

MEMBER GUIDE:

LETTERS OF CREDIT APPLICATIONS

The following guide is designed to assist FHLB Dallas members in creating new Letters of Credit applications on SecureConnect. For any questions regarding the steps provided in this guide, please contact Member Services at **844.FHL.BANK** (844.345.2265) or Member.Services@fhlb.com.

DIRECT STANDBY

Below are the steps to create and submit a new Direct Letter of Credit application.

A. Create Direct Letter of Credit Application

1. **Login** in SecureConnect
2. *SecureConnect Home* screen display
3. **Select** Letters of Credit → Direct Standbys → Applications → Create New → Blank Template

The screenshot shows the 'Create Direct Standby Application from a template' interface. On the left, a navigation menu under 'Applications' includes 'Direct Standby', 'Applications', 'Work in Progress', 'Create New' (circled in red), 'Release', 'Status', 'Cancel Request', 'Amendments', 'Certificate of Utilization', 'Templates', and 'Inquiry'. A red arrow points to 'Create New'. The main content area has a search bar with 'Hide Selection Filters', 'Display' dropdown, 'items (of 0 total)', 'Create From' dropdown set to 'Template', and a 'Search' button. Below is a table with two columns: 'Template' and 'Beneficiary'. The first row shows 'Blank Template' (circled in red) and 'Do not use a template'. Below the table, it says '0 Items'.

4. Blank *Direct Standby Application* screen displays
 - i. Enter **Amount**
 - ii. Enter **Effective Date** (MM/DD/YYYY)
 - iii. Enter **Expiration Date** (MM/DD/YYYY)
 - iv. Select **Where to Deliver**, whether it's to the Beneficiary or the Member
 - v. Select **Purpose of Standby**
 - vi. Below the grey box under Purpose of Standby, select Feature(s) where applicable
 - a. **Fluctuating Balance**
 - b. **Allow Multiple Draws**
 - c. **Exceptions**
 - d. **Community Investment Program/ Economic Development Program**
 - e. **Enter any Special Requests for Member Services** (up to 3 lines)

Direct Standby Application Create

Primary Parties Evergreen Terms File Upload Exception Text Save Quit Expand All

Primary Help

Reference [Show Terms](#) **Accept Terms**

Amount *

Effective Date * (MM/DD/YYYY)

Expiry Date * (MM/DD/YYYY)

Where to Deliver *

Member hereby represents and warrants that the underlying obligation for which the Letter of Credit is to be issued and for which it will be used by Member is as indicated by the purpose selected.

Purpose of Standby * To facilitate residential housing finance
 To facilitate the collateralization of public unit deposits which are maintained directly by a public unit or otherwise qualify as public unit deposits
 To secure an interest rate swap, interest rate exchange, interest exchange or such other comparable agreement between the Member and the beneficiary
 To facilitate community lending
 To assist the asset/liability management of Member
 To provide Member with liquidity or other funding

Fluctuating Balance
 Allow Multiple Draws
 Exceptions
 Community Investment Program/ Economic Development Program

Special Request for Member Services (up to 3 lines)

vii. Select **Beneficiary** from drop-down or 'Browse' or 'Add'

Direct Standby Application Create

Primary Parties Evergreen Terms File Upload Exception Text Save Quit Expand All

Parties Back to Top Help

Member Beneficiary *

Nickname Nickname

Name Name

Address Attention

Address

City, State Zip City, State Zip

Phone Number Phone Number

Email Address

- viii. Select Evergreen Terms where applicable
- a. Enter **Notice Non-Renewal** (in days)
 - b. Enter **Auto-Extend Term** (in days or months)
 - c. Enter **Final Expiration Date** (MM/DD/YYYY)

Evergreen Terms Back to Top Help

Notice of Non-Renewal

Auto-Extend Term in Days

OR

Term in Months

Final Expiration Date (MM/DD/YYYY)

- ix. Fill out Exception Text section when applicable
 - a. Choose desired exception from the **Exception Text Clauses** drop-down
 - i. **Santa Fe County**
 - ii. **State of Alabama**
 - iii. **State of Colorado**
 - iv. **State of Florida**
 - v. **State of Georgia**
 - vi. **State of Tennessee**
 - vii. **Arkansas Lottery Commission**
 - viii. **Same Day Request**

Click **Add to Exception Text**

- x. Scroll to the Top → **Show Terms** → Select **Accept Terms**
- xi. Click **Save**

Click **Return to Menu**

5. To cancel an application, Select **Cancel**
 - i. **Select LOC**
 - ii. **Click Cancel**

The screenshot displays the 'Direct Standby Application Cancel Request' interface. On the left, a navigation menu under 'Applications' has 'Cancel Request' circled in red. The main content area features a search filter section with 'Display 10 items (of 1 total)' and a 'Search' button. Below this is a table with the following data:

Cancel	Your Reference	Attachment	Status	Status Date	Beneficiary	Amount
<input type="radio"/>	10000421		Created	09/23/2019	TESTING	12,000.00

A 'Cancel' button is circled in red at the bottom right of the table row.

***The Cancel option on SecureConnect is only for LOCs that have not been released to Member Services. To Cancel an LOC that has been released, please contact Member Services.*



6. To Submit an Application, Select **Release**
 - i. **Select LOC**
 - ii. **Click Release**

Release	Your Reference	Attachment	Status	Status Date	Beneficiary	Amount
<input type="checkbox"/>	10000421		Created	09/23/2019	TESTING	12,000.00

***Applications will not be sent to Member Services until they are released from SecureConnect. Once the application is released, Member Services will process the request. If sent application needs to be edited, please contact Member Services*

7. To check the Status if your Application, Select **Status**

	Your Reference	Status	Status Date	Amount	Beneficiary
<input type="checkbox"/>	10000420	Processed	09/23/2019	100,000.00	TESTING
<input type="checkbox"/>	10000421	Created	09/23/2019	12,000.00	TESTING
<input type="checkbox"/>	10000422	Processed	09/23/2019	10,000.00	TEST BENE
<input type="checkbox"/>	20000260	Processed	09/23/2019	12,000.00	

- i. Your application will be in one of the following statuses:
 - a. Created – Transaction was created and saved with all required fields filled out
 - b. Modified – Transaction was created/rejected and then repaired and saved with all fields filled out
 - c. Incomplete – Transaction was created but when saved, all required fields were not completed
 - d. Arrived – Transaction was released to Member Services
 - e. Rejected – Transaction was released but Member Services canceled it back to the member
 - f. Processed – Transaction has been approved

8. After releasing, Select **Inquiry** tab → **Balance/ History**
 - i. **Select LOC**

Applications

Recent Activity

Direct Standby

Applications

Amendments

Certificate of Utilization

Templates

Inquiry

Balance/ History

Reports

Bank Text

Document Images

Direct Standby Inquiry

Hide Selection Filters

Display 10 items (of 3 total) Search

Your Reference

Your Reference	Beneficiary	Issue Date	Expiry Date	Liability Amount
10000360	My State Bank & Trust Company	06/27/2019	07/01/2020	100,000.00
10000361	My State Bank & Trust Company	07/01/2019	07/01/2020	100,000.00
10000362	My State Bank & Trust Company	07/03/2019	07/01/2020	100,000.00

i. Click **Issuance** to view details, fees, and documents

Balance Detail for 10000362

Bank Reference	10000362		
Effective Date	07/03/2019		
Expiry Date	07/01/2020		
Where to Deliver	Beneficiary		
Liability Amount	100,000.00		
Purpose of Standby	To facilitate the collateralization of public unit deposits which are maintained directly by a public unit or otherwise qualify as public unit deposits		
Fluctuating Balance	<input checked="" type="checkbox"/>		
Allow Multiple Draws	<input type="checkbox"/>		
Exceptions	<input type="checkbox"/>		
Community Investment Program	<input type="checkbox"/>		
Beneficiary	My State Bank & Trust Company		

[<< Back](#)

History

07/03/2019	Issuance	100,000.00
------------	-----------------	------------

Bank Reference	10000362		
Expiry Date	07/01/2020		
Transaction Amount	100,000.00		
Transaction Date	07/03/2019		
Face Amount	100,000.00		
Where to Deliver	Beneficiary		
Purpose of Standby	To facilitate the collateralization of public unit deposits which are maintained directly by a public unit or otherwise qualify as public unit deposits		
Beneficiary	My State Bank & Trust Company		
Fluctuating Balance	<input checked="" type="checkbox"/>		
Allow Multiple Draws	<input type="checkbox"/>		
Exceptions	<input type="checkbox"/>		
Community Investment Program	<input type="checkbox"/>		

Associated Fees

Description	Effective Date	Code	Amount

The following guide is designed to assist FHLB Dallas members in creating and submitting new Confirmation Letters of Credit applications on SecureConnect. For any questions regarding the steps provided in this guide, please contact Member Services at **844.FHL.BANK** (844.345.2265) or Member.Services@fhlb.com.

CONFIRMATION STANDBY

Below are instructions on how to create and submit a new Confirmation Letter of Credit Application.

- B. Create Confirmation Letter of Credit Application**
 1. **Login** in SecureConnect
 2. *SecureConnect Home* screen display
 3. **Select** Letter of Credit → Confirmation Standby → Applications → Create New → Blank Template

The screenshot shows the 'Applications' sidebar on the left with 'Create New' circled in red. The main content area is titled 'Create Confirmation Standby Application from a template'. It features a search bar with 'Display' items (of 0 total) and 'Create From' set to 'Template'. Below the search bar is a table with two columns: 'Template' and 'Beneficiary'. The 'Blank Template' row is circled in red, with 'Do not use a template' in the 'Beneficiary' column. The table shows '0 Items'.

4. Blank *Confirmation Standby Application* screen displays
 - i. Enter **Amount**
 - ii. Enter **Effective Date** (MM/DD/YYYY)
 - iii. Enter **Expiration Date** (MM/DD/YYYY)
 - iv. Select **Where to Deliver**
 - v. Select **Purpose of Standby**
5. Select Feature(s) when applicable
 - i. **Allow Multiple Draws**
 - ii. **Exceptions**
 - iii. **Community Investment Program/ Economic Development Program**

Confirmation Standby Application Create

Primary Parties Evergreen Terms File Upload Exception Text Save Quit Expand All

Primary [Show Terms](#) **Accept Terms** [Help](#)

Reference

Amount *

Effective Date * (MM/DD/YYYY)

Expiry Date * (MM/DD/YYYY)

Where to Deliver *

Member hereby represents and warrants that the underlying obligation for which the Letter of Credit is to be issued and for which it will be used by Member is as indicated by the purpose selected.

Purpose of Standby *

- To facilitate residential housing finance
- To facilitate the collateralization of public unit deposits which are maintained directly by a public unit or otherwise qualify as public unit deposits
- To secure an interest rate swap, interest rate exchange, interest exchange or such other comparable agreement between the Member and the beneficiary
- To facilitate community lending
- To assist the asset/liability management of Member
- To provide Member with liquidity or other funding

Allow Multiple Draws
 Exceptions
 Community Investment Program/ Economic Development Program

- iv. **Bond Deal**
 - a. Select **Rating Agency**
 - b. Select **Bond Purpose**

Bond Information

Bond Deal
 Income Tax Exempt

Rating Agency

- Moody's
- S&P
- Not Rated

Bond Purpose

- confirmed by a confirmation issued during the period of July 30, 2008 through December 31, 2012
- private activity bonds issued for a qualified residential rental project or a housing program obligation under Section 11(b) of the United States Housing Act of 1937
- qualified mortgage bonds (IRC Section 143(a))
- qualified veteran's mortgage bonds (IRC Section 143(b))

- 6. Enter **Member's Letter of Credit** Information
 - i. Enter **Reference Number**
 - ii. Enter **Amount**
 - iii. Enter **Effective Date** (MM/DD/YYYY)
 - iv. Enter **Expiration Date** (MM/DD/YYYY)
 - v. Enter **Account Party Customer**
 - vi. Enter **Special Request for Member Services** if applicable (up to 3 lines)

Member's Letter of Credit

Reference *

Amount *

Effective Date * (MM/DD/YYYY)

Expiry Date * (MM/DD/YYYY)

Account Party Customer *

Special Request for Member Services (up to 3 lines)

- vii. Select **Beneficiary** from drop-down or 'Browse' or 'Add'

Parties Back to Top [Help](#)

Member		Beneficiary *	<None>	Browse Add
Nickname	S8000	Nickname	<Free Form> S8000	
Name	My State Bank & Trust Company	Name		
Address	121 James Washington Ave	Attention		
	Suite ABC-123	Address		
City, State Zip	Washington, TX 75216	City, State Zip		
Phone Number	214-441-1111 x	Phone Number		
		Email Address		

- viii. Select Evergreen Terms when applicable
 - a. Enter **Notice Non-Renewal** (in days)
 - b. Enter **Auto-Extend Term** (in days or months)
 - c. Enter **Final Expiration Date** (MM/DD/YYYY)

Evergreen Terms Back to Top [Help](#)

Notice of Non-Renewal

Auto-Extend Term in Days

OR

Term in Months

Final Expiration Date (MM/DD/YYYY)

- ix. Fill out Exception Text section when applicable
 - a. Choose desired exception from the **Exception Text Clauses** drop-down
 - i. **Same Day Request**

Click **Add to Exception Text**

Exception Text Back to Top [Help](#)

Exception Text Clauses **Add to Exception Text**

Exception Text (up to 60 lines)

- x. Scroll to the Top → **Show Terms** → Select **Accept Terms**
- xi. Click **Save**

Confirmation Standby Application Create

Primary Parties Evergreen Terms File Upload Exception Text **Save** Quit Expand All

Primary [Show Terms](#) **Accept Terms** [Help](#)

Reference

Click Return to Menu

Confirmation Standby Application Modify

Primary Parties Evergreen Terms File Upload Exception Text

Edit **Return to Menu** Expand All

Your Confirmation Standby Application has been successfully saved.

Summary

Your Confirmation Standby Application has been successfully saved.

Application Print

Your Reference: 30000322
Amount: 250,000.00
Beneficiary: My State Bank & Trust Company
Attached Document(s):

Primary Back to Top Help
Parties Back to Top Help
Evergreen Terms Back to Top Help
File Upload Back to Top Help
Exception Text Back to Top Help

Applications

Recent Activity
Direct Standby
Confirmation Standby

Applications
Work in Progress
Create New
Release
Status
Cancel Request

Confirmation Standby Application Cancel Request

Hide Selection Filters

Display 10 items (of 1 total)

Your Reference: [text box]
Status Date: [calendar icon] (MM/DD/YYYY) To [calendar icon] (MM/DD/YYYY)

Search

Cancel	Your Reference	Attachment	Status	Status Date	Beneficiary	Amount
<input checked="" type="radio"/>	30000340		Created	09/24/2019	My State Bank & Trust Company	15,000,000.00

Cancel

***The Cancel option on SecureConnect is only for LOCs that have not been released to Member Services. To Cancel a LOC that has been released, please contact Member Services*

1. To Submit Application, Select **Release**
 - i. **Select LOC**
 - ii. **Click Release**

Applications

Recent Activity
Direct Standby
Confirmation Standby

Applications
Work in Progress
Create New
Release
Status
Cancel Request

Confirmation Standby Application Release

Release	Your Reference	Attachment	Status	Status Date	Beneficiary	Amount
<input checked="" type="checkbox"/>	30000340		Created	09/24/2019	My State Bank & Trust Company	15,000,000.00

Release

***Applications will not be sent to Member Services until they are released from SecureConnect. Once the application is released, Member Services will process the request. If sent application needs to be edited, please contact Member Services*

2. To check the Status if your Application, Select **Status**

Confirmation Standby Application Status

Hide Selection Filters

Display 10 items (of 1 total) Search

Your Reference:

Status Date: (MM/DD/YYYY) To (MM/DD/YYYY)

Your Reference	Status	Status Date	Amount	Beneficiary
<input type="checkbox"/> 30000340	Created	09/24/2019	15,000,000.00	My State Bank & Trust Company

[View Selected Items](#)

- i. Your application will be in one of the following statuses:
 - a. Created – Transaction was created and saved with all required fields filled out
 - b. Modified – Transaction was created/rejected and then repaired and saved with all fields filled out
 - c. Incomplete – Transaction was created but when saved, all required fields were not completed
 - d. Arrived – Transaction was released to Member Services
 - e. Rejected – Transaction was released but Member Services canceled it back to the member
 - f. Processed – Transaction has been approved

3. After releasing, Select **Inquiry** tab → **Balance/ History**

- i. **Select LOC**

Confirmation Standby Inquiry

Hide Selection Filters

Display 10 items (of 2 total) Search

Your Reference:

Your Reference	Beneficiary	Issue Date	Expiry Date	Liability Amount
30000320	My State Bank & Trust Company	07/03/2019	08/01/2020	500,000.00
<input checked="" type="checkbox"/> 30000322	My State Bank & Trust Company	07/18/2019	07/01/2020	250,000.00

- ii. Click **Issuance** to view details, fees, and documents

Balance Detail for 3000322

Bank Reference	3000322
Effective Date	07/18/2019
Expiry Date	07/01/2020
Where to Deliver	Beneficiary
Liability Amount	250,000.00
Purpose of Standby	To facilitate the collateralization of public unit deposits which are maintained directly by a public unit or otherwise qualify as public unit deposits
Allow Multiple Draws	<input checked="" type="checkbox"/>
Exceptions	<input type="checkbox"/>
Community Investment Program	<input type="checkbox"/>
Bond Deal	<input type="checkbox"/>
Beneficiary	My State Bank & Trust Company

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History

07/18/2019	Issuance	250,000.00
------------	-----------------	------------

Bank Reference	3000322
Expiry Date	07/01/2020
Transaction Amount	250,000.00
Transaction Date	07/18/2019
Face Amount	250,000.00
Where to Deliver	Beneficiary
Purpose of Standby	To facilitate the collateralization of public unit deposits which are maintained directly by a public unit or otherwise qualify as public unit deposits
Beneficiary	My State Bank & Trust Company
Allow Multiple Draws	<input checked="" type="checkbox"/>
Exceptions	<input type="checkbox"/>
Community Investment Program	<input type="checkbox"/>
Bond Deal	<input type="checkbox"/>

Associated Fees

The following guide is designed to assist FHLB Dallas members in creating Custodial Letters of Credit applications on SecureConnect. For any questions regarding the steps provided in this guide, please contact Member Services at **844.FHL.BANK** (844.345.2265) or Member.Services@fhlb.com.

CUSTODIAL STANDBY

- B.** Create Custodial Letter of Credit Application
 - 1.** **Login** in SecureConnect
 - 2.** *SecureConnect Home* screen displays
 - 3.** **Select** Letter of Credit → Custodial Standby → Applications → Create New → Blank Template

Applications

- Recent Activity
- Direct Standby
- Confirmation Standby
- Custodial Standby
- Applications
- Work in Progress
- Create New**
- Release
- Status
- Cancel Request

Create Custodial Standby Application from a template

Hide Selection Filters

Display items (of 0 total) Create From Template

Template

Template	Beneficiary
Blank Template	Do not use a template
0 Items	

4. Blank *Custodial Standby Application* screen displays
 - i. Enter **Amount**
 - ii. Enter **Effective Date** (MM/DD/YYYY)
 - iii. Enter **Expiration Date** (MM/DD/YYYY)
5. Select **Fluctuating Balance** Feature when applicable
6. Enter **Special Request for Member Services** if applicable

Primary Custodial Standby Application Create Expand All

Primary [Show Terms](#) **Accept Terms** [Help](#)

Reference

Amount *

Effective Date * (MM/DD/YYYY)

Expiry Date * (MM/DD/YYYY)

Member hereby represents and warrants that the underlying obligation for which the Letter of Credit is to be issued and for which it will be used by Member is to secure deposit accounts either (a) maintained at Member by one or more Public Units or (b) that otherwise qualify as Public Unit Deposits.

Fluctuating Balance

Special Request for Member Services (up to 3 lines)

- i. Scroll to the Top → **Show Terms** → Select **Accept Terms**

7. Click **Save**

Primary Confirmation Standby Application Create Expand All

Primary [Show Terms](#) **Accept Terms** [Help](#)

Reference

Click **Return to Menu**

Custodial Standby Application Modify [Edit](#) [Return to Menu](#) Expand All

Primary

Your Custodial Standby Application has been successfully saved.

Summary Your Custodial Standby Application has been successfully saved.

[Application Print](#)

Your Reference	20000300	Status	Created
Amount	100,000.00		

Attached Document(s)

Primary [Help](#)

Application FileUpload

Custodial Standby Application Cancel Request

Hide Selection Filters

Display items (of 1 total) [Search](#)

Your Reference

Status Date (MM/DD/YYYY) To (MM/DD/YYYY)

Cancel	Your Reference	Attachment	Status	Status Date	Beneficiary	Amount
<input checked="" type="checkbox"/>	20000261		Created	09/24/2019		150,000.00

[Cancel](#)

**The Cancel option on SecureConnect is only for LOCs that have not been released to Member Services. To Cancel an LOC that has been released, please contact Member Services

8. To Submit Application, Select Release

- i. **Select LOC**
- ii. **Click Release**

Custodial Standby Application Release

Release	Your Reference	Attachment	Status	Status Date	Beneficiary	Amount
<input type="checkbox"/>	20000261		Created	09/24/2019		150,000.00

[Release](#)

**Applications will not be sent to Member Services until they are released from SecureConnect. Once the application is released, Member Services will process the request. If sent application needs to be edited, please contact Member Services

9. To check the Status of your Application, Select Status

Custodial Standby Application Status

Hide Selection Filters

Display 10 items (of 2 total) Search

Your Reference

Status Date (MM/DD/YYYY) To (MM/DD/YYYY)

	Your Reference	Status	Status Date	Amount
<input checked="" type="checkbox"/>	20000260	Processed	09/23/2019	12,000.00
<input type="checkbox"/>	20000261	Created	09/24/2019	150,000.00

View Selected Items

- i. Your application will be in one of the following statuses:
 - a. Created – Transaction was created and saved with all required fields filled out
 - b. Modified – Transaction was created/rejected and then repaired and saved with all fields filled out
 - c. Incomplete – Transaction was created but when saved, all required fields were not completed
 - d. Arrived – Transaction was released to Member Services
 - e. Rejected – Transaction was released but Member Services canceled it back to the member
 - f. Processed – Transaction has been approved

10. After releasing, Select **Inquiry** tab → **Balance/History**

- i. **Select** LOC

Custodial Standby Inquiry

Hide Selection Filters

Display 10 items (of 1 total) Search

Your Reference

Your Reference	Beneficiary	Issue Date	Expiry Date	Liability Amount
20000300	Federal Home Loan Bank of Dallas	07/18/2019	07/01/2020	100,000.00

- i. Click **Issuance** to view details, fees, and documents

Balance Detail for 20000300

Bank Reference	20000300	
Effective Date	07/18/2019	
Expiry Date	07/01/2020	
Where to Deliver	Beneficiary	
Liability Amount		100,000.00
Total Pledged		0.00
Amount Available		100,000.00
Beneficiary	Federal Home Loan Bank of Dallas	

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History

07/18/2019 **Issuance** 100,000.00

Bank Reference	20000300	
Expiry Date	07/01/2020	
Transaction Amount	100,000.00	
Transaction Date	07/18/2019	
Face Amount	100,000.00	
Where to Deliver	Beneficiary	
Beneficiary	Federal Home Loan Bank of Dallas	

Associated Fees

Description	Effective Date	Code	Amount
Custodial Fluctuating Balance LOC Utilization Fee	07/18/2019	CUS_FB	0.00
LOC Fluctuating Balance Issuance Fee	07/18/2019	FHL_FLUCTUATING_BALANCE	7,500.00

Bank Text/ Document Images

Type	Text/ Image	Status	Date	View
DDA Advice-My State	DOC	Received (not yet Viewed)	07/18/2019	View
CUS Letter of Credit	DOC	Received (not yet Viewed)	07/18/2019	View
Exhibit A Draft	DOC	Received (not yet Viewed)	07/18/2019	View

