

**QUARTERLY CERTIFICATION FOR MEMBERS PLEDGING
SECURITY CORPORATION SHARES**

Date

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

Ladies and Gentleman:

_____ (“Member”) hereby certifies that, as of the date indicated above and in accordance with the terms of the Advances Agreement, since the Member’s last certification (or, if there has been no prior certification since the establishment of _____ (“the Investment Subsidiary”):

Insert name of Security Corp.

- (1) The Member has not pledged its ownership interest in the Investment Subsidiary to any other party to secure an obligation or for any other purpose. The Member has maintained its stock of the Investment Subsidiary free and clear of *any* encumbrance or security interest, except that which it has granted the Bank.
- (2) The Member is the sole owner of the stock of the Investment Subsidiary, and Member has delivered all shares representing ownership of the Investment Subsidiary to the Bank.
- (3) The Investment Subsidiary has no indebtedness to any entity.
- (4) The Investment Subsidiary has maintained each asset in the Investment Subsidiary free and clear of *all* encumbrances and security interests and no party except the Investment Subsidiary and the Member has any direct claim to the assets held by the Investment Subsidiary.
- (5) The Member has no reason to believe that that Stock Pledge Agreement has terminated, is invalid, or is otherwise unenforceable.
- (6) In the Member’s calculation of collateral pledged to the Bank to satisfy the Member’s Collateral Maintenance Level, the Member has at no time valued the

Investment Subsidiary in an amount that exceeded the Market Value of the assets in the Investment Subsidiary less the applicable Discount(s).

- (7) Every asset held by the Investment Subsidiary is FHLB Qualified Collateral as that term is defined in the Advances Agreement.

The Member further certifies that it will continue to conform to the foregoing certifications such that each certification is also deemed to be a certification as to the Member's future compliance with these certifications whenever it has any extension of credit outstanding from the Bank.

For purposes of these certifications, the following definitions shall apply:

- (1) *Advances Agreement* means the Agreement for Advances, Collateral, Pledge, and Security Agreement between the Member and the Bank;
- (2) *Collateral Maintenance Level* has the meaning given it in Section 5 of the Advances Agreement and means, generally, the aggregate of all extensions of credit by the Bank to the Member (including the Member's IDEAL Way line of credit and letters of credit) plus allowances for any applicable Discounts;
- (3) *Discount(s)* means reductions in valuations applied by the Bank pursuant to the Bank's Member Products Policy and internal Credit Policy, *i.e.*, haircuts;
- (4) *FHLB Qualified Collateral* mean an asset that may be used as collateral for an extension of credit from the Bank, specifically, the assets identified in Section 4 of the Advances Agreement;
- (5) *Investment Subsidiary* means the security corporation, real estate investment trust or passive investment corporation as identified above, a majority of the shares of which are owned by the Member;
- (6) *Market Value* means, at the time of the applicable calculation:
 - (a) In the case of Collateral in the form of an FNMA Certificate, GNMA Certificate FHLMC Certificate (each an "Agency Security") or Government Security, the amount equal to *the sum of*:
 - i. The product of:
 - A. The outstanding principal balance of such Agency Security, as determined from the most recent calculation factors published or issued by FNMA, GNMA, or FHLMC, as applicable, or as shown on the most recent issuer, guarantor, or servicer report relating to such Agency Security made available prior to the date of valuation, or, in the case of a Government Security, the outstanding principal balance thereof; *times*

B. The bid price for such Agency Security or Government Security as identified on a nationally recognized computer service available to Custodian, or as quoted to Custodian on the applicable valuation date by any two nationally recognized dealers then making a market in the relevant Agency Security or Government Security, *plus, in each case;*

ii. Accrued interest, if any, on such Agency Security or Government Security if not taken into account in the bid or offered price.

(b) In the case of mortgage notes, the current unpaid principal balance of the loan.

(7) *Stock Pledge* means the Stock Pledge Agreement between the Member and the Bank.

The person executing this certification on behalf of Member has been duly and properly authorized to do so.

Member

By:

Signature

Name:

Title:
