



APPLICATION FOR CERTIFICATION

Housing Associates

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INSTRUCTIONS FOR APPLICATION

Housing Associates

Note: *The information contained in this Application for Certification (Housing Associates) (“Application”) is collected for use by the Federal Home Loan Bank of Dallas (“Bank”). The Bank will submit such information to its Board of Directors (“Board”) or the Board’s designee to enable the Board or such designee to make a decision with respect to this Application.*

- 1) Please submit the original completed Application to the Bank with attachments (if necessary). You may use the attached pages or substitute your own with the same information.
- 2) In addition to completing the attached Application, the following documents are required:
 - (a) Please provide a copy of the Housing and Urban Development (“HUD”) letter stating that the Federal Housing Administration of HUD has approved the Applicant as a mortgagee under title II of the National Housing Act (12 U.S.C. § 1707, *et seq.*).
 - (b) Please provide evidence to establish that the Applicant is subject to inspection and supervision by a governmental agency (e.g., statutory or regulatory provisions relating to the Applicant’s inspection and supervision by a governmental agency)
 - (c) Please provide evidence that the Applicant’s principal activity in the mortgage field consists of lending its own funds (e.g., funds from bond issuance, etc.).
 - (d) Please provide evidence that (i) the Applicant is a government agency or (ii) the Applicant is chartered as a corporation or other entity that has rights, characteristics and powers under applicable law similar to those granted a corporation (e.g., statutory or regulatory provisions under which the Applicant was created). Please provide a copy of the Applicant’s Articles of Incorporation or equivalent formation document and any amendments or modifications thereto.
 - (e) If the Applicant is a “state housing finance agency” as defined in 12 C.F.R. § 926.1, please provide evidence that the applicant is a “state housing finance agency” as defined in 12 C.F.R. § 926.1 (e.g., statutes and/or regulations describing the Applicant’s structure and responsibilities).
 - (f) The Applicant must furnish an opinion of outside legal counsel opining that each statutory requirement for the Applicant to become a housing associate of the Bank is met and the basis for such conclusion. These requirements, which are set forth in 12 U.S.C. § 1430b and 12 C.F.R. part 926, are as follows: the Applicant must (i) be a mortgagee approved under title II of the National Housing Act (12 U.S.C. § 1707, *et seq.*); (ii) be a chartered institution having succession; (iii) be subject to the inspection and supervision of some governmental agency; and (iv) be an institution whose principal activity in the mortgage field consists of lending its own funds. If the Applicant is a “state housing finance agency” as defined in 12 C.F.R. § 926.1, the opinion of outside legal counsel should also opine that the applicant is a “state housing finance agency” as defined in 12 C.F.R. § 926.1.
 - (g) Copy of the most recent regulatory audit or examination report, or external audit report.
 - (h) Copy of the most recent audited financial statements and management letter, as prepared by a certified public accountant or in absence thereof, the most recent Directors' Examination or review by external auditors. In the absence of the foregoing, an internal audit report should be submitted. If no audit is available, published financial statements should be submitted with management certification that the statements are prepared according to GAAP.

- (i) Discussion of any significant recent events (within the last three years) or changes in financial condition that would assist the Bank in evaluating the Applicant. This would include (i) deviations in trends in financial condition (e.g., asset growth greater than 10 percent); (ii) capital infusions; (iii) changes in management or control; and (iv) acquisitions or mergers.
- (j) A copy of the Applicant's residential mortgage loan policy and underwriting guidelines.
- (k) A list of directors and senior management of the Applicant.
- (l) Please complete the following documents included in this Application
 - Applicant Information
 - General Information
 - Housing Associate Advance Certification
 - Certificate of Management
 - Board of Directors Resolution

Please contact the Bank's Member Sales Group to obtain copies of Bank legal documents and signature cards, which the Applicant must also complete for access to all Bank products and services.

- 3) For additional assistance, please contact:

Member Sales Group
Toll Free: 1-800-442-9841
Member Sales Group Fax #: 214-441-8551
E-mail: lend@fhlb.com

- 4) Please forward the completed Application and accompanying documentation, along with the appropriate documents referenced in item 2(l) on this page to:

By Mail:
Member Sales Group
Federal Home Loan Bank of Dallas
P. O. Box 619026
Dallas, Texas 75261-9026

By Courier:
Member Sales Group
Federal Home Loan Bank of Dallas
8500 Freeport Parkway South, Suite 600
Irving, Texas 75063-2547

APPLICANT INFORMATION

Name of Applicant: _____

[Exact name as shown on Articles of Incorporation or equivalent formation document]

Charter Address (Physical): _____

City _____ County _____

State _____ Zip + 4 _____

Mailing Address: _____

City _____ State _____ Zip + 4 _____

Phone: (____) _____ Fax: (____) _____

Federal Tax ID Number: _____ Fiscal Year-End: _____

Charter Number: _____ Regulator: _____

Holding Company: _____

Physical Address: _____

City _____ State _____ Zip +4: _____

Primary Contact for Application (If contact's address is different from mailing address above, please note on a separate sheet.)

Name: _____

Title _____ e-mail: _____

Contacts for Financial Statements (If contact's address is different from mailing address above, please note on a separate sheet.)

Advances/Credit Statements: _____

Title _____ e-mail: _____

Demand Deposit Account Statements: _____

Title _____ e-mail: _____

Safekeeping Statements: _____

Title _____ e-mail: _____

For Federal Home Loan Bank Use Only:

Date _____ Cust. ID # _____

DDA Acct # _____ FHFB ID # _____

GENERAL INFORMATION

Applicant Name: _____

1. If owned by a holding company, indicate its consolidated asset size (including subsidiaries) at the end of the most recent quarter: \$ _____
2. List all subsidiaries and affiliates (including any holding companies) and indicate their primary activities and the states and dates of incorporation (attach separate sheet if necessary):

Subsidiary/Affiliate	Primary Activities	State and Date of Incorporation

3. Please provide a listing of all branch office locations on a separate sheet(s).
 4. Has this institution ever been a member of the Federal Home Loan Bank System? Yes* No
- * If yes, please indicate of what Federal Home Loan Bank it was a member and when: _____
- _____

5. What regulatory agency performed the most recent regulatory audit or examination report or external audit report and when was it performed? _____

6. If not discussed in the loan policy and if the Applicant is active in the secondary market, please indicate what underwriting guidelines are used and any federal programs for which the Applicant is an approved lender (i.e. FHA/VA, FHLMC, FNMA, USDA, SBA). _____

7. If the Applicant has any assets pledged to a third party, please provide details on a separate sheet.

8. Please select the type of organization that describes the Applicant:

- State Housing Finance Agency _____
- County Housing Finance Agency _____
- City Housing Finance Agency _____
- Tribal Housing Corporation _____
- Housing Development Corporation _____

Other _____ (If "Other" please list the type of organization and give a brief description on a separate sheet.)

HOUSING ASSOCIATE ADVANCE CERTIFICATION

The undersigned housing associate, which qualifies for advances from the Federal Home Loan Bank of Dallas (the "Bank") pursuant to Section 10(b) of the Federal Home Loan Bank Act (12 U.S.C. § 1430b) and 12 C.F.R. part 926, in connection with its application for an advance from the Bank hereby certifies to the Bank that:

1. If the undersigned is a "state housing finance agency" as defined in 12 C.F.R. § 926.1 and wishes to use as security for an advance the collateral described in 12 C.F.R. § 950.17(b)(2), the proceeds of the advance will be used for the purpose of facilitating residential or commercial mortgage lending that benefits individuals or families meeting the income requirements set forth at 26 U.S.C. § 142(d) or 143(f).
2. The undersigned will notify the Bank promptly of any change in its status as a housing associate.
3. The undersigned will provide the Bank with such evidence that it continues to satisfy all of the eligibility requirements of the Federal Home Loan Bank Act and 12 C.F.R. part 926 as may be requested by the Bank from time to time.

Date

Name of Housing Associate

Signature of Authorized Officer

Name of Authorized Officer [*printed or typed*]

Title of Authorized Officer

CERTIFICATE OF MANAGEMENT

I, _____ (Name), certify that I am the duly elected, qualified and acting _____ (Title of _____ (Name of Applicant) (“Applicant”)) and that I have the authority to act on behalf of the Applicant’s Board of Directors/Trustees. I further certify that the statements and representations, which are made below, are true and correct to the best of my knowledge and belief; and that I have made all necessary reviews and inquiries of the Applicant's and its related parties' books and records, and officers, employee and agents before making this certification to assure that it is full and complete.

For the purposes of this certification, the term “related entity” shall mean Applicant's management officials; any individual or entity that controls or is controlled by or is under common control with the Applicant; and any other entity that is controlled by any of the Applicant's management officials. An individual or entity shall be presumed to have control of a company or organization if the individual or entity directly or indirectly, or acting in concert with one or more individuals or entities, or through one or more subsidiaries, owns or controls the management or policies of an entity or person.

“Management officials” shall mean those individuals within Applicant's organization who have substantial responsibility for the direction and control of Applicant's policies and operations. They include but are not limited to:

- 1) a director or senior officer; or
- 2) a controlling person, which means any person or entity which directly or indirectly, or acting in concert with one or more persons or entities owns or controls 25% or more of the voting shares or rights of the Applicant.

Except as disclosed on the attached Schedule(s), if any, neither the Applicant nor any of its related entities:

- 1) Is subject to, or operating under, any enforcement action instituted by its appropriate regulator;
- 2) Is the subject of any criminal, civil or administrative proceedings reflecting upon creditworthiness, business judgment, or moral turpitude;
- 3) Is the subject of any known potential criminal, civil or administrative monetary liabilities, material pending lawsuits or unsatisfied judgments that are significant to the Applicant’s operations;
- 4) Is the subject of any known criminal, civil or administrative proceedings in which any of them is alleged to have engaged in a fraudulent activity or has been charged with the commission of a felony or which seeks a remedy that would prevent or materially interfere with Applicant's ability to continue its business;
- 5) Is currently excluded from any federal procurement or non-procurement program or participation in any program of the Department of Housing and Urban Development;
- 6) Is subject to an unsatisfied final judgment in favor of the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Office of Thrift Supervision, or Resolution Trust Corporation;
- 7) Is a party to a lawsuit in which any regulatory agency is seeking recovery in excess of \$50,000 from the Applicant or any related entity;
- 8) Is subject to a consent agreement, or administrative or judicial order of removal or prohibition preventing Applicant or any related entity from participating in the affairs of any insured depository institution or federal or state regulated business or enterprise;
- 9) Has caused a substantial loss in excess of \$50,000 in total to a federal deposit insurance fund;

10) Has been convicted of a felony; or

11) Has been denied membership in a Federal Home Loan Bank for any reason.

[Indicate the number of attached sheets] _____

Date

Signature of Authorized Officer

Name of Authorized Officer [*printed or typed*]

Title of Authorized Officer

BOARD OF DIRECTORS RESOLUTION

I, _____ (Name), certify that I am the duly elected, qualified, and acting _____ (Title) of _____ (Name of Applicant) (“Applicant”) and that I have the authority to act on behalf of the Applicant’s Board of Directors/Trustees. I further certify that at a regular meeting of the Applicant’s Board of Directors/Trustees or at a special meeting thereof called for that purpose, a quorum being present, the following resolutions were adopted, and recorded in the minutes as follows:

“BE IT RESOLVED that this institution applies for certification as a housing associate of the Federal Home Loan Bank of Dallas (the “Bank”) and that it be fully authorized to do business with, and exercise all of the privileges of certification as a housing associate in the Bank as provided in the Federal Home Loan Bank Act (the “Act”).

BE IT FURTHER RESOLVED that in connection with the application for certification as a housing associate of the Bank, this institution has reviewed the requirements of 12 C.F.R. Part 926 and has provided to the best of this institution’s knowledge the most recent, accurate and complete information available;

BE IT FURTHER RESOLVED that this institution will promptly supplement the application for certification as a housing associate of the Bank with any relevant information that comes to this institution’s attention prior to the Bank’s decision on whether to approve or deny the application for certification, and if the Bank’s decision is appealed pursuant to 12 C.F.R. § 926.6, prior to resolution of any appeal by the Federal Housing Finance Board (the “Finance Board”);

BE IT FURTHER RESOLVED that this institution consents to such examinations as the Bank or the Finance Board may require for purposes of the Act;

BE IT FURTHER RESOLVED that this institution agrees that reports of examinations by local, state or federal agencies or institutions may be furnished by such authorities to the Bank or the Finance Board upon request;

BE IT FURTHER RESOLVED that this institution agrees to give the Bank or the appropriate Federal banking agency, upon request, such information as the Bank or the appropriate Federal banking agency may need to compile and publish cost of funds indices and to publish other reports or statistical summaries pertaining to the activities of Bank housing associates;

BE IT FURTHER RESOLVED that this institution agrees to provide the Bank with copies of reports of condition and operations required to be filed with the institution’s appropriate Federal banking agency, if applicable, within 20 calendar days of filing, as well as copies of any annual report of condition and operations required to be filed; and

BE IT FURTHER RESOLVED that the president and secretary be authorized and directed to execute an application for certification as a housing associate as prescribed by the Finance Board and any other papers and documents required in connection therewith, to pay all expenses, and to do all other things necessary or proper in connection with applying for, obtaining and retaining such certification privileges thereof as the Finance Board may prescribe by regulations.”

I further certify that, pursuant to said resolution, the foregoing application for certification as a housing associate was duly executed and that any information and documents required by the Finance Board are attached or accompany the same, that said information is correct and said documents are true and correct copies of what the same purport to be.

Date

Signature of Authorized Officer

Name of Authorized Officer [*printed or typed*]

Title of Authorized Officer