



ASSET PLEDGE AGREEMENT

(NAME OF SUBSIDIARY PLEDGOR)

This Asset Pledge Agreement (“**Asset Pledge Agreement**”), dated as of _____, 20____, is made by and between the Federal Home Loan Bank of Boston, a government sponsored enterprise, with a business address of 111 Huntington Ave., Boston, MA 02199, (“the Bank”)

and _____ (subsidiary name) ,

a _____ (state of organization) _____ (form of organization, for example, Real Estate Investment Trust or Passive Investment Corporation), with a business address of

_____ (Street, City, State)

(“**Pledgor**”), which Pledgor is a Wholly-Owned Subsidiary (as defined below) of

_____ (“**Member**”),

which has a business address of _____ (Street, City, State).

This Asset Pledge Agreement is made pursuant to the Suretyship Agreement between the Bank and the Pledgor of even date herewith (“**Suretyship Agreement**”)

WITNESSETH:

WHEREAS, Member, which is a _____ (type of financial institution)

organized under the laws of _____ (“the United States” or “the State of Rhodes Island”), is a stockholder and borrower of the Bank;

WHEREAS, Member and the Bank have entered into that certain Agreement for Advances, Collateral Pledge and Security Agreement by and between the Member and the Bank (the “**Advances Agreement**”), pursuant to which (i) the Bank may advance funds, or otherwise extend credit from time to time to the Member, and (ii) the Member has pledged certain collateral to the Bank to secure such Indebtedness;

WHEREAS, Member has established Pledgor in order to acquire and hold certain assets of Member, and Member is the legal and beneficial owner of all of the shares of capital stock of

Pledgor (except directors qualifying shares);

WHEREAS, Member has transferred a portion of its assets to Pledgor in exchange for substantially all of the capital stock of Pledgor, as a capital contribution to Pledgor by Member;

WHEREAS, at the request of Member, and in order to induce the Bank to make advances and other extensions of credit to Member under the Advances Agreement, and in further consideration that Pledgor is an Affiliate of Member and as such shall benefit in a material economic way from the Bank's extension of credit to Member and from the financial success of Member, Pledgor has entered into the Suretyship Agreement and become, subject to the Surety Limit (as defined therein), jointly and severally obligated with Member for the prompt and complete payment of Indebtedness of Member under the Advances Agreement, now existing and from time to time incurred or arising and Member's other obligations thereunder (collectively, the "**Secured Obligations**"); and

WHEREAS, Pledgor has further agreed to pledge certain of its property as collateral to the Bank to secure its obligations under the Suretyship Agreement and the prompt and complete payment of the Secured Obligations.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Pledgor and the Bank hereby agree as follows:

Section 1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein without definition shall have the meanings assigned to them in the Advances Agreement, and the following terms shall have the following meanings:

"**Advances**" is defined in the first paragraph of the Advances Agreement.

"**Advances Agreement**" is defined in the second WHEREAS clause.

"**Affiliate**" of a Person means any other individual or entity who directly or indirectly controls, is controlled by, or is under common control with that Person. For purposes of this definition (a) "control," "controlled by," and "under common control with" mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting securities or other interests, by contract, or otherwise), and (b) Member and Pledgor are "affiliates" of each other.

"**Asset Pledge Agreement**" means this Asset Pledge Agreement (including the exhibits, the Schedule of Pledgor Collateral, and any other documents incorporated by reference herein), as the same may be amended, supplemented or otherwise modified from time to time.

"**Bank**" is defined in the first paragraph hereof.

“Business Day” is defined as any day on which the Bank is open for business.

“Event of Default” is defined in Section 11.

“Fair Market Value” means:

- (i) With respect to Pledgor Collateral consisting of fully disbursed whole first mortgages and deeds, notes, instruments and related documents (including all beneficial ownership interest therein) (“Mortgages”), the price that could be negotiated for the cash sale of such Mortgages in an arm’s length free market transaction, between a willing buyer and seller, neither of whom is under any undue pressure or compulsion to complete the transaction;
- (ii) With respect to Pledgor Collateral consisting of “mortgage backed securities,” as defined in 12 C.F.R. Part 950 (the “Advances Regulation”) promulgated by the Federal Housing Finance Board and Section 4 of the Advances Agreement, the price equal to the average closing price of such securities as quoted on the exchange on which the securities are traded, or if such securities are not listed on an exchange, then the average of the closing “bid” and “ask” prices per share in the over-the-counter securities market for the thirty (30) trading days prior to the date of determination of such Fair Market Value; or
- (iii) With respect to any other asset, the price which could be negotiated in an arm’s length free market transaction, for cash, between a willing buyer and seller, neither of whom is under any undue pressure or compulsion to complete the transaction.

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Suretyship Agreement” is defined in the first paragraph hereof.

“Indebtedness” means principal sum of all “Advances” (as defined in the Advances Agreement) and extensions of credit, interest on the daily unpaid balances of each advance and extension of credit, and all fees and charges payable in connection with each Advance and extension of credit.

“Lien” means any interest in property securing an obligation owed to, or a claim by, a Person other than the owner of the property, whether such interest is based on common law, statute or contract and including, without limitation, the security interest, security title or lien arising from a security agreement, mortgage, deed of trust, deed to secure debt, encumbrance, pledge,

conditional sale or trust receipt, or a lease, consignment or bailment for security purposes.

“**Member**” is defined in the first paragraph hereof.

“**Person**” means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof.

“**Pledgor**” is defined in the first paragraph hereof.

“**Pledgor Collateral**” is defined in Section 3(a).

“**Pledge Limit**” is defined in Section 4(b).

“**Proceeds**” means all “proceeds” as such term is defined in Section 9-102(a)(64) of the UCC on the date hereof and, in any event, shall include, without limitation, all dividends or other income from Pledgor Collateral, and any and all collections on the foregoing or distributions with respect to the foregoing.

“**Stock Pledge Agreement**” means the Stock Pledge Agreement, dated as of _____, 200 _____, by and between Member and the Bank, as the same may be amended, supplemented or otherwise modified from time to time.

“**Secured Obligations**” is defined in the fifth WHEREAS clause.

“**Subsidiary**” means, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries).

“**UCC**” means the Uniform Commercial Code from time to time in effect in the Commonwealth of Massachusetts, provided, that if by mandatory provisions of law, the perfection or effect of perfection or non-perfection of the security interest created hereunder in any Pledgor Collateral is governed by the Uniform Commercial Code as in effect on or after the date hereof in any other jurisdiction, “UCC” means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or the effect of perfection or non-perfection.

“Wholly-Owned Subsidiary” means, at any time, any Subsidiary one hundred percent (100%) of all of the equity interests (except directors’ qualifying shares) and voting interests of which are owned by Member.

All definitions contained in this Agreement are equally applicable to the singular and plural forms of the terms defined. All references to statutes and regulations shall include any amendments of the same and any successor statutes and regulations. References to particular sections of the UCC should be read to refer also to parallel sections of the UCC as enacted in each state where any portion of the Pledgor Collateral is or may be located.

Section 2. Relationship to Advances Agreement. Pledgor hereby acknowledges and agrees that it has received a copy of the Advances Agreement and that it is familiar with the terms and conditions thereof and agrees that this Asset Pledge Agreement shall be attached to and be deemed a part of the Advances Agreement.

Section 3. Pledge; Grant of Security Interest; Term.

- (a) As security for the prompt and complete payment of Pledgor’s obligations under the Suretyship Agreement and the payment of the Secured Obligations, and for other good and sufficient consideration, the receipt of which is hereby acknowledged, Pledgor, intending to be legally bound hereby, does hereby assign, pledge, hypothecate, deliver and set over to the Bank, its successors and assigns, (i) those fully disbursed whole first mortgages and deeds, notes, instruments and related documents, including all beneficial ownership interest therein (“Mortgages”), (ii) all obligations issued, insured or guaranteed by the United States or any agency thereof, (iii) all mortgage-backed securities (including mortgage-backed debt obligations, pass-through certificates and mortgage participation certificates) issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or the Government National Mortgage Association, (iv) any other assets that are eligible to secure Advances to Members under 12 C.F.R. § 950.7(a)(1) and (a)(2) and, if approved by the Bank (a)(4) (all of which are identified in the Schedule of Pledgor Collateral attached to this Asset Pledge Agreement and any such schedules or attachments that may be produced from time to time), and (v) all Proceeds with respect to any of the foregoing, or cash equivalents, now owned or at any time hereafter acquired by Pledgor or in which Pledgor now has or may from time to time acquire any right, title or interest (collectively, the **“Pledgor Collateral”**).
- (b) Pledgor hereby grants to the Bank a continuing lien and security interest in the Pledgor Collateral as collateral security, which pledge and security interest shall continue in effect to secure (i) Pledgor’s performance of its obligations under the Suretyship Agreement, and (ii) payment of all of the Secured Obligations unless and until all of the Secured Obligations have been indefeasibly paid and satisfied in full.
- (c) This Asset Pledge Agreement shall remain in full force and effect and shall not be limited,

impaired or otherwise affected in any way by reason of (i) any delay by the Bank in making demand on Pledgor for, or delay in enforcing or failure to enforce, performance or payment of any of Pledgor's obligations under the Suretyship Agreement, or (ii) any failure, neglect or omission on the Bank's part to perfect any Lien upon, protect, exercise rights against, or realize on, Pledgor Collateral.

Section 4. “Qualifying Collateral”; Pledge Limit.

- (a) For purposes of determining Member's compliance with the requirements under the Advances Agreement that it maintain qualifying Collateral with a market value at least equal to the then current Collateral Maintenance Level (as defined in the Advances Agreement), Pledgor Collateral shall be deemed to constitute Collateral owned by Member, but shall be deemed qualifying Collateral under the Advances Agreement only to the extent that it otherwise (i) satisfies the definition thereof in Section 4 of the Advances Agreement, and (ii) is not in excess of the Pledge Limit as defined in Section 4(b) hereof. Notwithstanding the foregoing, this Asset Pledge Agreement is subject to the terms of the Bank's Credit Policy, as it may be amended from time to time. Furthermore, in the event that the Federal Housing Finance Board determines that Pledgor Collateral may no longer be deemed to be qualifying Collateral, Member agrees that, upon notice from the Bank, it must substitute other qualifying Collateral sufficient to fully secure all outstanding Indebtedness.
- (b) Any term or provisions of this Asset Pledge Agreement to the contrary notwithstanding, the maximum aggregate amount of Pledgor Collateral, which the Bank shall be entitled to apply to the obligations assumed hereunder or under the Surety Agreement shall not exceed the maximum amount that can be hereby assumed without rendering this Pledgor and this Asset Pledge Agreement, as it relates to the Pledgor, voidable under the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or as it relates to Pledgor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer (the “**Pledge Limit**”). For purposes of this Section 4(b), Pledgor will provide, upon request, such verifications of the Fair Market Value, status, and nature of the assets and liabilities (including contingent liabilities) of Pledgor (the “Statement of Pledgor”) as the Bank may direct and will permit an audit of the same by the Bank at any time. Notwithstanding the foregoing, each quarter, either as part of the Member's consolidated Quarterly Collateral Report or as a separate report, Pledgor will deliver to the Bank, in accordance with Section 19 hereof, a listing of the Pledgor Collateral in form and substance satisfactory to the Bank.

Section 5. Delivery of Pledgor Collateral; Perfection.

- (a) Pledgor shall list and deliver Pledgor Collateral to the Bank in accordance with the requirements of the Bank's Member Products Policy and such other policies as the Bank may from time to time implement.

- (b) If the Bank has not requested or required delivery of Pledgor Collateral in accordance with paragraph 5(a) hereof, (i) Pledgor shall, at all times, hold Pledgor Collateral in trust for the benefit of, and subject to the direction and control of, the Bank and physically safeguard Pledgor Collateral with at least the same degree of care as Pledgor uses in physically safeguarding its other property, and (ii) if so requested by the Bank in writing, Pledgor shall hold each set of mortgage documents and all other mortgage collateral which are a part of Pledgor Collateral in a separate file folder with each file folder clearly labeled with the loan identification number and the name of Member. Each such file folder shall be clearly marked or stamped with the statement: "The Mortgage/Deed of Trust and Note Relating to this Loan Have Been Assigned to the Federal Home Loan Bank of Boston" or such other statement that may be approved by the Bank from time to time. If so requested by the Bank, in writing, Pledgor shall physically segregate mortgage documents and other mortgage collateral which are a part of such Pledgor Collateral from all other property of Member or Pledgor in a manner satisfactory to the Bank.
- (c) Pledgor Collateral delivered to the Bank or to a custodian designated by the Bank shall (i) with respect to mortgages, be endorsed or assigned in recordable form by Pledgor as directed by the Bank; and (ii) with respect to securities, be re-registered in the Bank's name on the books of the issuer or accompanied by (concurrently with the delivery to the Bank of each certificate representing such securities) an undated stock power covering each such certificate, duly executed in blank by Pledgor.
- (d) Pledgor shall promptly, upon the reasonable request of the Bank, and at Pledgor's expense, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, and thereafter, if applicable, register, file or record in an appropriate governmental office, any document, instrument or UCC-1 financing statement supplemental to or confirmatory of this Asset Pledge Agreement, and give such further assurances as may otherwise be necessary or desirable for the creation, preservation and/or perfection of the Lien created by this Asset Pledge Agreement.

Section 6. Right of Bank to Proceed Against Collateral; Waivers. Pledgor agrees that, before or after the occurrence of (a) an Event of Default under the Advances Agreement or the Suretyship Agreement or (b) an Event of Default hereunder, the Bank may proceed against Pledgor Collateral in accordance with the terms hereof. Pledgor hereby waives and agrees not to assert (i) any and all right to presentment, protest, demand for payment, notice of default, dishonor or nonpayment and all other notices to or upon Pledgor, including without limitation, notice as to the making of any advance or other extension of credit to Pledgor, or the exercise of any right by the Bank hereunder or under the Advances Agreement; (ii) any and all right to require the Bank to proceed against Pledgor or any other collateral pledged by Pledgor before enforcing its rights against Pledgor Collateral pledged hereunder and any other defense based upon an election of remedies; and (iii) all suretyship defenses and defenses in the nature thereof.

Section 7. Representations and Warranties by Pledgor. Pledgor represents, warrants, and covenants with and to the Bank that on the date hereof, and for so long as (i) the obligations of Pledgor under the Suretyship Agreement shall remain in full force and effect and (ii) there shall be Secured Obligations due and payable from Member to the Bank, Pledgor represents and warrants with and to the Bank that:

- (a) Pledgor is, and shall at all times continue to be, an Affiliate of Member, as such term is defined in this Asset Pledge Agreement and in 12 C.F.R. § 950.1;
- (b) Each item of Pledgor Collateral satisfies all the criteria for qualifying Collateral as to type and amount pursuant to the Advances Agreement, except that Pledgor Collateral is or may be beneficially owned directly by Pledgor, rather than by Member;
- (c) Pledgor is, and shall at all times continue to be, the beneficial owner of, and has, and shall at all times have, good title to, the Pledged Collateral. Except as pledged herein, Pledgor has not sold, assigned, transferred, pledged or granted any option or security interest in or otherwise hypothecated Pledgor Collateral in any manner whatsoever and Pledgor Collateral is, and at all times shall continue to be, pledged herewith free and clear of any and all Liens, security interests, encumbrances, claims, pledges, restrictions, or legends in favor of any Person;
- (d) No financing statement, security agreement, or other lien instrument covering all or any part of the Pledgor Collateral is on file in any public office, except as may have been filed in favor of the Bank pursuant to this Asset Pledge Agreement;
- (e) Upon delivery to the Bank of the Pledgor Collateral and the filing of any UCC-1 financing statements, as the case may be, the Lien granted pursuant to this Asset Pledge Agreement will constitute a valid, perfected first priority Lien on Pledgor Collateral (except, with respect to Proceeds, only to the extent permitted by Section 9-315 of the UCC), enforceable as such against all creditors of Pledgor and any Persons purporting to purchase any Pledgor Collateral from Pledgor;
- (f) Pledgor's chief executive office and chief place of business, and the place where Pledgor keeps its records concerning the Pledgor Collateral, is located at:

or such other location as Pledgor shall notify the Bank in accordance with Section 20 hereunder;

- (g) Pledgor is, and at all times shall continue to be a _____ (form of subsidiary), as defined under the law of the state of _____ (state of organization of Pledgor), duly organized, validly existing and in good standing under the laws of that state, and has all requisite power and authority to conduct its business and to own its properties as now conducted or owned;
- (h) Pledgor has taken all action required by law and all necessary corporate action (including, without limitation, obtaining the approval of its Board of Directors (or other governing body) and any consent of its stockholders required by applicable law or by its certificate of incorporation or by-laws) to authorize the execution, delivery and performance of this Asset Pledge Agreement and the consummation of the transactions contemplated hereby and thereby. A certified copy of the resolution of the Board of Directors (or other governing body) of Pledgor is attached hereto as Exhibit A, the form of which has been previously approved by the Bank or its counsel;
- (i) No consent, approval, order or authorization or approval of, exemption or waiver by or registration, declaration or filing with any Government Authority is required to be made or obtained by Pledgor in connection with the execution and delivery of this Asset Pledge Agreement or the consummation of the transactions contemplated hereby;
- (j) This Asset Pledge Agreement has been duly and validly authorized, executed and delivered by Pledgor and constitutes the valid and binding obligation of Pledgor enforceable against Pledgor in accordance with the terms hereof, and the execution, delivery and performance of this Asset Pledge Agreement and the consummation of the transactions contemplated hereby will not (with or without the giving of notice or the lapse of time or both) violate any provision of law applicable to Pledgor or any provision of its certificate of incorporation or by-laws;
- (k) There is no material litigation or administrative proceeding (including, without limitation, any proceeding initiated by any taxing authority) now pending or, to the best of Pledgor's knowledge, threatened against Pledgor which if adversely decided could materially adversely affect the ability of Pledgor to pay or perform its obligations under this Asset Pledge Agreement;
- (l) There has been no material adverse change in the financial condition of Pledgor or to the knowledge of the Pledgor, Member, since the date of the most recent financial statements delivered to the Bank by Pledgor in accordance with Section 8; and
- (m) All information contained in any report, schedule or other documentation provided from time to time by Pledgor to the Bank will be true and correct as of the time given and the Bank shall have the right from time to time to inspect, audit and make copies of any and all books and records of Pledgor related to Pledgor Collateral.

Section 8. Financial Information. If requested by the Bank, Member shall deliver to the Bank:

- (a) Within ninety (90) days after the end of each fiscal year of Pledgor, duplicate copies of
 - (i) A consolidated balance sheet of Pledgor, as at the end of such year, and
 - (ii) Consolidated statements of income, cash flows and changes in shareholders' equity of Pledgor, for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP.
- (b) With reasonable promptness, such other financial statements, reports or other financial or regulatory documents and information relating to the business, operations, affairs, financial condition, assets, liabilities or properties of Pledgor or relating to the ability of Pledgor to perform its obligations hereunder, as from time to time may be reasonably requested by the Bank.

Section 9. Officer's Certificate. Each set of financial statements delivered by Pledgor to the Bank pursuant to Section 8 hereof shall be accompanied by a certificate of a senior financial officer of Pledgor. Such officer shall review the relevant terms hereof and make, or cause to be made, under his or her supervision, a review of the transactions and conditions of Pledgor from the beginning of the period covered by the statements then being furnished to the date of such certificate, which shall set forth (as of the date such certificate is so delivered) that:

- (a) The representations and warranties in Section 7 of this Agreement are true and correct as of the date hereof;
- (b) None of the transactions, events or occurrences described in Section 10 of this Agreement has occurred; and
- (c) None of the transactions, events or occurrences constituting an Event of Default under Section 11 of this Agreement has occurred.

An acceptable form of certification is attached as Exhibit B.

Section 10. Negative Covenants. On the date hereof, and during the period that (i) the obligations of Pledgor under the Suretyship Agreement shall remain in full force and effect and (ii) there shall be Secured Obligations due and payable from Member to the Bank, Pledgor covenant with and to the Bank that, unless consented to by the Bank in writing:

- (a) Pledgor shall not effect a subdivision, combination or consolidation of its capital stock (by reclassification or otherwise) into a greater or lesser number of shares of such capital stock;
- (b) Pledgor shall not merge or consolidate with any person (other than Member);

- (c) Pledgor shall not create, incur, assume, or suffer to exist, or permit any Subsidiary of Pledgor, to create incur, assume, or suffer to exist, any debt other than debt owed to Member;
- (d) Pledgor shall not sell, lease or otherwise dispose of any of its property, including any disposition of property as part of a sale and leaseback transaction, to, or in favor of, any Person other than the Member;
- (e) Pledgor shall not issue any additional shares of its capital stock; and
- (f) Pledgor shall not create or suffer to exist, any Lien, encumbrance, pledge, condition, restriction or other interest on Pledgor Collateral, other than the Lien created under this Asset Pledge Agreement;

Section 11. Events of Default

- (a) An Event of Default shall exist under this Asset Pledge Agreement if any of the following conditions or events shall occur and be continuing:
 - (i) The occurrence of any Event of Default under the Advances Agreement;
 - (ii) The occurrence of any Event of Default under the Suretyship Agreement;
 - (iii) the occurrence of any Event of Default under the Stock Pledge Agreement;
 - (iv) Any representation, warranty, certification or statement made or deemed to have been made by or on behalf of Pledgor or Member, as applicable, hereunder or in any related document, or by any officer of Pledgor or Member, as applicable, in respect of this Asset Pledge Agreement (including the exhibits, the Schedule of Pledgor Collateral, any other schedules and other documents incorporated by reference herein), the Suretyship Agreement, the Advances Agreement, the Stock Pledge Agreement or in any certificate, financial statement or other notice delivered pursuant hereto or thereto, shall prove to have been incorrect in any material respect on the date as of which made or deemed made; or the material breach of any covenant or agreement hereunder;
 - (v) Member shall fail, upon the Bank's written request, to dissolve Pledgor within two (2) business days, in accordance with the terms of Section 13 hereof;
 - (vi) A Governmental Authority of competent jurisdiction shall enter an order appointing, without consent, a custodian, receiver, trustee or other officer with similar powers with respect to Pledgor;

(vii) Member or Pledgor (A) shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for Member or Pledgor or for any substantial part of its property, (B) shall be generally not paying its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, (C) shall make a general assignment for the benefit of creditors, or (D) shall take any action to authorize or effect any of the actions set forth above in this subsection (vii);

(viii) Any proceeding shall be instituted against Member or Pledgor seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for Member or Pledgor or for any substantial part of its property, and either such proceeding shall undismissed or unstayed for a period of 45 days or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar for it or for any substantial part of its property) shall occur; or

(ix) Pledgor shall default in the due performance and observance of any of its covenants or other obligations hereunder.

(b) So long as no Event of Default has occurred and is continuing, and, until the Bank notifies Pledgor in writing of the exercise of its rights under Section 6 and 12 hereunder, Pledgor shall retain the sole right to exercise all rights of ownership of Pledgor Collateral for all purposes not inconsistent with the terms hereof.

(c) Pledgor shall indemnify, defend and hold harmless the Bank from and against any and all claims, losses and liabilities resulting from any breach by Pledgor of its representations, warranties and covenants under this Asset Pledge Agreement.

Section 12. Remedies.

(a) Upon the occurrence of an Event of Default, the Bank may, at its sole option (subject only to the limitations set forth herein, in addition to all other rights and remedies granted in this Asset Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations under the Advances Agreement), (i) declare the principal of any advance and any other Secured Obligation under the Advances Agreement to be due

and thereupon shall become so due and payable and (ii) exercise all of the rights and remedies of a secured party under the UCC. Without limiting or affecting the rights of the Bank to sell part or all of Pledgor Collateral as herein authorized, the Bank is further authorized upon the occurrence of an Event of Default hereunder, at its option and in its discretion, to take immediate possession of Pledgor Collateral or any part thereof wherever the same may be found, to collect or cause to be collected or otherwise converted into money and part of the said pledged, substituted, or additional Pledgor Collateral, by suit or otherwise, and is hereby authorized in such case to surrender, compromise, release, renew, extend or exchange any item of such Pledgor Collateral without prior notice to or consent of Pledgor. And in case of such collection or conversion into money of such Pledgor Collateral or part thereof, the Bank, after first deducting the cost, attorney's fees, and expenses of collection, shall apply the balance of such proceeds to the payment of advances and interest in such a manner as it shall choose. It is further agreed that any delay on the part of the Bank or its authorized agents in exercising any rights hereunder shall not operate as a waiver of such rights.

- (b) Pledgor does hereby make, constitute and appoint the Bank its attorney-in-fact, subject to the terms hereof, to deal with Pledgor Collateral and in its name and stead to (i) effectuate the transfer of Pledgor Collateral on the books of Pledgor to the name of the Bank or to the name of the Bank's nominee, designee or assignee; (ii) endorse and collect checks payable to Pledgor representing distributions or other payments on Pledgor Collateral; and (iii) carry out the terms and provisions hereof.
- (c) To the extent permitted by applicable law, Pledgor waives all claims, damages and demands it may acquire against the Bank arising out of the lawful exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Pledgor Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) days before such sale or other disposition.

Section 13. Dissolution of Pledgor. If Member (a) shall become "undercapitalized" as that term is defined in the prompt corrective action regulations promulgated by the Federal Deposit Insurance Corporation, 12 C.F.R. Part 325, as now or hereafter in effect, or (b) shall enter into a supervisory, operating or similar agreement with, or become subject to a cease and desist order issued by, any Governmental Authority, then the Bank may at its sole option, require Member to effectuate a dissolution of Pledgor, such that all of the assets of Pledgor are transferred or divided to Member pursuant to such dissolution at the earliest possible time.

Section 14. No Waiver. Any failure of or delay by the Bank to exercise any right or remedy hereunder shall not be construed as a waiver of the right to exercise the same or any other right or remedy at any other time.

Section 15. Entire Agreement. This Asset Pledge Agreement (including the exhibits, the Schedule of Pledgor Collateral, any other schedules and other documents incorporated by reference herein) the Suretyship Agreement, the Stock Pledge Agreement and the Advances Agreement constitute the entire agreement between the parties hereto and supersede all prior agreements and understandings, oral and written, between the parties hereto, with respect to the subject matter hereof.

Section 16. Governing Law. The validity, performance and enforcement of this Asset Pledge Agreement, unless expressly provided to the contrary, shall be governed by the Laws of the Commonwealth of Massachusetts, without giving effect to the principles of conflicts of law thereof.

Section 17. Jurisdiction; Venue; Waiver of Jury; Service of Process.

- (a) Each of the parties irrevocably submits to the exclusive jurisdiction of any Commonwealth of Massachusetts or United States Federal court sitting in Suffolk County any action or proceeding arising out of or relating to this Asset Pledge Agreement, or the transactions contemplated hereby or thereby. Each of the parties agrees not to bring any claim or suit under this Asset Pledge Agreement in any other jurisdiction. Each of the parties irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any such action or proceeding.
- (b) Each of the parties hereby knowingly, voluntarily and intentionally waives the right to trial by jury, and Pledgor agrees that neither it nor any of its assignees or successors shall (i) seek a jury trial in any lawsuit, proceeding, counterclaim, or any other action based upon, or arising out of, this Asset Pledge Agreement, any related instruments, any collateral or the dealings or the relationship between or among any of them, or (ii) seek to consolidate any such action with any other action in which a jury trial cannot be or has not been waived. The provisions of this paragraph shall be subject to no exceptions. Neither the Bank nor Pledgor has agreed with or represented to the other that the provisions of this paragraph shall not be fully enforced in all instances.
- (c) Pledgor irrevocably appoints _____ as its agent to receive on behalf of it service of copies of the summons and complaint and any other process which may be served in any such action or proceeding, and Pledgor irrevocably authorizes and directs said agent to accept such service on its behalf. Each of the Bank and Pledgor consents to the service of copies of the summons and complaint and any other process which may be served in any such action or proceeding by the mailing or delivering of a copy of such process to such party at its address specified in or pursuant to Section 19 hereof.

Section 18. Severability. Any provision of this Asset Pledge Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law)

not invalidate or render unenforceable such provision in any other jurisdiction.

Section 19. Notices. Any notice, request, response, demand, claim or other communication required or permitted hereunder shall be in writing and transmitted, delivered or sent by (a) personal delivery, (b) courier or messenger service, whether overnight or same day (c) certified United States mail postage prepaid, return receipt requested, or (d) prepaid telecopy or facsimile, with confirmation by telephone:

If to Bank to:

Director of Credit
Federal Home Loan Bank of Boston
111 Huntington Ave, 24th Floor
Boston, MA 02199

Telephone: 617-292-9655
Facsimile: 617-375-2240

If to Pledgor to:

Telephone: _____
Facsimile: _____

If to Member to:

Telephone: _____
Facsimile: _____

With a copy to:

General Counsel
Federal Home Loan Bank of Boston
111 Huntington Ave, 24th Floor
Boston, MA 02199

Telephone: 617-292-9660
Facsimile: 617-375-2240

With a copy to:

Telephone: _____
Facsimile: _____

With a copy to:

Telephone: _____
Facsimile: _____

or at such other address for a party as shall be specified by like notice. Each communication transmitted, delivered, or sent (i) in person, by courier or messenger service, or by certified

United States mail (postage prepaid and return receipt requested) shall be deemed given, received, and effective on the date delivered to or refused by the intended recipient (with the return receipt or the equivalent record of the courier or messenger being deemed conclusive evidence of delivery or refusal); or (ii) by telecopy or facsimile transmission shall be deemed given, received, and effective on the date of actual receipt (with the confirmation of transmission or the electronic receipt being deemed conclusive evidence of such receipt, except where the intended recipient has promptly notified the other party that the transmission is illegible).

Section 20. Successors and Assigns; Benefits. The terms and conditions of this Asset Pledge Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto. The Pledgor may not sell or assign this Asset Pledge Agreement or any other agreement with the Bank without the prior written consent of the Bank. Nothing in this Asset Pledge Agreement, express or implied, is intended to, or shall confer on, any Person other than any of the parties hereto any rights, benefits or remedies of any nature whatsoever under or by reason of this Asset Pledge Agreement.

Section 21. Survival of Representations. All representations and warranties of the Pledgor contained herein shall survive the execution and delivery of this Asset Pledge Agreement.

Section 22. Headings. The headings of the sections and paragraphs of this Asset Pledge Agreement are inserted for convenience only and shall not be deemed to constitute part of this Asset Pledge Agreement or to affect the construction hereof.

Section 23. Modification; No Waiver. This Asset Pledge Agreement may be amended or modified, and any provision of this Asset Pledge Agreement may be discharged or waived, only by a document signed by the party against which the amendment, modification, discharge, or waiver is sought to be enforced. No waiver of any of the provisions of this Asset Pledge Agreement shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

Section 24. Further Assurances. Pledgor agrees to do such further acts, and to execute and deliver such additional conveyances, assignments, agreements, and instruments as Bank may at any time request in connection with the administration and enforcement of this Asset Pledge Agreement or relative to Pledgor Collateral or any part thereof, or in order better to assure and confirm to Bank its rights, powers, and remedies hereunder.

Section 25. Counterparts. This Asset Pledge Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has caused this Asset Pledge Agreement to be executed on its behalf as of the date first above written.

FEDERAL HOME LOAN BANK OF BOSTON

By: _____

Name: _____

Title: _____

Date: _____

SEAL

Pledgor's full legal name

By: _____

Name: _____

Title: _____

Date: _____

Acknowledged and Accepted:

Member's full legal name

By: _____

Name: _____

Title: _____

Date: _____

COMMONWEALTH OF MASSACHUSETTS)
) **SS:**
COUNTY OF _____)

Before me, a Notary Public in and for said County, Commonwealth of Massachusetts, personally appeared _____, the duly authorized representative of the Federal Home Loan Bank of Boston who, being duly sworn, acknowledged execution of the foregoing on behalf of such company all as of this _____ day of _____, 2000__.

My Commission Expires:

Notary Public

Printed

My County of Residence: _____

COMMONWEALTH OF MASSACHUSETTS)
) **SS:**
COUNTY OF _____)

Before me, a Notary Public in and for said County, Commonwealth of Massachusetts,
personally appeared _____, the duly authorized
representative of _____, who, being duly
sworn, acknowledged execution of the foregoing on behalf of such company all as of this
_____ day of _____, 2000__.

My Commission Expires:

Notary Public

Printed

My County of Residence: _____

STATE OF _____)
) SS:
COUNTY OF _____)

Before me, a Notary Public in and for said County, of the State of _____,
personally appeared _____, the duly authorized
representative of _____, who, being duly
sworn, acknowledged execution of the foregoing on behalf of such company all as of this
_____ day of _____, 2000__.

My Commission Expires:

Notary Public

Printed

My County of Residence: _____

SCHEDULE OF PLEDGOR COLLATERAL

The following Pledgor Collateral is hereby pledged by Pledgor to the Bank pursuant to the Asset Pledge Agreement to which this Schedule is attached and made a part hereof:

[Describe Pledgor Collateral]

[_____]	[_____]	[_____]	[_____]
[_____]	[_____]	[_____]	[_____]
[_____]	[_____]	[_____]	[_____]
[_____]	[_____]	[_____]	[_____]

[for agency securities; MBS]

<u>Issuer</u>	<u>Certificate No.</u>	<u>Class of Stock/Debt</u>	<u>Amount of Shares/Principal</u>
[_____]	[_____]	[describe]	[_____]
[_____]	[_____]	[describe]	[_____]
[_____]	[_____]	[describe]	[_____]

Exhibit A

FORM OF RESOLUTION OF PLEDGOR
REGARDING ASSET PLEDGE AND SURETYSHIP AGREEMENTS

Adoption of Asset Pledge and Suretyship Agreements

WHEREAS, _____ (“Pledgor”)

is a wholly-owned subsidiary of _____ (“Member”), which in turn is a customer and borrower of the Federal Home Loan Bank of Boston (“Bank”);

WHEREAS, Member must pledge a certain level of collateral consisting of mortgage loans, mortgage-backed securities, and other financial instruments ("Collateral") to the Bank in order to secure loans, or "advances," from the Bank;

WHEREAS, Member has requested Pledgor to enter into and execute a Suretyship Agreement to undertake and assume the primary joint and several obligations of Member to the Bank and to pledge certain Collateral to the Bank to secure that Suretyship Agreement in order for Member to secure advances from the Bank;

WHEREAS, after study and consideration and consultation with counsel the Board of Directors of Pledgor has determined that it is in the best interests of Pledgor to enter into such Suretyship Agreement and to pledge Collateral to the Bank to secure the same; and

WHEREAS, the Suretyship Agreement and an Asset Pledge Agreement which would govern the agreement between the Bank and Pledgor regarding the Collateral pledged to the Bank by Pledgor has been presented at this meeting by management with the recommendation that it be adopted.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of Pledgor hereby approves the Suretyship Agreement and Asset Pledge Agreement in substantially the forms presented to the Directors and attached hereto;

RESOLVED FURTHER, that the Chief Executive Officer and other appropriate officers of Pledgor be, and each of them hereby is, authorized and directed to execute the Suretyship Agreement and Asset Pledge Agreement with the Bank and to deliver Collateral to the Bank or its custodian as the Bank may direct; and

RESOLVED FURTHER, that the Chief Executive Officer of Pledgor and such other officers of Pledgor as he/she shall designate are hereby authorized and directed to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, schedules, documents, instruments and other papers and to pay such fees and expenses and to do or cause to be done all such acts and things, in the name and on behalf of

Pledgor, under its seal or otherwise, as may be deemed necessary, appropriate or desirable to effectuate or carry out the purposes and intent of the foregoing resolutions.

I HEREBY CERTIFY that the foregoing are true and correct copies of resolutions duly adopted by the Board of Directors of Pledgor on _____, 200_, and that the same have not been altered, amended, repealed or rescinded and remain in full

force and effect as of this _____ day of _____ 200_____.

By: _____

Name of Corporate Secretary

(Seal)

EXHIBIT B

CERTIFICATION OF FINANCIAL REPORTS

Date: _____

Collateral Manager
Credit Department
Federal Home Loan Bank of Boston
111 Huntington Avenue
Boston, MA 02199

Ladies and Gentleman:

On behalf of _____ (“Pledgor”)

I, _____ (name), Pledgor’s duly authorized officer, hereby certify that the attached financial statements are accurate and complete to the best of my knowledge and ability as of the date set forth above.

I further certify that, to the best of my knowledge, and based on due inquiry:

- (a) The representations, warranties and affirmative covenants in Section 7 of the Asset Pledge Agreement are true and correct as of the date of this certificate;
- (b) None of the transactions, events or occurrences described in Section 10 of the Asset Pledge Agreement has occurred; and
- (c) None of the transactions, events or occurrences constituting an Event of Default under Section 11 of the Asset Pledge Agreement has occurred.

By: _____
Signature

Name: _____

Title: _____