

**AMENDED AND
RESTATED**

**Capital Plan of the
Federal Home Loan
Bank of Boston**

Amended and Restated as of December 31, 2021

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Stock Redemption Period – The Class B Stock Redemption Period following: (i) the Bank’s receipt of a Member’s Redemption Notice to redeem Stock (with such Redemption Notice applicable only to the class and number of shares of Stock that are the subject of such Redemption Notice); (ii) the Bank’s (or as applicable, the Finance Agency’s) receipt of a Member’s written notice to the Bank (or as applicable, the Finance Agency) of intent to withdraw from Membership, or the date of acquisition or receipt of any additional shares of Stock after the Bank’s (or as applicable, the Finance Agency’s) receipt of such notice, (iii) a Member’s termination of Membership as a result of merger or consolidation into a Member of another FHLBank or a nonmember, or the date of acquisition or receipt of any additional shares of Stock after such termination from Membership, (iv) a Member’s termination from Membership as a result of the relocation of its principal place of business, or the date of acquisition or receipt of any additional shares of Stock after such termination of Membership, or (v) a Member’s involuntary termination from Membership, or the date of acquisition or receipt of any additional shares of Stock after such termination of Membership.

Total Assets – (i) As determined by the Bank for a Member with a federal or state banking or credit union charter, total assets of the Member as reported in its quarterly regulatory filing; (ii) as determined by the Bank for a Member that is an insurance company under the supervision of the regulator of insurance companies in its state of domicile, the Member’s total net admitted assets excluding any separate account, segregated account, and protected cell account assets as reported in its statutory financial statement; and (iii) for the Bank or for any Member other than a Member in (i) or (ii), total assets as determined in accordance with GAAP.

Total Capital – The sum of Permanent Capital, the amount of any general allowance for losses, and the amount of other instruments identified in the Capital Plan that the Finance Agency has determined to be available to absorb losses incurred by the Bank.

Total Stock Investment Requirement – The sum of the Membership Stock Investment Requirement and the Activity-Based Stock Investment Requirement.

Unweighted Leverage Ratio – The ratio of the Bank’s Total Capital to Total Assets, wherein the portion of Total Capital that is Permanent Capital is recorded as its book value.

Weighted Leverage Ratio - The ratio of the Bank’s Total Capital to Total Assets, wherein the portion of Total Capital that is Permanent Capital is weighted 1.5 times.

Investment Requirement as Activity-Based Assets are extinguished or repurchased by the terminated Member.

IV.F.1(f) Effective Date of Withdrawal

The Membership of a Member that has submitted a notice of intent to withdraw, and that has not cancelled such notice, shall terminate as of the date on which the last applicable Stock Redemption Period ends for Class B Stock that the Member is required to hold under the Membership Stock Investment Requirement as of the date that the Member's written notification of its intent to withdraw from Membership was received by the Bank.

IV.F.2. Involuntary Termination of Membership

IV.F.2(a) Written Notification

The Board of Directors may terminate the Membership of any Member that: (i) fails to comply with any requirement of the Act, any regulation adopted by the Finance Agency, or any requirement of the Capital Plan, (ii) becomes insolvent or otherwise subject to the appointment of a conservator, receiver, or other legal custodian under federal or state law, or (iii) would jeopardize the safety and soundness of the Bank if it were to remain a Member.

IV.F.2(b) Access to Benefits of Membership

A Member whose Membership is terminated involuntarily shall cease being a Member of the Bank as of the date on which the Board of Directors acts to terminate the Membership. After that date the institution whose Membership has been terminated shall have no right to obtain any of the benefits of Membership including access to the Bank's products and services and will no longer have any voting rights, other than as provided in the Regulations, but shall be entitled to receive any dividends declared on its Class B Stock until the Class B Stock is redeemed or repurchased by the Bank.

IV.F.2(c) Disposition of Claims

The Bank shall determine an orderly manner for the disposition of Activity-Based Assets outstanding to a Member whose Membership has been terminated. The Bank may allow the Member whose Membership has

‘Retained Earnings’ means the retained earnings of an FHLBank calculated pursuant to GAAP.

‘Retained Earnings Capital Plan Amendment’ means the amendment to this Capital Plan, made a part thereof, adopted effective on the Interim Capital Plan Amendment Implementation Date adding §VII to this Capital Plan.

‘Special Contribution Amount’ means the result of: (i) 50 percent of Quarterly Net Income; plus (ii) 50 percent of a positive Adjustment to Prior Net Income for any prior calendar quarter that includes the REFCORP Termination Date, or occurred subsequent to the REFCORP Termination Date, to the extent such adjustment has not yet been made in the current calendar quarter; minus (iii) 50 percent of the absolute value of a negative Adjustment to Prior Net Income for any prior calendar quarter that includes the REFCORP Termination Date, or occurred subsequent to the REFCORP Termination Date, to the extent such adjustment has not yet been made by the current calendar quarter.

‘Stockholder’ means: (i) a Member or (ii) an Other Institution.

‘System Consolidated Obligation’ means any bond, debenture, or note authorized under the Regulations to be issued jointly by the FHLBanks pursuant to Section 11(a) of the Act, as amended, or any bond or note previously issued by the Federal Housing Finance Board on behalf of all FHLBanks pursuant to Section 11(c) of the Act, on which the FHLBanks are jointly and severally liable, or any other instrument issued through the Office of Finance, or any successor thereto, under the Act, that is a joint and several liability of all the FHLBanks.

VII.C. Establishment of Restricted Retained Earnings Account

VII.C.1. Segregation of Account

No later than the REFCORP Termination Date, the Bank shall establish an account in its official books and records in which to allocate its Restricted Retained Earnings, with such account being segregated on its books and records from the Bank’s Retained Earnings that are not Restricted Retained Earnings for purposes of tracking the accumulation of Restricted Retained Earnings and enforcing the restrictions on the use of the Restricted Retained Earnings imposed in the Retained Earnings Capital Plan Amendment.

Prior to the First Recalculation Date, Membership Stock Investment Requirement and Membership Stock Investment Base shall be as follows (which is excerpted below from the prior approved Capital Plan):

	Membership Stock Investment Requirement
% of Membership Stock Investment Base	0.20%
Membership Stock Cap	\$10,000,000
Membership Stock Floor	\$10,000

Membership Stock Investment Base: Prior to the First Recalculation Date, the Membership Stock Investment Base shall be calculated as a summation of non-discounted values of certain Member assets eligible to secure Advances under Section 10(a)(3) of the Act, as determined by the Bank from call report data and as defined in the Products and Solutions Guide (which forms a part of the Bank’s Member Products Policy).³ Insurance companies and other members that do not submit financial information to a regulatory body through a publicly available call reporting process will be required to submit data directly to the Bank that are similar in substance and time frame to those data filed in thrift, bank, and credit union call reports, including Closed-End Mortgages on One- to Four-Family Dwelling Units; Permanent Mortgages on Five or More Dwelling Units; United States Treasury and Agency Securities (Exclude MBS); Residential MBS Guaranteed by GNMA or Issued by Fannie Mae and Freddie Mac; Residential CMOs issued by or guaranteed by GNMA, Fannie Mae or Freddie Mac; All Other Residential CMOs; and All Other Residential MBS.

³ For Members filing FFIEC 031 or 041 Reports of Condition and Income, the Membership Stock Investment Base would equal the sum of the following line items: Schedule RC-C, lines 1.c.(2)(a) and 1.c.(2)(b) (Closed-end Loans Secured by First and Junior Liens on 1-4 Family Residential Properties), Schedule RC-C, line 1.d (Mortgage Loans Secured by Multifamily (5 or more) Residential Properties), Schedule RC-B, lines 1, 2 (U.S. Treasury and Agency Securities, Excluding Mortgage-backed Securities), Schedule RC-B, lines 4.a.(1), 4.a.(2), 4.b.(1), and 4.b.(2) (Mortgage-backed Securities Guaranteed by Ginnie Mae or Issued by Fannie Mae and Freddie Mac), and Schedule RC-B, lines 4.a.(3) and 4.b.(3) (Other Mortgage-backed Securities). For members filing FFIEC 051 Reports of Condition and Income, the first three items are the same as above, while the last two line items are: Schedule RC-B, Lines 4.a. (1), 4.b (1), and 4.b.(2) (MBS Guaranteed by Ginnie Mae or Issued by Fannie Mae and Freddie Mac), and Schedule RC-B, lines 4.a.(2) and 4.b.(3) (Other Mortgage-backed Securities). In all cases, amortized cost is used for held-to-maturity securities and fair value is used for available-for-sale securities.

For Members filing a Credit Union 5300 Call Report, the Membership Stock Investment Base would equal the sum of line items: Loans (page 6) Line 9 (Code 703A) Less Schedule A- Section 2 (page 15) - Line 16 (Code 704A2) (Total Loans/Lines of Credit Secured by 1st Lien 1-4 Family Residential Properties *less* Balance Outstanding of 1st Mortgage Residential Construction Loans – Excluding Business Purpose), Schedule B (page 18) Line 1.e Code 741C (Total U.S. Government Obligations), and Schedule B (page 18) Line 2.c Code 742C (Total Federal Agency Securities), and Schedule B (page 18) Line .2 Code 981 (Total Other Mortgage-Backed Securities).

<u>Transaction</u>	<u>Activity Based Stock Requirement</u>
For MPF loans members sold to the Bank during the period from April 19, 2008 through November 1, 2009 under master commitments executed during the same period.	4.50 percent (4.50%)
For MPF loans members sold to the Bank under master commitments executed during the period from October 16, 2004 through April 18, 2008.	0.00 percent (0.00%)
For MPF loans members sold to the Bank during the periods (i) from October 16, 2004, through April 18, 2008, or (ii) on or after November 2, 2009, under master commitments executed prior to October 16, 2004.	0.00 percent (0.00%)
For MPF loans members sold to the Bank during the periods (i) from April 19, 2004 to October 16, 2004, or (ii) from April 19, 2008 through November 1, 2009, under master commitments executed from April 19, 2004 to October 16, 2004.	4.50 percent (4.50%)
For MPF loans members sold to the Bank before April 19, 2004	0.00 percent (0.00%)
Delivery Commitments for Acquired Member Assets	0.00

NOTICES TO THE BANK

Postal or Physical Address for Delivery of Notices to the Bank under this Capital Plan (or Member may arrange electronic means of delivery with Bank Membership Services):

Federal Home Loan Bank of Boston
800 Boylston Street
Boston, MA 02199
Attention: President and CEO