

Member eNotes Frequently Asked Questions

The Federal Home Loan Bank of Dallas (FHLB Dallas) now accepts electronic promissory notes (eNotes) as outlined in the [eNotes Collateral Requirements and Guidelines](#). You can find commonly asked questions below regarding the pledging process.

We do not utilize MERS® currently...Can you provide the steps to begin originating and pledging eNotes?

Yes! You may follow the steps below:

- Contact FHLB Dallas to ensure you're on the right track.
- Select an eClosing provider.
- Select an eVault provider.
- Become a MERS® member.
 - Sign the MERS® Membership Agreement.
 - Sign the MERS® eRegistry Addendum.
- Execute the Advances Agreement Addendum with FHLB Dallas.
- Begin the eNotes process (*configuration and testing of eVault connectivity*).

Can you explain the difference between the MERS® eRegistry and MERS® System?

The MERS® eRegistry is known as the "system of record" that identifies the current Controller and Location of the Authoritative Copy of an eNote. The MERS® system tracks the servicing rights and ownership of mortgages. Please note that both of the MERS® databases utilize the same 18-digit MIN configuration.

I am a member of the MERS® System already. Are there additional steps to begin utilizing and pledging eNotes?

Yes. Even though you are already a member of MERS® System, you must also execute the MERS® eRegistry Addendum and acknowledge FHLB Dallas as the eligible "Secured Party" in your MERS® profile. Select your eClosing or eVault provider and MERS® will initiate the configuration and testing of your eVault connectivity.

What documents are required to start pledging eNotes?

You will need the following documents:

- MERS® eRegistry Addendum
- FHLB Dallas Advances Agreement Addendum

Are eNotes permissible ONLY in jurisdictions which permit eRecording?

No. In nearly all jurisdictions, the promissory note is not recorded and therefore can be signed electronically regardless of recording requirements.

My eVault is set up and all testing has been completed with the MERS® eRegistry. What do I need to do next?

You may follow the steps below:

- Ensure the assets meet all operational and underwriting requirements.
- Add FHLB Dallas as the "Secured Party" for the eNote(s) to be pledged in the MERS® eRegistry.
- FHLB Dallas will provide you with guidance on reporting eligible eNote(s) as collateral to receive lending value.

FHLB Dallas recognizes that its membership is segmented, and organizations are at different stages regarding the origination and/or pledging of eNotes. This ranges from members currently having the capability to originate or acquire an eNote to those actively pursuing eNote technology, while other members are in the early stages of gathering information regarding eNotes and others are currently not interested in eNotes.

FHLB Dallas will continue to accept promissory notes executed on paper by our members. However, they must contain a wet-inked signature. Please refer to the [Loan Collateral Eligibility Requirements](#) document for specific information regarding the supporting documentation that must accompany loan collateral pledged to FHLB Dallas, in paper form or as an eNote.

We are here to help you every step of the way. Contact Collateral Services at 844.541.0597 or enotes@fhlb.com to discuss getting started.

Collateral Services

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