

IRREVOCABLE LETTER OF CREDIT REIMBURSEMENT AGREEMENT

THIS AGREEMENT, dated as of _____, is between
_____, an institution organized and existing under the laws
of _____
_____ having its principal office at _____
_____ (the
"Member") and FEDERAL HOME LOAN BANK OF BOSTON, having its principal office at 800
Boylston Street, 9th Floor, Boston, Massachusetts 02199 (the "FHLB").

WHEREAS, in order to facilitate transactions between the Member and third parties, the Member may from time to time request the FHLB to issue a letter of credit, or confirmation of letter of credit ("Letter of Credit") for the benefit of such third parties ("Beneficiaries" and each, a "Beneficiary") whereby the FHLB would agree, subject to the terms and conditions set forth therein, to honor drafts of up to a specified amount from such Beneficiaries; and

WHEREAS, the Member has entered into a certain Agreement for Advances, Collateral Pledge and Security Agreement, dated as of _____ in favor of the FHLB (such agreement, including any amendments thereto and any successor agreement that may be entered into by the Member and the FHLB in substitution for such agreement, is hereinafter referred to as the "Advances Agreement"), whereby the FHLB may advance funds to the Member from time to time under the terms and conditions thereof; and

WHEREAS, pursuant to the provision of the Federal Home Loan Bank Act (the "Act"), and the regulations and guidelines of the Federal Housing Finance Board (the "Regulations"), the FHLB is authorized to issue such Letters of Credit.

NOW, THEREFORE, the Member and the FHLB agree as follows:

1. Applications. The Member may apply for the issuance of one or more Letters of Credit by executing and delivering to the FHLB an application therefore (an "Application") that is in form and substance satisfactory to the FHLB. The FHLB shall have no obligation to accept any Application and may in its sole discretion approve or reject any Application on a case-by-case basis. In the event that the FHLB determines that an Application submitted to it by the Member is incomplete or must be modified in any manner in order to be acceptable to the FHLB, or in the event that the Member requests that the FHLB agree to issue a Letter of Credit prior to the time that an Application has been received by the FHLB, the FHLB may at its sole option complete or modify an Application submitted by the Member or prepare a new Application, as appropriate, based upon information furnished by the Member to the FHLB and upon terms agreed to by the FHLB and the Member by telephonic or other unwritten communication. Any Application that has been completed, modified or prepared by the FHLB and that has been executed by the FHLB shall be sent by the FHLB to the Member. The Member shall execute and return such Application to the FHLB within five business days of the date such Application is sent by the FHLB to the Member. If the FHLB agrees to issue the Letter of Credit, it shall issue and deliver to the Beneficiary, with a copy to the Member, an original executed Letter of Credit that reflects the terms and conditions of the Application. Notwithstanding the foregoing, however, unless, prior to the earlier of (a) the expiration of

such five business day period or (b) the issuance of the related Letter of Credit, the Member has delivered to the FHLB written notice specifying any disputed term or condition of the related Letter of Credit, the Application as executed by the FHLB and the executed Letter of Credit shall be conclusive as to the terms of that Letter of Credit, and the Member shall be estopped from asserting any claim or defense with respect to the repayment of any draw under such Letter of Credit or the terms and conditions thereof. Unless otherwise provided in the Letter of Credit or agreed to in writing by the FHLB, the FHLB shall have no obligation to renew, reinstate all or a portion of the credit amount of, extend the expiration date of, or otherwise alter the initial terms of any Letter of Credit, and in the case of any Letter of Credit that provides for such renewals, reinstatements, extensions or other alterations of terms to occur automatically unless notice to the contrary is given, the FHLB may determine to provide such notice in its sole discretion.

2. Payments Under a Letter of Credit. In the event that the FHLB makes a payment under a Letter of Credit, such payment shall constitute an Advance (as defined in the Advances Agreement) to the Member under the Advances Agreement. Such Advance shall be immediately due and payable, without demand, and shall bear interest from the date thereof at the rate in effect and being charged by the FHLB from time to time on advances under its IDEAL Way Line of Credit Program. The Member hereby authorizes the FHLB to debit the Member's IDEAL Way deposit account with the FHLB for any and all amounts due on such Advance and for all fees, charges and other amounts payable in connection with any Letter of Credit or hereunder. In the event that the balance in such IDEAL Way deposit account is insufficient to pay such amounts, the FHLB may without notice to the Member apply any other deposits, credits, or monies of the Member then in the possession of the FHLB to the payment of such due and payable amounts.
3. Collateral and Security Interest; Capital Stock.
 - (a) In consideration of each issuance of a Letter of Credit and to secure all of the obligations of the Member hereunder, the Member hereby assigns, transfers and pledges to the FHLB, and grants to the FHLB a security interest in, all collateral now or hereafter pledged to the FHLB under the Advances Agreement ("Collateral"). The rights and duties of the Member and the FHLB with respect to Collateral shall be as provided in the Advances Agreement. At all times that a Letter of Credit has been issued and is outstanding, the amount of Collateral (of the type and nature required under the Advances Agreement) that the Member is required to have pledged to the FHLB under the Advances Agreement free and clear of any liens or encumbrances, and if so required by the FHLB pursuant to the Advances Agreement, to have specifically identified to the FHLB or to have physically delivered to the FHLB, shall be increased by the amount required under the Advances Agreement if the amount of Advances outstanding were increased by the maximum aggregate amount that the FHLB may be required to pay under all outstanding Letters of Credit. The Member agrees to make, execute, record and deliver to the FHLB such financing statements, notices, assignments, listings, powers and other documents with respect to the Collateral and the FHLB's security interest therein in such form as the FHLB may require.
 - (b) The Member shall purchase and maintain such an amount of the Capital Stock of the Bank as may be necessary so that the aggregate amount of Capital Stock owned by the Member at all times shall be at least equal to the amount of Capital Stock that the Member would be required to own pursuant to the terms of such Capital Stock Plan, as it may be amended from time to time. The Member hereby authorizes the FHLB to debit the Member's

IDEAL Way deposit account with the FHLB when and in the amounts necessary to effect such purchases of Capital Stock. If the amount in the Member's IDEAL Way deposit account is not sufficient to effect such purchases, the FHLB may without notice to the Member apply any other deposits, credits, or monies of the Member then in the possession of the FHLB to the purchase of the Bank's Capital Stock and may make an Advance (which shall be immediately due and payable, without demand, and which shall bear interest from the date thereof at the rate in effect and being charged by the FHLB from time to time under its IDEAL Way Line of Credit Program) to Member in the amount necessary to effect such purchase.

4. Acceptance and Honor of Letter of Credit. The FHLB may: (a) accept and pay drafts or other documents requesting payment under each Letter of Credit regardless of whether or not the same are drawn "without recourse"; (b) confirm or advise each Letter of Credit through one or more correspondents; (c) honor drafts or other documents requesting payment drawn under each Letter of Credit for less than the maximum aggregate amount of such Letter of Credit; (d) accept or pay, as complying with the terms of each Letter of Credit, any drafts or other documents requesting payment signed or issued by any administrator, executor, trustee in bankruptcy, debtor-in-possession, assignee for benefit of creditors, liquidator, receiver, agent, attorney in fact or other representative of any Beneficiary or of any successor or assign approved in writing by the FHLB; (e) accept or pay any drafts or other documents requesting payment dated and presented on or before the expiration date of any Letter of Credit, regardless of when drawn and when or whether negotiated; (f) accept documents of any character which comply with the terms of the Letter of Credit; and (g) at FHLB's sole and exclusive option, exercise any right of FHLB under the Letter of Credit.
5. Fees and Other Charges. The Member agrees to pay the FHLB, on demand, such administrative fees as may be charged by the FHLB and any and all charges, costs and expenses (including, but not limited to, attorneys' fees) paid or incurred by the FHLB in connection with the issuance or amendment of, or performance under, each Letter of Credit or in connection with the negotiation, preparation or enforcement of this Agreement and any documentation relating thereto. In addition, the Member agrees to pay to the FHLB the fees specified in the Application for, or in any agreement executed by the Member in connection with the issuance of, each Letter of Credit issued hereunder.
6. Member Representations, Warranties and Covenants. The Member represents, warrants and covenants to the FHLB that the following are and shall remain true, complete and correct as of the date hereof and for as long as any Letter of Credit shall be outstanding: (a) this Agreement has been duly and validly executed and delivered by the Member and Member's execution, delivery and performance hereof have been authorized by all necessary corporate action; (b) neither this Agreement, nor any Letter of Credit, nor any transaction to which this Agreement or any Letter of Credit relates violates or will violate any law or regulation applicable to the Member; (c) the Member has duly entered into the Advances Agreement and the same is currently in full force and effect; (d) the Member agrees to maintain one or more IDEAL Way deposit accounts with the FHLB at all times during which any Letter of Credit issued hereunder remains outstanding; and (e) when the FHLB so requests, each agreement, contract, term sheet, or other document relating to the transaction between the Member and the Beneficiary with respect to which a Letter of Credit is issued shall be in a form approved by the FHLB, and the Member shall have accurately communicated the terms thereof, or delivered a copy thereof, to the FHLB prior to the issuance of the related Letter of Credit.

7. Liabilities and Responsibilities of the FHLB. It is agreed that the FHLB shall not be responsible to the Member or (except with respect to the FHLB's obligation to pay a Beneficiary under a Letter of Credit) to any other party for, and no obligation of the FHLB under a Letter of Credit shall be affected by: (a) the use which may be made of any Letter of Credit or any act or omission of any Beneficiary or assignee of any Letter of Credit; (b) any act, omission, insolvency or failure in business of any confirming or advising bank or any of the FHLB's correspondents, agents or subagents; (c) the validity, authenticity, completeness, sufficiency, or collectibility of any drafts, instruments, notices of default, or other documents, including endorsements and signatures thereon; (d) any breach of contract between the Member and any other party; (e) compliance with or circumstances resulting from the existence or exercise of applicable laws, regulations, customs controls or restrictions by any government or by any group asserting or exercising de facto or de jure governmental powers; (f) any failure of drafts or other evidences of withdrawal to bear reference or adequate reference to any Letter of Credit, failure of negotiating banks to comply with directions of the Member or failure of any person to surrender, take up or forward any Letter of Credit or to note thereon any withdrawal thereunder, each of which requirements the FHLB may waive even if included in the Letter of Credit; (g) any errors, omissions, interruptions or delays in transmission or delivery of any messages, however sent and whether plain or in code or cipher, or errors in translation or in interpretation of technical or other terms, other than due to the bad faith of the FHLB, its agents or subagents; (h) any event, fact or condition beyond the control of the FHLB; (i) any fraud, misconduct or misrepresentation on the part of any person requesting payment under a Letter of Credit; and (j) without limiting the foregoing, any act or omission of the FHLB or any confirming or advising bank or any of the FHLB's correspondents, agents or subagents done or omitted in good faith. The FHLB is expressly authorized and directed to honor any draft or other request for payment which is made under and in compliance with any Letter of Credit without regard to, and without any duty to inquire into, the genuineness or authenticity of any signature, the authority of any person to make such request, the existence of any disputes or controversies between the Member, Beneficiary or any other person or firm, or their respective rights, duties or liabilities, or whether any fact or event referred to in any notice of default or other document presented under the Letter of Credit is true and correct. The sole obligation of the FHLB to the Member with respect to a Letter of Credit is limited to honoring properly completed and presented requests for payment made under and in compliance with any Letter of Credit even though the FHLB may have prepared the Letter of Credit or any notice of default or other document required to be presented thereunder and even though the FHLB may otherwise be aware of facts concerning the transaction which gives rise to the Letter of Credit.
8. Events of Default. The following occurrences shall be Events of Default: (a) any Event of Default (including, without limitation, the occurrence of any event which would entitle the FHLB to declare the principal of all Advances to be due and payable) under the Advances Agreement; (b) the failure of the Member to pay any amount due hereunder; (c) the breach by the Member of, or the failure of the Member to perform, any covenant, agreement, term or condition under or in connection with the Letter of Credit or this Agreement; (d) any failure at any time of any representation or warranty or information, furnished by the Member to the FHLB in any context, to be and remain true, correct and complete; (e) any failure to furnish the FHLB such information, and such access to all its books and records, and copies thereof, as the FHLB may reasonably require; (f) the Member shall fail to be in compliance with all minimum federal and/or state regulatory capital requirements applicable to it; (g) any form of liquidation, merger, general sale of assets or voluntary dissolution, or upon termination of the membership of the Member in the FHLB or upon the Member's ceasing to be the type of

financial institution that is eligible to become a Member of the FHLB under the Federal Home Loan Bank Act; or (h) the FHLB reasonably and in good faith determines that a material adverse change has occurred in the financial condition of the Member. If the Member learns or otherwise becomes aware, or in the exercise of reasonable care should have become aware, of any such Event of Default, it promptly shall give notice of the same to the FHLB.

9. Remedies. Upon the occurrence of an Event of Default, the FHLB shall have the right forthwith to convert the aggregate amount of the Letter of Credit into an Advance (as defined in the Advances Agreement) to the Member under the Advances Agreement (less the amount of payments under the Letter of Credit that already have been treated as Advances under Section 2 hereof), which Advance shall be immediately due and payable, without demand, and shall bear interest from the date thereof at the rate in effect and being charged by the FHLB from time to time on advances under its IDEAL Way Line of Credit Program. In those cases in which the FHLB deems it advisable to protect its interests, the proceeds of such Advance shall be placed in a segregated deposit account to be held by the FHLB to fund all draws by the Beneficiary against, or otherwise satisfy any of the FHLB's obligations under, the outstanding Letter of Credit. Once the segregated deposit account has been established and funded, the obligations of the Member to the FHLB shall be discharged to the extent of the funds placed in the segregated deposit account, and the Member shall have no legal right to the segregated deposit account or the proceeds thereof. The Beneficiary shall only have the right to draw on the Letter of Credit directly from the FHLB and shall have no recourse against the Member, and the FHLB shall be required to honor such a draw from the funds in the segregated deposit account. Upon expiration of the Letter of Credit the FHLB shall remit to the Member, or any lawful successor to or assignee of the Member's interest therein, any balance remaining in the segregated deposit account that has not been subject to a draw on the Letter of Credit by the Beneficiary.

In satisfaction of the full payment of such Advance, the FHLB may, in its sole and absolute discretion and without notice to the Member, forthwith (i) debit the Member's IDEAL Way deposit account with the FHLB, (ii) apply any other deposits, credits, or monies of the Member then in the possession of the FHLB to the payment of such due and payable amounts, or (iii) exercise all its rights and remedies with respect to the Collateral as provided in the Advances Agreement with respect to an event of default thereunder, for any and all amounts due on such Advance and for all fees, charges and other amounts payable in connection with any Letter of Credit or hereunder.

10. Governing Law; Cumulative Remedies. In addition to the terms and conditions specifically set forth herein and in any Application between the FHLB and the Member, this Agreement and all Letters of Credit issued under this Agreement shall be governed by the statutory and common law of the United States and, to the extent state law is applicable, by the laws of the State of Massachusetts (without giving effect to choice of law principles included therein). Notwithstanding the foregoing, Article 9 of the Uniform Commercial Code as in effect in the State of Massachusetts shall be deemed applicable to this Agreement. It is further agreed that this Agreement shall be supplemented by the provisions (to the extent that such provisions are consistent with the provisions of this Agreement) of the Uniform Customs and Practice for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500, and any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and, to the extent not inconsistent therewith, by the provisions of Article 5 of the Uniform Commercial Code as in effect in the State of Massachusetts. All rights and remedies of the FHLB hereunder are cumulative of each other and of every other

right or remedy which the FHLB may otherwise have at law or in equity or under any other contract or other writing for the enforcement of the security interest herein or the collection of any amount due hereunder.

11. Waiver; Amendment; Severability. No delay on the part of the FHLB in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No waiver by the FHLB of any Event of Default shall be effective unless in writing and signed by an authorized officer of the FHLB, and no such waiver shall be deemed to be a waiver of a subsequent Event of Default or be deemed to be a continuing waiver. No course of dealing between Member and the FHLB or its agents or employees shall be effective to change, modify or discharge any provision of this Agreement or to constitute a waiver of any Default. The FHLB shall not, under any circumstances or in any event whatsoever, have any liability for any error or omission or delay of any kind occurring in the liquidation of any Collateral, including the settlement, collection or payment of any Collateral, or for any damage resulting therefrom. In any provision of this Agreement is held invalid or unenforceable to any extent or in any application, the remainder of this Agreement, or the application of such provision to different persons or circumstances or in different jurisdictions, shall not be affected thereby.
12. Indemnity. Member agrees to defend, indemnify and hold harmless the FHLB and the FHLB's correspondents, agents and subagents from and against any and all demands, actions, damages, claims, losses, penalties, liabilities and expenses (including attorney's fees and expenses), not involving the FHLB's gross negligence or willful misconduct, resulting from or incurred, suffered or paid by any of them in connection with this Agreement, each Letter of Credit issued hereunder of any breach or failure of any representation, warranty, covenant, agreement, term or condition of this Agreement.
13. Approval by Board of Directors. Member represents, warrants and covenants that this Agreement has been ratified and approved by its Board of Directors and, along with any related agreement, contract, term sheet, or other document, will be maintained continuously as an official record of the Member.
14. Counterparts. This Agreement, and any amendments, waivers, consents or supplements related hereto, may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which counterparts taken together shall constitute but one and the same instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of a signature page to, or an executed counterpart of, this Agreement (or any amendment, waiver, consent or supplement related hereto) by facsimile, email transmission of a scanned image, or other electronic means, shall be effective as delivery of an originally executed counterpart. For the avoidance of doubt, the words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, and the parties hereto hereby waive any objection to the contrary.

15. Entire Agreement. This Agreement embodies the entire agreement and understanding between Member and the FHLB relating to the subject matter hereof and supersedes all prior agreements between such parties which relate to such subject matter.

IN WITNESS WHEREOF, Member and the FHLB have caused this Agreement to be signed in their names by their duly authorized officers as of the date first above mentioned.

FEDERAL HOME LOAN BANK OF BOSTON

Type member name in all capitals

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____