



APPLICATION FOR MEMBERSHIP

Commercial Banks

Savings Banks

Thrifts

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INSTRUCTIONS FOR APPLICATION

Note: *The information contained in this Membership Application (“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. 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) One copy of each “Call Report” for the two most recent quarters.
 - (b) Under current law the Bank is authorized to and will obtain the most recent Safety and Soundness Report of Examination from the Applicant's federal regulator. If the Applicant received a composite CAMELS Rating of “3” or lower in its most recent federal exam, please include the most recent independent loan review or watch list and indicate the level of classified assets as of the most recent quarter.
 - (c) Copy of the most recent Public Disclosure Community Reinvestment Act (“CRA”) Performance Evaluation and CRA Statement. If the Applicant received a CRA rating worse than “Satisfactory,” please submit an action plan to improve CRA performance.
 - (d) Include any response letters to examination reports (Safety/Soundness and CRA Evaluations) and copies of any enforcement actions with any agency, formal or informal, and correspondence (e.g. progress reports), if applicable.
 - (e) If not in full compliance with all statutory and regulatory capital requirements, please submit complete capital plan and pro-forma financial statements.
 - (f) 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.
 - (g) 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.
 - (h) A copy of the Applicant's residential mortgage loan policy and underwriting guidelines.
 - (i) A schedule of the Applicant's (or holding company's) ten largest stockholders including the number of shares held and percentage of total outstanding shares.
 - (j) A list of directors and senior management of the Applicant.
 - (k) Most recent FR Y-9 filed by the Applicant's holding company with the Federal Reserve, if applicable.
 - (l) Please complete the following documents included in this Application:
 - Applicant Information
 - General Information
 - Long-Term Loans Assessment Worksheet
 - Minimum Stock Calculation and 10 Percent Eligibility Requirement

- Application for Membership and Subscription for Stock
- Board of Directors Resolution and Certification of Eligibility for Membership
- Certificate of Management

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.

(m) Articles of Association, Organization Certificate, Charter or equivalent formation document and any amendments or modifications thereto, and any other charter documents or documents evidencing authority to conduct business, including any applicable licenses.

(n) If the Applicant's date of charter approval is within three years prior to the date the Bank receives the Application (a "de novo applicant"), please include the following documents:

- a Business Plan with pro-forma statements and any other documentation (e.g. Strategic Budgetary Plans since inception) submitted to the de novo applicant's regulator at the time the charter was issued and
- a written justification of how the de novo applicant's home financing credit policy and lending practices will include originating or purchasing long-term home mortgage loans and will meet the credit needs of its community.

A de novo applicant that is approved for membership must forward to the Bank (i) evidence of its CRA rating from its first formal, or if unavailable, informal or preliminary CRA Performance Evaluation and (ii) if the de novo applicant is not a community financial institution (as defined in 12 C.F.R. § 925.1) and is therefore subject to the 10 Percent Eligibility Requirement, within one year after commencing its initial business operations, evidence acceptable to the Bank that the de novo applicant satisfies the 10 Percent Eligibility Requirement.

3) Upon approval for membership in the Bank and the completion of the minimum capital stock purchase, the Bank will file a UCC-1 as a means of perfection of the Bank's interest in certain assets of the Applicant. This UCC-1 filing will be of a blanket nature. It will apply to all the collateral referenced in the Bank's legal agreements that a member executes in connection with any request for an advance to the member from the Bank.

4) 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

5) 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 100
 Irving, Texas 75063-2547

APPLICANT INFORMATION

Name of Applicant: _____
[Exact name as shown on Articles of Association, Organization Certificate, Charter or equivalent formation document]

Charter Address (Physical): _____
City _____ County: _____
State _____ Zip + 4 _____

Mailing Address: _____
City _____ State _____ Zip + 4 _____

Phone Number: _____ Fax Number: _____

FDIC Certificate Number: _____ Federal Tax Identification Number: _____

Charter Number: _____ ABA Number: _____

Regulator: _____ Fiscal Year End: _____

Holding Company: _____
Physical Address _____
City _____ State _____ Zip + 4 _____

Primary Contact for Membership Application: [If contact's address is different from mailing address above, please note on a separate sheet.]

Name: _____
Title _____ Email Address _____

President/Managing Officer: [If contact's address is different from mailing address above, please note on a separate sheet.]

Name: _____
Title _____ Email Address _____

Contacts for Financial Information: [If contact's address is different from mailing address above, please note on a separate sheet.]

Advances/Credit Statements: _____
Title _____ Email Address _____

Demand Deposit Account Statements: _____
Title _____ Email Address _____

Safekeeping Statements: _____
Title _____ Email Address _____

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, what were its consolidated assets (including subsidiaries) at the end of the most recent calendar 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 the Applicant 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 safety and soundness examination and when was it performed? _____

6. Is the Applicant operating under any enforcement action (this includes both formal and informal actions)?
 Yes* No

* If yes, please attach a copy of the action and any responses/progress reports to the action. If the enforcement action has been terminated but is still included on the Applicant's most recent federal regulatory exam, please attach a letter of termination.

Have any civil money penalties been assessed since the most recent federal examination? _____

7. 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). _____

8. If the Applicant has any assets pledged to a third party, please provide details on a separate sheet.
9. Has the Applicant issued any equity securities or debt securities that are traded on a national securities exchange or on an over-the-counter market? Yes No

10. Has any entity that controls the Applicant (i.e., the Applicant's holding company, if any) issued any equity securities or debt securities that are traded on a national securities exchange or on an over-the-counter market? Yes No

If the answer to Question 9 or Question 10 is "Yes," please list on what national securities exchange or over-the-counter market the securities are traded and the stock symbol. _____

LONG-TERM LOANS ASSESSMENT WORKSHEET

Applicant Name: _____

Date of Most Recent Call Report: _____

Federal Housing Finance Board regulations require that to become a member of an FHLBank, an Applicant must “make long-term home mortgage loans.” Long-term home mortgage loans have been defined by regulation as home mortgage loans with a term to maturity of five years or more. An Applicant may also qualify, under the regulations, by purchasing and holding eligible mortgage-backed securities.

1. Place an “X” in the appropriate Fixed- or Variable-Rate columns (can be both) for all mortgage loans currently on your call report and provide the amortization period (include loans originated that will subsequently be sold within the secondary market and those originated through subsidiaries or loans purchased). Please do not include dollar amounts.

Original Maturity	Fixed Rate	Variable Rate	Amortization Period
5-year balloon	_____	_____	_____
7-year balloon	_____	_____	_____
10-year balloon	_____	_____	_____
10-year balloon	_____	_____	_____
15-year	_____	_____	_____
30-year	_____	_____	_____
Other	_____	_____	_____

2. In order to determine if the Applicant satisfies the statutory requirement of “makes long-term home mortgage loans,” please answer the following questions:

- | | | | | |
|--|-----|--------------------------|----|--------------------------|
| a. Does the Applicant originate and/or purchase residential loans with a term of five years or more? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| b. Does the Applicant originate and/or purchase first lien 1-4 family mortgage loans? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| c. Does the Applicant originate and/or purchase multifamily mortgage loans? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| d. Does the Applicant purchase Pass-through Securities (MBSs) that are secured by residential first-lien loans with maturities of five years or greater? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

Other comments regarding home mortgage loan programs offered:

MINIMUM STOCK CALCULATION AND 10 PERCENT ELIGIBILITY REQUIREMENT

as of _____
(most recent quarter-end)

Membership Capital Stock Requirement:

Total assets as of the most recent quarter-end: (1) \$ _____

0.06% (0.0006) of total assets (line 1): (2) \$ _____

Required Minimum Stock Purchase:*

Greater of (i) line (2) rounded to the next highest \$100 or (ii) \$1,000:
(Not to exceed \$25 million.) (3) \$ _____

Activity-Based Capital Stock Requirement:

In addition to the Membership Capital Stock Requirement above, the Activity-Based Capital Stock Requirement will be 4.10 percent of outstanding advance balances plus 4.10 percent of the outstanding principal balances of Mortgage Partnership Finance[®] (MPF[®]) Program loans retained on the Bank's balance sheet.

* The Bank will calculate annually each member's required minimum holdings of stock in the Bank using calendar year-end financial data provided by the member to the Bank.

Computation of 10 Percent Eligibility Requirement (to be completed by Applicants other than Community Financial Institutions)

An Applicant that is not a community financial institution (as defined in 12 C.F.R. § 925.1) is required by 12 C.F.R. § 925.6(b) to have at least 10 percent (10%) of its total assets in residential mortgage loans (as defined in 12 C.F.R. § 925.1). Applicants that are not community financial institutions (as defined in 12 C.F.R. § 925.1) must complete the table below. De novo applicants (as defined in 12 C.F.R. § 925.10) that are not community financial institutions have until one year after commencing initial business operations to meet the 10 Percent Eligibility Requirement.

Residential Mortgage Loans:

First Liens (RCON 5367) (SC254) (1) \$ _____

Junior Liens (RCON 5368) (SC255) (2) \$ _____

Lines of Credit (RCON 1797) (SC251) (3) \$ _____

Multifamily residential properties/dwelling units (RCON 1460) (SC256) (4) \$ _____

Funded residential construction (RCON 1415) (SC230, 235) (5) \$ _____

Pass-through mortgage-backed securities (RCFD 1698, 1701, 1703, 1706, 1709, 1711) (SC210, 215) (6) \$ _____

Other mortgage-backed securities (collateralized mortgage obligations/real estate mortgage investment conduits) (RCFD 1714, 1716, 1718, 1731, 1733, 1735) (SC217, 219, 222) (7) \$ _____

Total Residential Mortgage Loans (total of lines 1 through 7): (8) \$ _____

Total Assets (RCON 2170) (SC60): (9) \$ _____

Percentage of Total Mortgage Assets to Total Assets (divide line 8 by line 9 and then multiply by 100): (Must be at least 10 percent.) (10) \$ _____

APPLICATION FOR MEMBERSHIP AND SUBSCRIPTION FOR STOCK

Date: _____

The undersigned, duly elected, qualified, and acting _____ (Title) of _____ (Name of Applicant) (“Applicant”), with Applicant’s chief executive office located at _____, certifies that the undersigned has the authority to act on behalf of the Applicant’s Board of Directors/Trustees and further certifies to the correctness of the information submitted in support of the attached Application for Membership (the “Application”).

The Applicant hereby applies for membership in the Federal Home Loan Bank of Dallas (the “Bank”) and if approved for membership will purchase the minimum amount of capital stock of the Bank required. The undersigned acknowledges that such capital stock is issued and redeemed at its \$100 per share par value. The undersigned agrees that the Applicant will initiate the minimum capital stock purchase within 60 calendar days of approval for Bank membership. The undersigned acknowledges that the amount of capital stock to be purchased as determined in accordance with the attached Minimum Stock Calculation and 10 Percent Eligibility Requirement worksheet is subject to downward or upward adjustment based upon changes in the Applicant’s financial information at the time the purchase is actually made.

The undersigned is of the opinion that the Applicant is eligible to become a member of the Bank and that the Applicant is authorized to purchase and hold capital stock in the Bank and to maintain deposits there. The undersigned understands that the Applicant’s Application must be considered, acted upon, and approved by the Bank or its designee before the Applicant can become a member of the Bank.

In submitting the Application, the undersigned understands and agrees that:

- 1) The Applicant will be advised whether its Application is approved.
- 2) If admitted to membership, the Applicant will conform to all requirements of the Federal Home Loan Bank Act (12 U.S.C. § 1421 et seq.), as amended from time to time, and the rules, regulations, statements of policy and guidelines promulgated thereunder.
- 3) In applying for, and if the Applicant is admitted to, membership, the Federal Housing Finance Board and the Bank are authorized to receive any information, exam reports and other supervisory materials provided by the appropriate State and/or Federal regulatory authority or officer exercising supervisory authority over the Applicant regarding the Applicant and its affairs.
- 4) The Applicant will not represent itself to be a member of the Bank until it receives notice of approval of membership and has purchased its minimum capital stock requirement.

Signature of President or Secretary

Name of President or Secretary [*printed or typed*]

Title (President or Secretary)

BOARD OF DIRECTORS RESOLUTION AND CERTIFICATION OF ELIGIBILITY FOR MEMBERSHIP

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 membership in the Federal Home Loan Bank of Dallas (the “Bank”) and that if approved for membership it will subscribe and pay for stock therein as provided in the Federal Home Loan Bank Act (the “Act”), as amended from time to time, and the rules, regulations, statements of policy and guidelines promulgated thereunder, and that such institution be fully authorized to do business with, and exercise all of the privileges of membership in the Bank as provided in the Act;

BE IT FURTHER RESOLVED that in connection with the application for membership in the Bank, this institution has reviewed the requirements of 12 C.F.R. Part 925 and, as required by 12 C.F.R. Part 925, 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 membership in 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 membership, and if the Bank’s decision is appealed pursuant to 12 C.F.R. § 925.5, 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 members;

BE IT FURTHER RESOLVED that this institution agrees to provide the Bank with calendar year-end financial data each year, for purposes of making the calculation described in 12 C.F.R. § 925.22(b)(1);

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 of this institution be authorized and directed to execute an application for membership 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 membership privileges thereof as the Finance Board may prescribe by regulations.”

(continued)

I further certify that, pursuant to said resolution, the foregoing Application for Membership was duly executed and that any information and documents required by the Finance Board are attached or accompany the same, and 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

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, employees 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) Has been the subject of any criminal, civil or administrative proceedings reflecting upon creditworthiness, business judgment, or moral turpitude since the most recent regulatory examination report;
- 3) Is the subject of any known potential criminal, civil or administrative monetary liabilities, material pending lawsuits or unsatisfied judgments since the most recent regulatory examination report, 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;

(continued)

- 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

FEDERAL HOME LOAN BANK SYSTEM COMMUNITY SUPPORT REQUIREMENT

Notice to Applicants

The Federal Home Loan Bank Act (12 U.S.C. § 1421 et seq.) requires the Federal Housing Finance Board (“Finance Board”) to develop regulations to condition financial institutions' access to Federal Home Loan Bank (“FHLBank”) long-term advances on members' meeting certain standards of community investment or service. Long-term advances are defined by the Finance Board as advances with a term greater than one year. Community Support regulations to implement the law may be found at 12 C.F.R. Part 944.

Each quarter, the Finance Board will select at random a portion of the FHLBank System members for Community Support review. All FHLBank System members will be reviewed approximately once every two years. At the same time the members selected for review are notified, the applicable FHLBank will send a notice to community groups and other interested members of the public.

Under the Community Support regulations, members of the FHLBank System will be required periodically to send their FHLBanks a completed Community Support Statement (“Statement”). This Statement will include the following:

1. The Public Disclosure portion of the most recent Community Reinvestment Act (“CRA”) Evaluation;
2. Information concerning assistance to first-time home buyers;
3. Information concerning any violations of the Fair Housing or Equal Credit Opportunity Act; and
4. Any other relevant information the member wishes to include.

The FHLBank of Dallas (“Bank”) will be available to assist the member in completing the Statement. Once completed, the Bank will forward the Statement to the Finance Board for evaluation. Although the Bank will not evaluate the Statement, the Finance Board will review the Statement for evidence of Community Support.

The Finance Board expects that institutions with CRA ratings of “Outstanding” or “Satisfactory” (or “1” or “2” under the old guidelines) will have their Statements approved. The Finance Board does have the option, however, of not approving the Statements of these members if the CRA rating is not based on involvement in housing finance. Institutions without CRA ratings may satisfy this requirement in alternative ways that are identified in separate materials that the Bank will provide

In the case of members with “Needs to Improve” or “Substantial Noncompliance” CRA ratings (or “3,” “4,” or “5,” under the old guidelines), additional information will be required to show how the member has responded to the deficiencies cited in the CRA disclosure. The Bank will assist the member in preparing a plan for approval and monitoring by the Finance Board (“Action Plan”). A member whose Statement is not approved by the Finance Board must exhibit progress toward the goals included in its plan in order to continue to be eligible for long-term advances.

The Bank has established a Community Support Program to assist members in complying with these requirements. The Bank staff will be available to assist members in complying with their preparation of Statements, Action Plans, and other information related to CRA and these requirements. For questions concerning the Community Support requirements, please contact our Office of Community Investment at (800) 362-2944.