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DISCOUNT NOTE* AUCTION-INDEXED ADVANCE **A competitive alternative to term-LIBOR floating-rate funding**

Fixed-term advance with an interest rate that adjusts periodically according to changes in the Federal Home Loan Bank System's Office of Finance discount-note auctions.

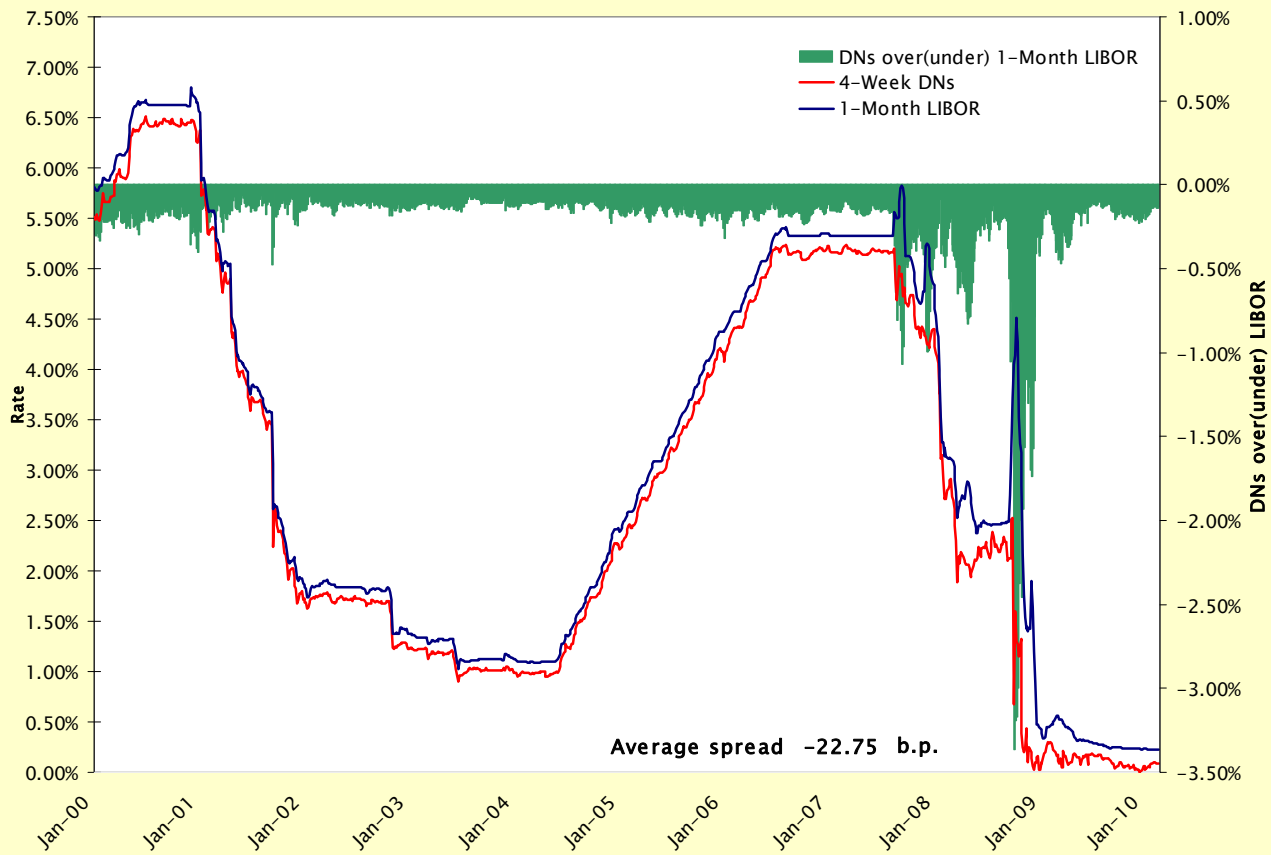
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| Key Features | <ul style="list-style-type: none">• adjustable rate, fixed term, nonamortizing• similar to our LIBOR Floating-Rate advance, but with a different index• typically available on Tuesdays and Thursdays |
| Key Advantages | <ul style="list-style-type: none">• long-term funding at short-term rates• typically lower all-in rate than LIBOR |
| Common Uses | <ul style="list-style-type: none">• manage balance-sheet interest-rate sensitivity• fund loan portfolios and LIBOR-indexed mortgage-backed securities |
| Maturities | <ul style="list-style-type: none">• one to 10 years |
| Index | <ul style="list-style-type: none">• Office of Finance four- and 13-week discount-note auctions |
| Minimum | <ul style="list-style-type: none">• \$10 million; smaller requests will be accommodated if possible |
| Disbursement | <ul style="list-style-type: none">• next day |
| Rate-Reset Frequency | <ul style="list-style-type: none">• every four or 13 weeks on an indicated reset date, based on the result of the prior day's discount-note auction, plus a predetermined spread• spread to the index is locked-in for the full term of the advance |
| Payment of Principal And Interest | <ul style="list-style-type: none">• principal due at maturity• interest due on rate-adjustment date |
| Prepayment | <ul style="list-style-type: none">• prepayable only on reset dates with no fee with prior notice |
| Forward-Rate Commitments | <ul style="list-style-type: none">• not available |

**Discount notes are short-term debt securities issued through the Federal Home Loan Banks' Office of Finance. Each Tuesday and Thursday (except for holiday periods), the Office of Finance holds regular discount-note auctions. These auctions will establish the base rate for Discount-Note Auction-Indexed Advances.*

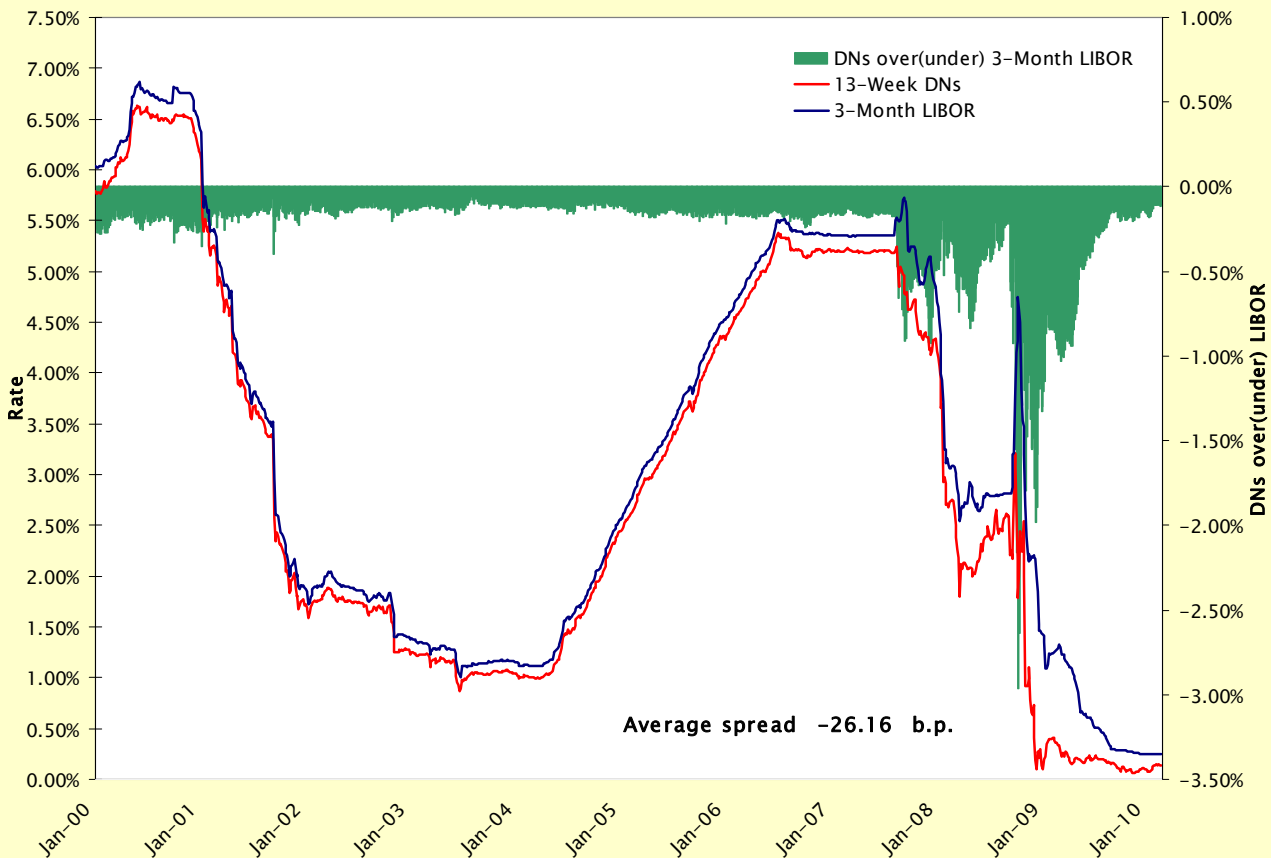
For more information, please contact the Money Desk at 1-800-357-3452, moneydesk@fhlbboston.com, or contact your relationship manager.

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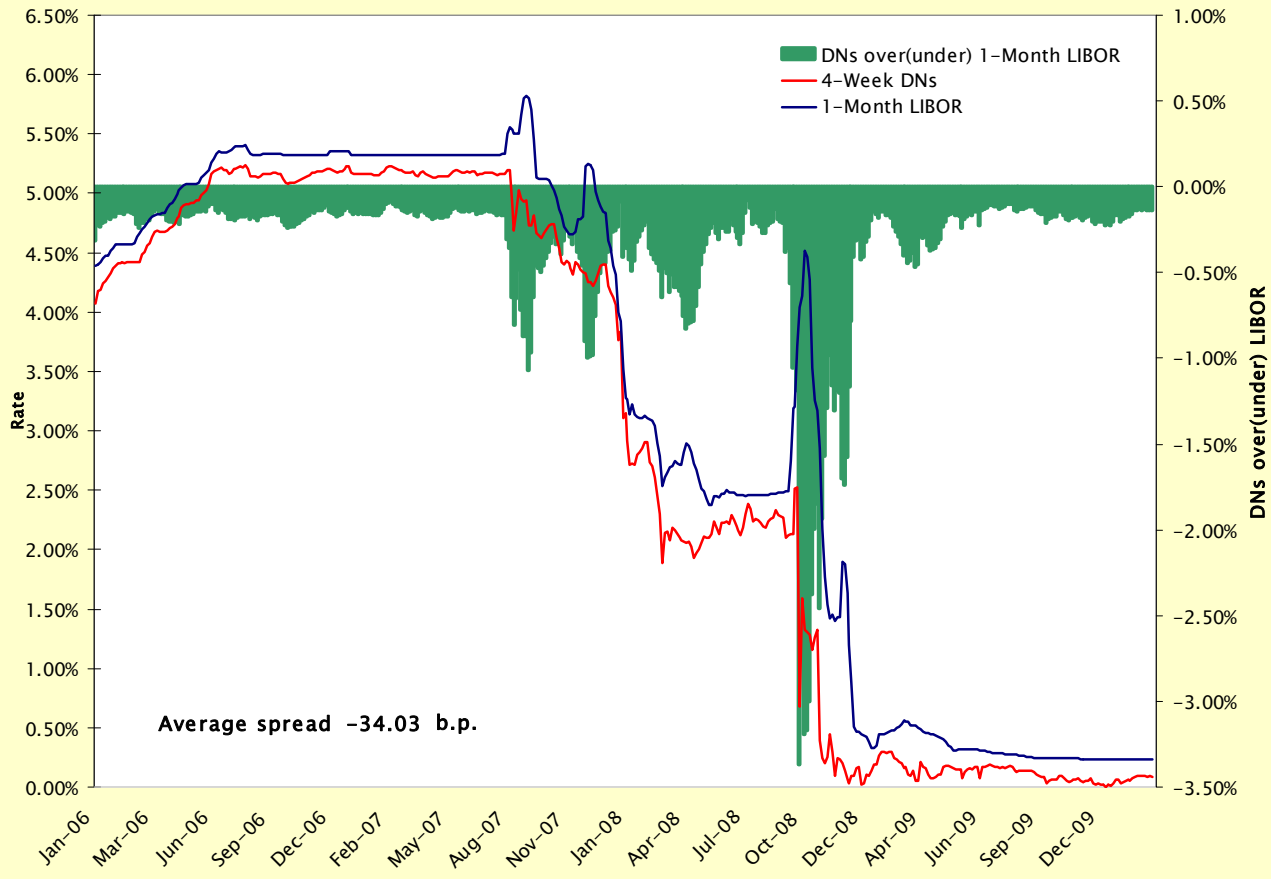
4-Week DNs vs 1-Month LIBOR



13-Week DNs vs 3-Month LIBOR



4-Week DNs vs 1-Month LIBOR



13-Week DNs vs 3-Month LIBOR

