Transferee having the same terms and providing for the same Maximum Credit Amount (as defined in the Letter of Credit) as the Letter of Credit.

Very truly yours,

\_\_\_\_\_, as Letter of Credit Trustee

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

ANNEX 5 To  
Letter of Credit No. \_\_\_\_\_

**AMENDMENT  
TO  
IRREVOCABLE STAND-BY LETTER OF CREDIT NO. \_\_\_\_**

Initial Date of Issue: \_\_\_\_\_, 201\_\_  
Amended as of: \_\_\_\_\_, 201\_\_

**Beneficiary:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Ladies and Gentlemen:

The undersigned, a duly authorized officer of the Federal Home Loan Bank of Boston (the "Bank"), hereby advises you, with reference to the Irrevocable Stand-by Letter of Credit No. \_\_\_\_\_ (the "Letter of Credit") issued by the Bank in your favor, that:

1. At the request and for the account of \_\_\_\_\_, a member institution of the Bank, the Maximum Credit Amount is hereby restated to \$\_\_\_\_\_.
2. Except as specifically provided in paragraph 1 above, all of the terms and conditions of the Letter of Credit remain unchanged and in full force and effect.
3. This Amendment to the Letter of Credit is an integral part of the Letter of Credit. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Letter of Credit.

IN WITNESS WHEREOF, the undersigned, on behalf of the Bank, has executed and delivered this Amendment as of this \_\_\_ day of \_\_\_\_\_, 201\_\_.

Respectfully,

**FEDERAL HOME LOAN BANK OF BOSTON**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ANNEX 6 To  
Letter of Credit No. \_\_\_\_\_

\_\_\_\_\_, 201\_

Federal Home Loan Bank of Boston  
800 Boylston Street, 9<sup>th</sup> Floor  
Boston, MA 02199  
Attention: Loan Operations  
Email: locnotify@fhlbboston.com  
Fax: (617) 261-3327

**Re: FHLB – Boston Irrevocable Stand-by Letter of Credit Reference No: \_\_\_\_\_ (the  
“Letter of Credit”)**

Ladies and Gentlemen:

Reference is made to the above-referenced letter of credit (the “Letter of Credit”) issued by the Federal Home Loan Bank of Boston (the “Bank”) at the request of and for the account of [MEMBER] (the “Member”). Capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Letter of Credit.

The Member hereby requests that as of [DATE], the Maximum Credit Amount set forth in the Letter of Credit be **increased** to \$[NEW MAXIMUM CREDIT AMOUNT] (the “New Maximum Credit Amount”).

The Member represents and warrants that the individual signing below on the Member’s behalf is duly authorized to so sign on the Member’s behalf.

Very truly yours,

[MEMBER]

By: \_\_\_\_\_  
Name:  
Title:

ANNEX 7 To  
Letter of Credit No. \_\_\_\_\_

\_\_\_\_\_, 201\_

Federal Home Loan Bank of Boston  
800 Boylston Street, 9<sup>th</sup> Floor  
Boston, MA 02199  
Attention: Loan Operations  
Email: locnotify@fhlbboston.com  
Fax: (617) 261-3327

**Re: FHLB – Boston Irrevocable Stand-by Letter of Credit Reference No: \_\_\_\_\_ (the  
“Letter of Credit”)**

Ladies and Gentlemen:

Reference is made to (A) the above-referenced letter of credit (the “Letter of Credit”) issued by the Federal Home Loan Bank of Boston (the “Bank”) at the request of and for the account of [MEMBER] (the “Member”). Capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Letter of Credit.

The Member and the Beneficiary hereby request that as of [DATE], the Maximum Credit Amount set forth in the Letter of Credit be **reduced** to \$[NEW MAXIMUM CREDIT AMOUNT] (the “New Maximum Credit Amount”).

Each of the Member and the Beneficiary represent and warrant that the individual signing below on their behalf is duly authorized to so sign on their behalf.

Very truly yours,

[MEMBER]

By: \_\_\_\_\_

Name:

Title:

Acknowledged and agreed to as of the  
\_\_\_ day of \_\_\_\_\_, 201\_:

[BENEFICIARY], as Letter of Credit Trustee

By: \_\_\_\_\_

Name:

Title:

