



Master Transaction Agreement

This Master Transaction Agreement (this "Agreement") dated this ___ day of _____, 20___, is entered into between _____ ("Member"), with principal offices at _____, and the Federal Home Loan Bank of Des Moines ("Bank") with principal offices in Des Moines, Iowa.

Article 1 General

1.1 Change in Authorization. The Bank shall be promptly notified in writing in such form or forms as the Bank may specify from time to time by the Secretary or any officer of the Member of any change in authorized officers, employees, and agents. Until the Bank has actually received such notice in writing, it shall be indemnified and saved harmless from any loss suffered or liability incurred by it in continuing to act in reliance on the authority of such previously authorized officer, employee, or agent. Set forth on the Authorized Personnel Form provided by the Bank to Member (the "APF"), the form of which may be amended by the Bank in its sole discretion, is a listing of authorized officers, employees, and/or agents who are authorized by the Member to make the specified transactions contemplated by this Agreement. From time to time, upon written notice by the Member to the Bank, the APF shall be amended to add or remove authorized individuals as needed.

1.2 Applicable Law. This Agreement is governed by the Federal Home Loan Bank Act, Rules and Regulations of the Federal Housing Finance Agency ("FHFA"), and policies, guidelines and directives of the FHFA, and the Member Products Policy (as defined in Article 5 below), and to the extent applicable and not inconsistent therewith, the laws of the State of Iowa. If any portion of this Agreement conflicts with applicable law, such conflict shall not affect any other provision of this Agreement that can be given effect without the conflicting provision, and to this end the provisions of this Agreement are severable.

1.3 Indemnification. Except as otherwise set forth herein, the Member agrees to defend, indemnify and hold harmless the Bank and the Bank's employees, officers, directors, correspondents, agents and subagents, assignees, and participants from and against any and all demands, actions, claims, losses, perils, liabilities, contentions, and any costs and expenses including attorneys' fees, whether or not a suit is instituted, arising out of or in any way incident or related to the services provided for hereunder, provided, however, that no duty or indemnity shall exist when the liabilities, costs or expenses are incurred by reason of the Bank's gross negligence or willful misconduct under the terms of this Agreement.

1.4 Agreement Constitutes Entire Agreement. Except as set forth in this paragraph, this Agreement, together with any related applications and agreements, embodies the entire agreement and understanding between the parties hereto relating to the Bank's deposit accounts, payment orders, wire transfers, securities safekeeping accounts, and letters of credit, and supersedes all prior agreements between such parties that relate to that subject matter. With regard to letters of credit discussed in Article 5 of this Agreement, those letters of credit issued by the Bank to the Member prior to the execution of this Agreement

shall continue to be governed exclusively by the terms of the prior agreements pursuant to which such letters of credit were issued, except that (i) any default thereunder shall constitute default hereunder, (ii) collateral furnished as security hereunder shall also secure such prior letter of credit and (iii) the rights and obligations with respect to such collateral shall be governed by the terms of this Agreement. Any other agreements between Member and Bank relating to the Member's financial transactions with Bank shall be superseded to the extent of any inconsistency or conflict between its terms and the terms of this Agreement.

1.5 No Waiver of Rights. A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise of any right, power, or privilege or the exercise of any other right, power or privilege. No waiver by the Bank of any event of default shall be in effect unless in writing and signed by an authorized officer of the Bank, and no such waiver shall be deemed a waiver of a subsequent event of default or be deemed to be a continuing waiver. No course of dealing between Member and the Bank 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.

1.6 Severability. If 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.

1.7 Successors and Assigns. This Agreement shall be binding upon each of the parties, successors and permitted assigns. The Member may not assign any obligation hereunder without the prior written consent of the Bank. The Bank may assign any or all of its rights and obligations hereunder or with respect to any advance or other indebtedness to any other party, without notice and without the consent of the Member.

1.8 Events of Default. The following occurrences shall be events of default:

- A.** The Member defaults under any other agreement existing between the Member and the Bank;
- B.** The failure of the Member to pay any amount due hereunder or to provide collateral as required hereunder; and
- C.** The breach by the Member of any representation, warranty, covenant or information furnished by the Member hereunder or the failure of any representation, warranty, covenant or information furnished by the Member in any context to be and remain true, correct and complete.

1.9 Remedies. Upon the occurrence of an event of default the Bank shall have all the rights and remedies as provided for in an event of default under the Advances, Pledge and Security Agreement existing between the Bank and the Member ("APSA") and shall have all other rights and remedies available at law or in equity to secure, collect, enforce, or satisfy the Member's obligations to the Bank hereunder. All rights and remedies of the Bank hereunder are cumulative of each and every other right or remedy which the Bank may otherwise have at law or in equity or under any contract or other writing for the enforcement of the security interest granted to the Bank or the collection of any amount due hereunder.

1.10 Member's Representations, Warranties and Covenants. Member represents, warrants and covenants to the Bank that the following are and shall remain true, complete and correct at all times until the termination of this Agreement:

- A.** This Agreement has been duly and validly executed and delivered by the Member and its execution, delivery, and performance have been authorized by all necessary corporate actions;
- B.** The person signing this document on behalf of the Member represents that its execution was authorized by appropriate action of the Board of Directors of the Member and that such action is duly reflected in the records of the Member; and
- C.** The Member shall not enter into any transaction hereunder that violates any law or regulation applicable to the Member or any supervisory or consent agreement with any regulatory body; including but not limited to the Bank Secrecy Act ("BSA") or any rules and regulations issued by the Office of Foreign Assets Control ("OFAC").

1.11 Tape Recordings. Member consents and agrees that all telephone conversations or data transmissions between Member and its agents and the Bank may be recorded and retained by either party by use of any reasonable means. The Bank shall be entitled to rely upon, and shall not incur any liability for relying upon, any such oral or written request believed by it to be genuine and to have signed, sent or made by an authorized person. Upon request by the Bank, the Member agrees to deliver promptly to the Bank a written confirmation of each oral request. If the written confirmation or any oral request differs in any material respect from the action taken by the Bank, the records of the Bank will control, absent manifest error.

1.12 Banking Days. The term "banking days" as used in this Agreement shall mean any day, other than Saturday, Sunday or federal holidays, that the Bank is open for business.

1.13 Notices. Except as otherwise provided for in this Agreement, any notice, remittance, report, statement, item, advice, request, consent, direction, or other communication given, made, or withdrawn pursuant to this Agreement shall be given in writing or by transmission in electronic or other form and shall be deemed to have been duly given to and received by a party hereto three (3) banking days after it shall have been mailed to such party at its address given above by first class mail, or if given by hand or by transmission in electronic or other form when actually received by such party at its principal office, chief executive office, or as otherwise designated.

1.14 Fees. From time to time the Bank may establish fees, rules, policies, and procedures regarding transactions, including establishing a part of a banking day during which it is open for the receipt, processing, and transmittal of payment orders or other instructions relating to payment orders, including cancellation or amendment. Such fees shall be set forth in the FHLB Des Moines Fee Schedule (the "Fee Schedule"), and such rules, policies, and procedures shall be set forth in the Member Products Policy or on the Bank's website, each of which may be amended by the Bank from time to time and shall be binding on the Member.

1.15 Amendments/Modifications. Bank may amend this Agreement from time to time by written notice to the Member. If Member uses any services provided for by this Agreement after receipt of such notice of amendment, such use shall be deemed acceptance of the terms of the amendment.

1.16 Termination of Agreement. The Bank may terminate this Agreement at any time by providing written notice to the Member. All representations, warranties, and obligations of Member shall survive any termination of this Agreement.

Article 2 Deposit Accounts

2.1 Deposit Accounts. The Bank may establish one or more deposit accounts with such maturities and bearing such interest as the Bank may determine from time to time.

2.2 Charges to Member's Account. The Bank may charge Member's deposit account(s) for amounts due the Bank arising in connection with services performed or transactions initiated on behalf of the Member, in accordance with the Fee Schedule.

2.3 Security Interest. Member hereby grants to Bank a security interest in all deposit accounts in order to secure any and all obligations of the Member now or hereafter existing. Member authorizes the Bank to exercise all rights and remedies available to secured creditors in the event of default on any obligation, without notice to the Member, including, but not limited to, the right to set off any deposits against any obligation, without notice to the Member.

2.4 Overdrafts. If an overdraft occurs in the Member's account, the Bank may, at its option, charge a fee in accordance with the Fee Schedule to the Member's deposit account. The Member acknowledges and agrees that the Bank may from time to time, in its sole discretion, change the overdraft fee set forth in the Fee Schedule.

Article 3 Electronic Funds Transfer

3.1 Authority

A. The Member authorizes the Bank to execute payment orders through electronic funds transfer ("EFT") or automated clearing house ("ACH") when transferring funds from or to any deposit account now or hereafter maintained by Member with the Bank to or from any account of the Member or any third party, whether such account is maintained at the Bank or any other financial institution upon the Bank's receipt of instructions, from any of the Member's authorized officers, employees or agents set forth in the APF. Any instructions received are subject to the Bank's normal cutoff hours and other applicable deadlines, which may be changed from time to time by the Bank, in its sole discretion, without notice to the Member or its consent. For purposes of this Article, the term "payment order" has the same meaning as that term is defined under Article 4A of the Uniform Commercial Code. Whenever the term "instructions" is used in this Article it refers to instructions received by any means, including but not limited to, written, electronic, oral, telephonic or facsimile.

B. As a security procedure the Bank may from time to time assign authentication codes or other security devices to validate Member's authorized officers, employees or agents and/or transactions. The Member further authorizes the Bank to act upon such other instructions relating to payment orders, including cancellation or amendment, which the Bank receives from any of the Member's authorized officers, employees or agents. If the Bank assigns a confidential code word, password, or number to the Member as part of a security procedure to verify the authenticity of payment orders or other instructions relating to payment orders, including cancellation or amendment, the Bank is hereby authorized to accept, cancel, or amend such payment order upon receipt of instructions containing such confidential code word, password, or number.

3.2 Security Procedures

A. The Member and the Bank shall comply with the security procedures described in this Article with respect to payment orders. The purpose of such procedures is to verify the authenticity of a payment order or instructions canceling, or amending a payment order, and such procedures are not intended to detect an error in the transmission or the content of the payment order. The Member agrees that the security procedures set forth herein are commercially reasonable. Furthermore, the Member acknowledges and agrees that it and the Bank are not agreeing to a procedure designed for the detection of any error.

B. The Member is strictly responsible for establishing and maintaining commercially reasonable procedures to safeguard against unauthorized transactions. Such procedures shall be reasonably calculated to protect against unauthorized transactions, network infections, and breaches of confidential or protected information. The Member warrants that no individual will be allowed to initiate a payment order in absence of proper supervision and safeguards. The Member agrees to protect and safeguard any authentication code, password, number or other authentication technology provided by the Bank, and to limit access to the same to Member's authorized officers, employees, or agents. If the Member suspects that any such information or instructions are accessed by unauthorized persons, the Member agrees to promptly report any breach of confidentiality or unauthorized dissemination to the Bank. The occurrence of any unauthorized payment order will not affect any transfer made in good faith by the Bank prior to receipt of the Member's notification.

C. Following the receipt of instructions, the Bank reserves the right, in its sole discretion, to verify or authenticate the instructions or other related instruction by subsequent telephone calls to an authorized officer, employee, or agent of the Member or by any other means which the Bank may deem appropriate, but its failure to verify or authenticate any such instructions shall not be evidence of any failure to exercise reasonable care or good faith. The Bank shall not be liable if it rejects instructions or performs any related act if the Bank in good faith is unable to satisfy itself that the instruction is given by an authorized officer, employee or agent. In such an event, the Bank shall not be liable to the Member for any loss of any kind including consequential, incidental, punitive, or exemplary damages in any amount, provided Bank has acted in good faith, and such loss was not caused by the Bank's gross negligence or willful misconduct.

3.3 General.

A. The Bank may rely on the number in the instructions that identifies a recipient, even if it identifies a bank different from the bank identified by name in the instructions, if the Bank does not know of such an inconsistency in identification. Likewise, the Bank may rely on the number in the instructions that identifies the beneficiary, even if it identifies an entity different from the entity identified by name in the instructions, if the Bank does not know of such an inconsistency in identification. The Bank has no duty to detect any such inconsistency.

B. If the Member is the sender of a payment order, the Member authorizes the Bank to obtain payment for such payment order by debiting the amount of the payment order from any of the Member's deposit accounts with the Bank. The Bank shall be under no obligation to execute any payment order unless the Member has on deposit with the Bank collected funds sufficient to cover such payment order.

C. The Member shall have no right to the cancellation or amendment of any payment order after the receipt of instructions by the Bank. If the Bank receives a cancellation or amendment of a payment order after the Bank has already executed the payment order, the Bank may, but is not required to, attempt to recover the funds from the beneficiary using whatever steps it deems reasonable, provided, however, that if the Bank attempts to recover the funds, it need not pursue the claim beyond normal commercial steps and may require the Member to pursue its own claim at any time. If Member asks Bank to recover funds which Bank has already transferred, Bank shall be under no obligation to do so unless and until Member deposits with Bank an amount reasonably determined in good faith by Bank to approximate the costs and expenses (including attorney's fees) which Bank may incur in attempting to recover the funds transferred. In lieu of such deposit, Bank may request Member to provide a bond or other assurance of payment reasonably satisfactory to Bank. The Bank makes no representation or warranty as to its ability to cancel, or amend a payment order once accepted or executed. The Member shall reimburse the Bank for any claims, demands, damages, losses, liabilities, and expenses (including attorney's fees, whether or not a suit is instituted) the Bank may incur in effecting or attempting to effect the cancellation or amendment of a payment order.

D. The Bank will provide the Member with such additional information with respect to payment orders as the Member, through its authorized officers, employees, or agents, may reasonably request. However, the Bank and its agents shall have no obligation to trace any payment order issued by the Member or acquire proof that any payment order issued by the Member to any account designated by number is, in fact, credited to the name of the desired beneficiary.

E. The Bank may, but is not required to, provide notice of acceptance of a payment order to the Member, regardless of whether the payment order instructs payment to any account of the Member.

F. It shall be the responsibility of the Member to ensure the origination of payment orders complies with U.S. law, including, but not limited to, the ACH Rules, Uniform Commercial Code, all applicable rules and regulations, including rules and regulations issued by OFAC, and all state laws governing this Agreement and the Member.

G. The Member agrees to comply and be bound by the NACHA Operating Rules and Guidelines ("NACHA Rules"). In the event the Member violates any provision of the NACHA Rules and NACHA imposes a fine upon the Bank, the Member agrees to reimburse the Bank for any fine imposed.

H. The Member understands that the numbers assigned to bank and to accounts or recipients of transfers are critical to the EFT function. If Member describes the intended recipient of a transfer, the intended recipient's bank, or any intermediary bank in a transfer request by name and number and makes an error in giving the number, the error may cause that payment to be made through the bank or to the account specified by the number, rather than through the named bank or to the named intended recipient. Member agrees that it will be responsible for any loss or damage in such cases. Member agrees that the Bank shall not be responsible for any delay arising out of Bank's attempt to reconcile inconsistencies between name and account number, or otherwise investigate suspected irregularities.

I. Member shall pay all fees which Bank may impose for any transfer, and any other out-of-pocket costs and expenses incurred by Bank in carrying out the instructions provided by Member in accordance with this Agreement.

3.4 Limitations of Liability

A. The Bank shall not be liable for any payment order made or for any other act performed by the Bank relating to such payment order nor any damages or losses arising therefrom, if such payment order or act is made by an officer, agent, or employee of the Bank pursuant to instructions, written, electronic, or oral (including telephonic or facsimile), which such officer or employee reasonably and in good faith believes to be that of Member's authorized officer, employee or agent. The Bank shall only be liable for its gross negligence or willful misconduct in performing these services. Authority to issue a payment order and to issue other directions and instructions shall be conclusively presumed if the person making the request uses the confidential code word, password, or number assigned by the Bank to the Member. The Bank's own records evidencing that the person making the payment order utilized the proper confidential code word, password, or number shall be conclusive proof that the person was authorized and that the payment order was properly issued in the amounts indicated in such records.

B. The Bank shall not be liable for any error, discrepancy, or delay on the part of the intermediary bank, funds transfer system, or agent used by the Bank in the transmission of any payment order, the cancellation, or amendment of any payment order, or related act. Furthermore, the Bank shall not be held liable for failing to act or a delay in acting, if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions, acts of god, or other circumstances beyond the Bank's control.

C. THE BANK IS ONLY LIABLE FOR THE MEMBER'S ACTUAL DAMAGES TO CLAIMS ARISING SOLELY FROM BANK'S OBLIGATIONS TO MEMBER WITH RESPECT TO PAYMENT ORDERS TRANSMITTED PURSUANT TO THIS AGREEMENT. IN NO EVENT SHALL THE BANK BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), OR ATTORNEY'S FEES IN CONNECTION WITH THE BANK'S ACCEPTANCE, REJECTION, OR HANDLING OF PAYMENT ORDERS.

D. Member shall be liable for any loss or damage resulting from Member's breach of this Agreement or to which Member's negligence contributed, or which resulted from unauthorized, fraudulent or dishonest acts by Member's current and/or former authorized representatives. Such liability includes when a representative or former representative effects one or more payment orders to Member's detriment.

Article 4 Securities Safekeeping

4.1 Securities Safekeeping Accounts. The Bank may from time to time establish one or more book-entry accounts on behalf of the Member to which the Bank may from time to time credit Member securities. The Bank shall not itself hold any security hereunder. The Member authorizes the Bank to utilize any other securities intermediary or third-party custodian, including but not limited to the Federal Reserve Bank, Depository Trust Company, or any other clearing corporation in connection with its performance hereunder. The terms "security," "securities intermediary," "entitlement order," and "clearing corporation" shall have the meanings given to them in Section 8-102 of the Uniform Commercial Code as adopted in Iowa.

4.2 Authorization.

A. The Member authorizes the Bank to follow entitlement orders, transferring securities to or from any securities safekeeping account(s) now or hereafter maintained by Member with the Bank from or to any other account of the Member or any third party, whether such account is maintained at the Bank or any other securities intermediary, upon the Bank's receipt of entitlement orders from any of the Member's authorized officers, employees or agents as set forth in the APF, or any person purporting to be one of such officers, employees or agents. Upon receipt of such an entitlement order, Member authorizes Bank to comply with the entitlement order without further consent or direction from Member or any other party.

B. Following the receipt of an entitlement order, the Bank reserves the right, in its sole discretion, to verify or authenticate the entitlement order by subsequent telephone calls to an authorized officer, employee, or agent of the Member or by any other means which the Bank may deem appropriate, but its failure to verify or authenticate any such instructions shall not be evidence of any failure to exercise reasonable care or good faith. The Bank shall not be liable if it rejects an entitlement order or performs any related act if the Bank in good faith is unable to satisfy itself that the entitlement order is given by an authorized officer, employee or agent. In such an event, the Bank shall not be liable to the Member for any loss of any kind including consequential, incidental, punitive, or exemplary damages in any amount, provided Bank has acted in good faith, and such loss was not caused by the Bank's gross negligence or willful misconduct.

4.3 Responsibilities. In addition to the duties set forth below, with respect to all securities held in the Member's safekeeping account, the Bank shall, unless otherwise instructed to the contrary:

- A. Receive all income and other payments from the issuer of such securities and credit the same to Member's deposit account(s) maintained at the Bank;
- B. Present for payment and receive the amount paid upon all securities which may mature;
- C. Forward to the Member copies of all information or documents the Bank may receive from an issuer of securities which, in the opinion of the Bank, are intended for the beneficial owner of securities;
- D. Furnish the Member, by electronic means, with monthly statements identifying the securities held in the safekeeping account and, if requested by Member, provide copies of such statements to applicable public unit depositors of Member; and
- E. Upon Member's request, file a claim for payment on Member's behalf with an issuer of securities, to the extent that Member has not received a payment with respect to securities to which Member believes it is entitled.

4.4 General.

- A. If the Bank receives a cancellation or amendment of an entitlement order after the Bank has already executed the entitlement order, the Bank may, but is not required to, attempt to recover the securities using whatever steps it deems reasonable, provided, however, that if the Bank attempts to recover the securities, it need not pursue the claim beyond normal commercial steps and may require the Member to pursue its own claim at any time. If Member asks the Bank to recover securities which the Bank has already transferred, the Bank shall be under no obligation to do so unless and until Member deposits with the Bank an amount reasonably determined in good faith by the Bank to approximate the costs and expenses

(including attorney's fees) which the Bank may incur in attempting to recover the securities transferred. In lieu of such deposit, the Bank may request Member to provide a bond or other assurance of payment reasonably satisfactory to the Bank. The Bank makes no representation or warranty as to its ability to cancel, or amend an entitlement order once accepted or executed.

- B. The Bank shall credit all cash proceeds received by the Bank arising as a result of entitlement orders for securities held hereunder or payments on such securities to the Member's deposit account(s). The Bank shall charge the Member's deposit account(s) for all costs, expenses, and fees arising as a result of any entitlement orders for securities held hereunder. The Bank may refuse to honor any entitlement order if the collected balances in the Member's deposit account(s) are insufficient to cover such costs, expenses, and fees.
- C. The Bank, from time to time, shall transmit or deliver to the Member a confirmation of transaction or periodic statement stating the date of any entitlement order affected by the Bank or received by the Bank with respect to securities held and securities transactions taken hereunder. Not more than three (3) banking days after the receipt of such confirmation or periodic statement, the Member will cause it to be examined and will immediately notify the Bank of any unauthorized or erroneously executed entitlement order. MEMBER'S FAILURE AFTER RECEIPT OF SUCH CONFIRMATION OR STATEMENT TO PROMPTLY REPORT ANY UNAUTHORIZED OR ERRONEOUSLY EXECUTED ENTITLEMENT ORDER SHALL CONSTITUTE ACCEPTANCE OF AND AGREEMENT WITH SUCH CONFIRMATION OR STATEMENT BY MEMBER.
- D. The Bank will provide the Member with such additional information with respect to entitlement orders as the Member, through its authorized officers, employees, or agents, may reasonably request.
- E. From time to time, the Bank may provide valuation information to the Member regarding securities held hereunder. The Bank makes no warranties, either express or implied, as to the authenticity of the information provided. The Bank provides this information solely as a service to the Member and such information shall not in any manner be construed as advice concerning any securities transaction. The Member is responsible for making all decisions with regard to entitlement orders and transactions hereunder.

4.5 Limitations of Liability

- A. The Bank shall have no duty of inquiry or otherwise with respect to the nature or ownership of any securities held, acquired, or transferred hereunder or with respect to the authority of Member under federal or state law or regulations to undertake any securities transactions, nor shall the Bank be deemed to have made any determination as to the propriety of any securities transaction effected pursuant to the instructions of Member. In addition, the Bank shall have no duty to monitor or determine the income, payments or other amounts due on securities held in the Member's safekeeping account. The Member acknowledges and agrees that the Bank does not offer any investment advice with respect to securities transactions hereunder.

The Bank agrees to exercise reasonable care in actions taken by the Bank with respect to Member's securities; provided, however, that the Bank shall not be liable to Member or to third parties for any loss or damage suffered by Member or such third parties arising from causes beyond the control of the Bank, including without limitation acts or omissions of any securities intermediary that has physical custody of securities. Furthermore, the Bank shall not be held liable for failing to act or a

delay in acting, if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions, acts of god, or other circumstances beyond the Bank's control. The Bank shall be responsible only for those duties expressly set forth in this Agreement and, without limiting the foregoing, the Bank shall have no duty or responsibility:

(1) to supervise the investment of, or make recommendations with respect to, the purchase, retention, or sale of securities or other property relating to this Agreement;

(2) with respect to any security as to which a default in the payment of principal or interest has occurred, to give notice of default, make demand for payment, or take any other action with respect to such default;

(3) for any act or omission, or for the insolvency or notice to the Bank of the insolvency, of any broker or agent that is selected by the Bank (in the absence of gross negligence or willful misconduct by the Bank in such selection) or by Member or any other person to effect any transaction pursuant to this Agreement;

(4) to evaluate or to report to Member regarding the financial condition of any party to which the Bank delivers or makes arrangements for the delivery of securities or payment pursuant to this Agreement; or

(5) for any loss occasioned by delay in the actual receipt of notice by the Bank of any payment, redemption, or other transaction regarding securities or property held pursuant to this Agreement in respect to which the Bank is authorized to take some action.

- B. The Member shall be responsible for the payment of any fees assessed by the Bank under this Article. Member agrees that if it fails to deliver securities to the Bank for transfer on behalf of Member pursuant to previous entitlement orders, the Bank may charge Member's deposit account in the amount reasonably necessary for the Bank to purchase an equivalent amount of such securities for transfer. The Bank shall not be liable for any market loss or gain relating to the delay or failure to purchase or transfer a security.
- C. As between Member and the Bank, Member shall bear all losses arising from any actions taken with respect to securities pursuant to this Agreement where an act or omission, whether or not authorized, of an officer, employee or agent of Member contributed to such losses, and Member shall bear all losses arising from any action taken with respect to securities pursuant to this Agreement where the Bank has acted on the basis of unauthorized instruction, unless the Bank had actual knowledge that the instructions were unauthorized.
- D. In no event shall the Bank be liable for any special, indirect or consequential damages (including lost profits), or attorney's fees arising in connection with the safekeeping services provided by the Bank under this Article 4.
- E. The Bank makes no other representations or warranties of any kind with respect to safekeeping services to be provided hereunder, except as specifically set forth in this Article.

Article 5 Letters of Credit

5.1 Applications. An authorized officer, employee, or agent of the Member, as set forth in the APF, may apply, in such form as the Bank may specify from time to time, for a letter of credit. Nothing contained in this Agreement or the policies and procedures currently set forth in the Bank's Member Products Policy, as amended, superseded or replaced by the Bank's Board of Directors from time to time, and the Bank's Credit and Collateral Procedures, as amended, superseded or replaced by the Bank's management from time to time (collectively referred to herein as the "Member Products Policy") shall be construed as an agreement or commitment by the Bank to grant any letter of credit hereunder. The Bank expressly reserves its right and power, in its sole discretion, to either issue or refuse to issue any letter of credit in any form that the Bank determines from time to time.

5.2 Honoring Draws. The Bank shall honor and pay each and every request for payment made under and in compliance with any letter of credit, even if submitted or issued by an administrator, executor, trustee in bankruptcy, debtor in possession, assignee for benefit of creditors, liquidators, receiver, agent, attorney in fact or other representative of any beneficiary or of any successor or assign approved in writing by the Bank. The Bank's sole obligation to the Member is limited to honoring requests for payment made under and in compliance with any letter of credit issued hereunder even though: (i) the Bank may have prepared the letter of credit or any other document required to be presented thereunder; and (ii) the Bank may otherwise be aware of facts concerning the transaction which gives rise to the letter of credit. The Bank has no duty to inquire into the existence of any disputes or controversies between the Member, any beneficiary, or any person or firm or their respective rights, duties, or liabilities or whether any fact or event referred to in any document presented under the letter of credit is true and correct.

The Bank shall not be responsible for and the Bank's obligations under a letter of credit shall not be affected by:

- A.** The use which may be made of any letter of credit or any act or omission of any beneficiary or permitted assignee of any letter of credit;
- B.** The validity, sufficiency, genuineness or collectability of any drafts, certificates, instruments, notices of default or other documents, including endorsements or signatures thereon;
- C.** Any breach of contract between the Member and any third party;
- D.** Compliance with or circumstances resulting from the existence or exercise of applicable laws, regulations or restrictions by any government or any group asserting or exercising de facto or de jure governmental powers; and
- E.** Any event, fact or condition beyond the control of the Bank.

5.3 Reimbursement. The Member agrees that any amount paid by the Bank under and in compliance with any letter of credit shall become immediately due and payable by the Member and Member shall immediately reimburse the Bank for such amount. The Member hereby authorizes the Bank to debit the Member's deposit account(s) with the Bank for all amounts due and payable to the Bank. If the amount in the deposit account(s) is, at any time, insufficient to pay such due and payable amounts, the Bank may, without notice to the Member, apply any other funds or assets then in the possession of the Bank to the payment of such amounts. The Member may apply to the Bank for an advance under the APSA in order to repay all amounts paid by the Bank under and in compliance with any letter of credit and that are due and payable to the Bank. Nothing contained in this Agreement, the APSA or the Members Products Policy shall be construed as an agreement

or commitment by the Bank to grant any advance. The Bank expressly reserves its right and power to either grant or deny in its sole discretion any advance.

5.4 Collateral and Security Interest. The Member agrees that any and all letters of credit issued by the Bank on behalf of the Member shall be secured in accordance with the terms and provisions of the APSA as if such letter of credit were an advance granted under the APSA. The Member further agrees that any and all amounts due and payable to the Bank under this Agreement shall be secured in accordance with the terms and provisions of the APSA as if such amounts were advances granted under the APSA.

5.5 Representations and Warranties. Member represents, warrants and covenants to the Bank that the following are and shall remain true, complete and correct at all times until the termination of this Agreement:

A. The Member has duly entered into the APSA and the same is currently in full force and effect and the Member maintains sufficient qualifying collateral to fully secure any and all letters of credit issued and outstanding hereunder in accordance with the terms and conditions of the APSA; and

B. The Member agrees to maintain one or more deposit accounts with the Bank at all times during which a letter of credit issued hereunder remains outstanding.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the Bank and Member has caused this Agreement to be signed in its name by its duly authorized representatives as of the date first written above.

(Full Corporate Name of Customer)

By: _____

Name: _____

Title: _____

FEDERAL HOME LOAN BANK OF DES MOINES

By: _____

Name: _____

Title: _____