



Member driven.
Community focused.

Member Liquidity Stress Assessment Guide

April 2018

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Member Liquidity Stress Assessment for Banks

Before we Begin...

Locate your most recent

- Blanket Lien Worksheet from SecureConnect
- Call Reports (current and previous quarter)

The Member Liquidity Stress Assessment (MLSA)

- Estimates a member's current and stressed collateral status based on a set of quantitative factor
- Provides potential changes in estimated collateral based on inputs and assumptions

MLSA Tool for Banks

Access the MLSA at fhlb.com/MLSA.

Overview

The Member Liquidity Stress Assessment (MLSA) provides FHLB Dallas member banks with a tool to estimate their bank's creditworthiness. FHLB Dallas member banks may click to use the MLSA model upon viewing the training, education materials and reading the disclaimer below.

Member banks can then estimate a potential change in total collateral capacity and collateral status based on a set of quantitative factors that are statistically proven to be the most predictive of bank failures. The model is built so members can change key factors to simulate a stress situation and see an estimate of how those factors could impact their collateral status in a stress scenario.

Training and Education

Please watch the following two webinars and review the step-by-step pdf guide before using the MLSA. The "Collateral Valuation Summary" webinar covers key collateral valuation topics that are critical to effectively using the MLSA. The "Member Liquidity Stress Assessment Guide" walks you step-by-step through how to use the MLSA.

Overview of MLSA

Links to training and education materials

- MLSA webinar
- MLSA step-by-step guide



Member Liquidity Stress Assessment Guide

Collateral Overview Webinar
April 2018
View attachment



Collateral Valuation Summary

Blanket Versus Custody
April 2018
View attachment



MLSA Roadmap

MLSA Roadmap
PDF
View attachment



Member Liquidity Stress Assessment Overview

MLSA Overview Guide
PDF
View attachment

MLSA Tool for Banks

Disclaimers

You must read the following before entering the tool.

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FHLBD's internal processes for determining collateral status, collateral availability and collateral value contain numerous factors, including both subjective and objective factors not included in this tool. The MLSA is only able to provide a limited view of certain objective factors and therefore SHOULD NOT BE RELIED UPON BY THE MEMBER to make any business decision, financial or otherwise. If the Member desires information related to these areas that it may rely on, then they can reach out to their Member Sales representative to discuss options available to the Member.

The scenarios and valuations in the MLSA are derived using proprietary models, all of which are subject to change without notice. FHLBD does not undertake an obligation, and disclaims any duty, to update the MLSA. The data, scenarios and valuations provided in the MLSA are for informational purposes only and are provided as an accommodation and without charge and are not intended for further distribution by the Member.

The data, scenarios and valuations are estimates only and may not, and in fact are not intended to, represent the actual or indicative terms on which new or existing transactions could be entered into.

The scenarios and valuations in the MLSA are prepared without any prior information about your institution's balance sheet composition, financial assumptions and plans, collateral quality or other key information any of which may affect the relevance of the valuations and scenarios provided.

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Legal Disclaimer

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[Go To Member Liquidity Stress Assessment](#)

MLSA Tool for Banks

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[Go To Member Liquidity Stress Assessment](#)

Acceptance of Legal Disclaimer and Link to MLSA

MLSA Tool for Banks

Member Liquidity Stress Assessment - Banks

<< Training

Print

Help

All estimated amounts below are not to be relied upon. Actual numbers may vary greatly. Reach out to your Member Sales Officer if more information is required.

Calculate Estimated Stressed Ratios

		Current		Stressed Estimate		Estimated Difference
Past Due Loans (%) =	SHOW CALCULATION	<input type="text"/>	-	<input type="text"/>	+	<input type="text"/>
Equity / Assets (%) =	SHOW CALCULATION	<input type="text"/>	-	<input type="text"/>	+	<input type="text"/>
Liquidity Ratio (%) =	SHOW CALCULATION	<input type="text"/>	-	<input type="text"/>	+	<input type="text"/>
ROAA (%) =	SHOW CALCULATION	<input type="text"/>	-	<input type="text"/>	+	<input type="text"/>

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario)

Calculate Collateral Status

Review potential changes in estimated collateral (click button to calculate new scenario)

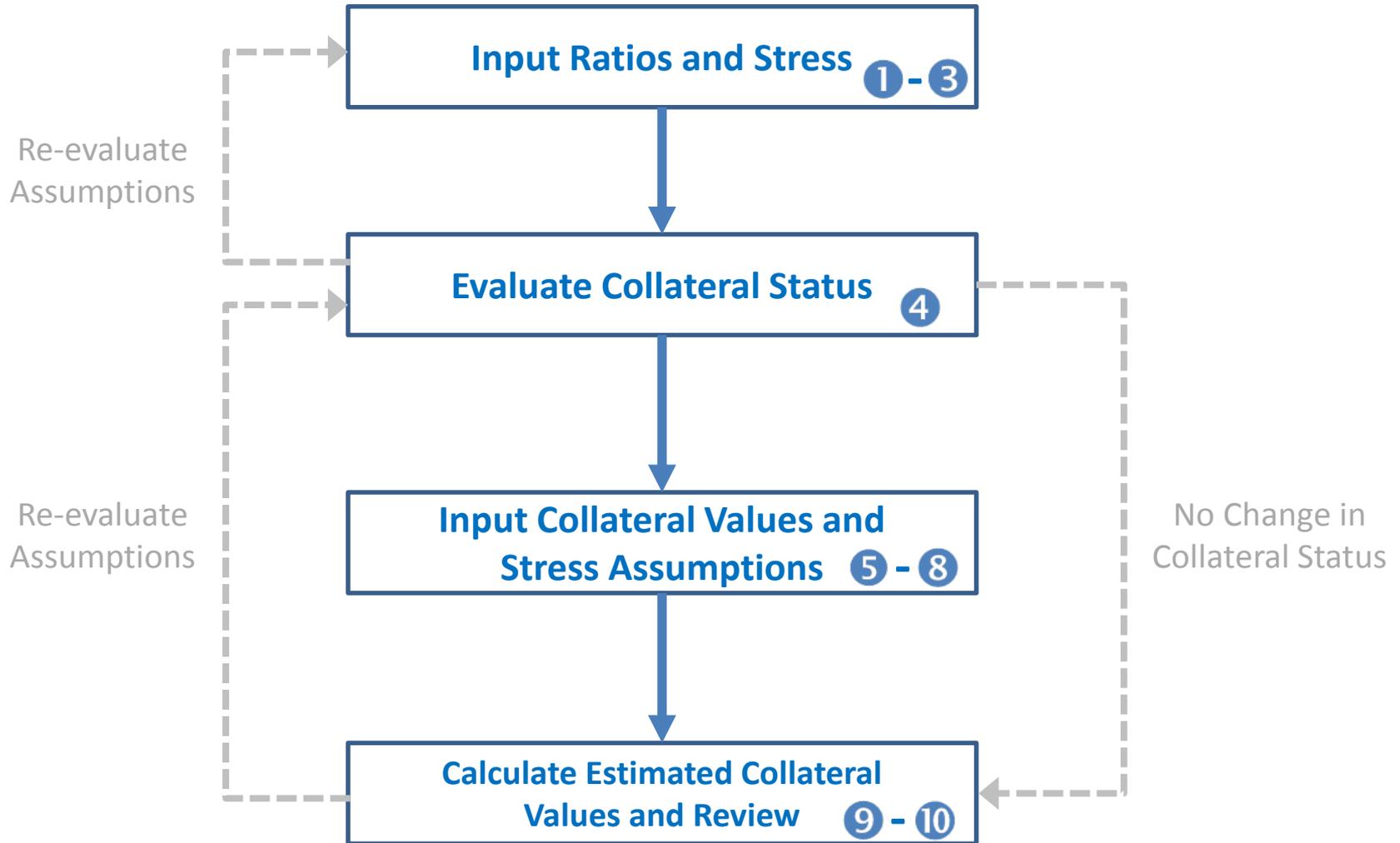
Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Notes

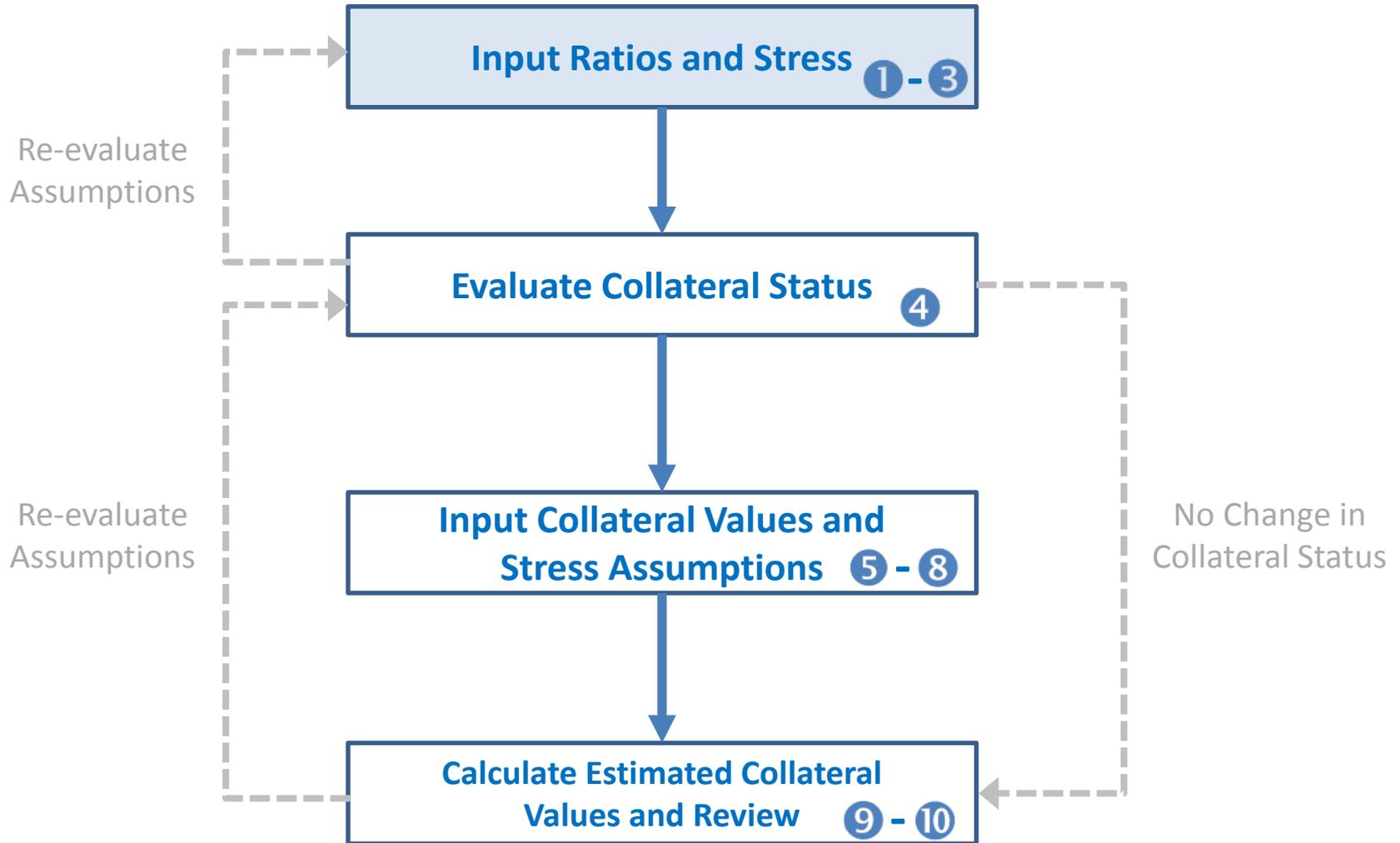
Return to Training, Print or Help Options

MLSA 10-Step Summary



Remember to print your assessment results once complete

MLSA 10-Step Summary



Remember to print your assessment results once complete

MLSA Tool for Banks

Member Liquidity Stress Assessment - Banks

[<< Training](#)[Print](#)[Help](#)

All estimated amounts below are not to be relied upon. Actual numbers may vary greatly. Reach out to your Member Sales Officer if more information is required.

Return to Training Print and Help Options

Calculate Estimated Stressed Ratios

	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
Equity / Assets (%) = SHOW CALCULATION	<input type="text"/> 1	- <input type="text"/> 2 +	<input type="text"/>
Liquidity Ratio (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
ROAA (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>

Calculate and Stress Ratios from Call Report

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario)

[Calculate Collateral Status](#)

Review potential changes in estimated collateral (click button to calculate new scenario)

[Calculate Change in Total Collateral](#)

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Notes

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios					
		Current	Stressed Estimate		Estimated Difference
Past Due Loans (%) =	SHOW CALCULATION		-	+	
Equity / Assets (%) =	SHOW CALCULATION		-	+	
Liquidity Ratio (%) =	SHOW CALCULATION		-	+	
ROAA (%) =	SHOW CALCULATION		-	+	

Four calculated ratios from Call Report

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios				
		Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) =	SHOW CALCULATION		- +	
Equity / Assets (%) =	SHOW CALCULATION		- +	
Liquidity Ratio (%) =	SHOW CALCULATION		- +	
ROAA (%) =	SHOW CALCULATION		- +	

Four calculated ratios from Call Report

Click the "SHOW CALCULATION" button to see Call Report items that make up ratios

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios				
		Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) =	HIDE CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
	COMPUTE	$(\text{RCON1407} + \text{RCON1403} + \text{RCON1406}) / \text{RCON2122} * 100$		
Equity / Assets (%) =	HIDE CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
	COMPUTE	$\text{RCON3210} / \text{RCON2170} * 100$		
Liquidity Ratio (%) =	HIDE CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
	COMPUTE	$(\text{RCON0081} + \text{RCON0071} + \text{RCON1754} + \text{RCON1773} + \text{RCON8987} + \text{RCON8989} + \text{RCON3545} - \text{RCON0416}) / \text{RCON2948} * 100$		
ROAA (%) =	HIDE CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
	COMPUTE	$(\text{RIAD4340 (Current Qtr)} - \text{RIAD4340 (Last Qtr)}) / \text{RCON3368} * 4 * 100$		

The RCON codes for the items in the Call Report that makes up the four ratios are shown in the input boxes highlighted. Find these items in your Call Report and input them into their respective boxes

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios

		Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) =	<input type="button" value="HIDE CALCULATION"/>		- <input style="width: 50px;" type="text"/> +	
	<input type="button" value="COMPUTE"/>	$\left(\text{RCON1407} + \text{RCON1403} + \text{RCON1406} \right) / \text{RCON2122} * 100$		
Equity / Assets (%) =	<input type="button" value="HIDE CALCULATION"/>		- <input style="width: 50px;" type="text"/> +	
	<input type="button" value="COMPUTE"/>	$\text{RCON3210} / \text{RCON2170} * 100$		
Liquidity Ratio (%) =	<input type="button" value="HIDE CALCULATION"/>		- <input style="width: 50px;" type="text"/> +	
	<input type="button" value="COMPUTE"/>	$\left(\text{RCON0081} + \text{RCON0071} + \text{RCON1754} + \text{RCON1773} + \text{RCON8987} + \text{RCON8989} + \text{RCON3545} - \text{RCON0416} \right) / \text{RCON2948} * 100$		
ROAA (%) =	<input type="button" value="HIDE CALCULATION"/>		- <input style="width: 50px;" type="text"/> +	
	<input type="button" value="COMPUTE"/>	$\left(\text{RIAD4340 (Current Qtr)} - \text{RIAD4340 (Last Qtr)} \right) / \text{RCON3368} * 4 * 100$		

The RCON codes for the items in the Call Report that makes up the four ratios are shown in the input boxes highlighted. Find these items in your Call Report and input them into their respective boxes

Click the "COMPUTE" button to calculate and automatically fill in the ratio input box

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios				
		Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) =	<input type="button" value="HIDE CALCULATION"/>	<input type="text"/>	<input type="text"/> - <input type="text"/> + <input type="text"/>	<input type="text"/>
	<input type="button" value="COMPUTE"/>	$(\text{RCON1407} + \text{RCON1403} + \text{RCON1406}) / \text{RCON2122} * 100$		
Equity / Assets (%) =	<input type="button" value="HIDE CALCULATION"/>	<input type="text"/>	<input type="text"/> - <input type="text"/> + <input type="text"/>	<input type="text"/>
	<input type="button" value="COMPUTE"/>	$\text{RCON3210} / \text{RCON2170} * 100$		
Liquidity Ratio (%) =	<input type="button" value="HIDE CALCULATION"/>	<input type="text"/>	<input type="text"/> - <input type="text"/> + <input type="text"/>	<input type="text"/>
	<input type="button" value="COMPUTE"/>	$(\text{RCON0081} + \text{RCON0071} + \text{RCON1754} + \text{RCON1773} + \text{RCON8987} + \text{RCON8989} + \text{RCON3545} - \text{RCON0416}) / \text{RCON2948} * 100$		
ROAA (%) =	<input type="button" value="HIDE CALCULATION"/>	<input type="text"/>	<input type="text"/> - <input type="text"/> + <input type="text"/>	<input type="text"/>
	<input type="button" value="COMPUTE"/>	$(\text{RIAD4340 (Current Qtr)} - \text{RIAD4340 (Last Qtr)}) / \text{RCON3368} * 4 * 100$		

The RCON codes for the items in the Call Report that makes up the four ratios are shown in the input boxes highlighted. Find these items in your Call Report and input them into their respective boxes

Click the "COMPUTE" button to calculate and automatically fill in the ratio input box

Complete the same process for the other ratios

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios			
	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="2"/> SNL Keyfield: 205837	<input type="text" value="2"/>	<input type="text" value="0"/>
Equity / Assets (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="12"/> SNL Keyfield: 205675	<input type="text" value="12"/>	<input type="text" value="0"/>
Liquidity Ratio (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="25"/> SNL Keyfield: 205709	<input type="text" value="25"/>	<input type="text" value="0"/>
ROAA (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="1"/> SNL Keyfield: 205663	<input type="text" value="1"/>	<input type="text" value="0"/>

Four calculated ratios from Call Report

Click the "SHOW CALCULATION" button to see and input Call Report items that make up ratios

Alternatively, if you have SNL, you can use the SNL KeyField codes shown below each input field to get data for each of these fields and input them directly

Note that you will get a warning popup box if you input values that are outside normal parameters. You can still use the input values even if they are outside normal parameters

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios			
	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="2"/>	<input type="text" value="7"/> <input type="button" value="-"/> <input type="button" value="+"/> 7	<input type="text" value="5"/>
Equity / Assets (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="12"/>	<input type="text" value="10"/> <input type="button" value="-"/> <input type="button" value="+"/> 10	<input type="text" value="-2"/>
Liquidity Ratio (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="25"/>	<input type="text" value="15"/> <input type="button" value="-"/> <input type="button" value="+"/> 15	<input type="text" value="-10"/>
ROAA (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="1"/>	<input type="text" value="0.5"/> <input type="button" value="-"/> <input type="button" value="+"/> 0.5	<input type="text" value="-0.5"/>

Four calculated ratios from Call Report

Click the "SHOW CALCULATION" button to see and input Call Report items that make up ratios

Alternatively, if you have SNL, you can use the SNL KeyField codes shown below each input field to get data for each of these fields and input them directly

Note that you will get a warning popup box if you input values that are outside normal parameters. You can still use the input values even if they are outside normal parameters

Once the four current fields are filled in you can use the "+" and "-" buttons to stress these four ratios

Calculating Key Ratios for the MLSA

Calculate Estimated Stressed Ratios			
	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="2"/>	<input type="text" value="7"/>	<input type="text" value="5"/>
Equity / Assets (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="12"/>	<input type="text" value="10"/>	<input type="text" value="-2"/>
Liquidity Ratio (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="25"/>	<input type="text" value="15"/>	<input type="text" value="-10"/>
ROAA (%) = <input type="button" value="SHOW CALCULATION"/>	<input type="text" value="1"/>	<input type="text" value="0.5"/>	<input type="text" value="-0.5"/>

Four calculated ratios from Call Report

Click the "SHOW CALCULATION" button to see and input Call Report items that make up ratios

Alternatively, if you have SNL, you can use the SNL KeyField codes shown below each input field to get data for each of these fields and input them directly

Note that you will get a warning popup box if you input values that are outside normal parameters. You can still use the input values even if they are outside normal parameters

Once the four current fields are filled in you can use the "+" and "-" buttons to stress these four ratios

The highlighted boxes shows the difference between the current ratios and the stressed ratios

MLSA Tool for Banks

Member Liquidity Stress Assessment - Banks << Training Print Help

All estimated amounts below are not to be relied upon. Actual numbers may vary greatly. Reach out to your Member Sales Officer if more information is required.

Return to Training Print and Help Options

Calculate Estimated Stressed Ratios

	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
Equity / Assets (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
Liquidity Ratio (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
ROAA (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>

Calculate and Stress Ratios from Call Report

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) [Calculate Collateral Status](#)

Stressing Collateral Values

Review potential changes in estimated collateral (click button to calculate new scenario) [Calculate Change in Total Collateral](#)

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Notes

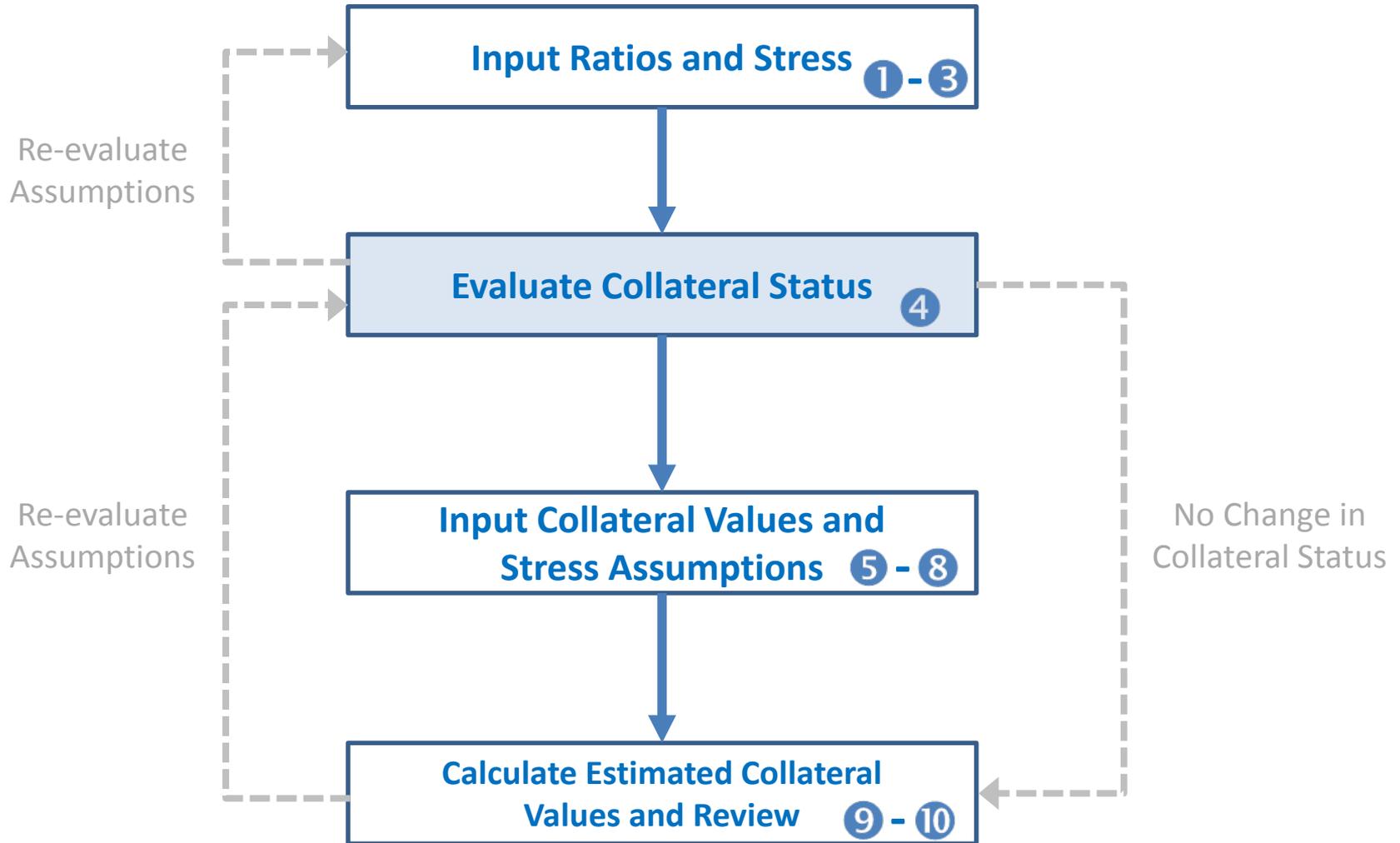
Stressing Collateral Values

3

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	\$		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

MLSA 10-Step Summary



Remember to print your assessment results once complete

Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	4
1) SINGLE-FAMILY			
Call Reports (RCON5367)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	\$		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

Click button to calculate collateral status based on inputs from the previous section and the amount stressed

Stressed Collateral Status

		Blanket	Custody	Restricted
Current Collateral Status	Blanket	No Change		
	Custody		No Change	
	Restricted			No Change



Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	\$ <input type="text"/>		
Anticipated Amount Delivered (Stressed)		\$ <input type="text"/>	
Anticipated Rejection Rate %		% <input type="text"/>	
Estimated Haircut %		<input type="text"/>	
Total Single-Family (From Blanket Lien Worksheet)	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
2) MULTIFAMILY			
Call Reports (RCON1460)	\$ <input type="text"/>		
Anticipated Amount Delivered (Stressed)		\$ <input type="text"/>	
Anticipated Rejection Rate %		% <input type="text"/>	
Estimated Haircut %		<input type="text"/>	
Total Multifamily (From Blanket Lien Worksheet)	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>

Click button to calculate collateral status based on inputs from the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	\$		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

Collateral status shown is based on inputs from the four ratios in the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

Collateral types in the tool match with your Blanket Lien Worksheet

Current Blanket Lien Worksheet Report

FHLB (blktwksheet)		BLANKET LIEN STATUS WORKSHEET		Page No. 1
FHFA ID:		MEMBER TYPE:		CREDIT RATING:
TOTAL ASSETS:	\$ 500,000,000	TIER 1 CAPITAL (T1C):		\$ 50,000,000
FINANCIAL DATE:		TRIAL BALANCE:		ONSITE VERIFICATION:
1) SINGLE FAMILY (RCON5367, CU703)				
				\$ 100,000,000
Less: Participations				\$ 0
Adjustments				\$ 0
Delinquencies				\$ 0
Delivered Loans (Book Value)				\$ 0
Net Adjusted				\$ 100,000,000
Multiplied by Collateral Value% by 100%-(Ineligible% + Exception%)x Price		75.00% x 85.00%		x 95.00%
TOTAL SINGLE FAMILY				\$ 60,562,500
2) MULTIFAMILY (RCON1460)				
				\$ 1,000,000
Less: Delinquencies				\$ 0
Delivered Loans (Book Value)				\$ 0
Net Adjusted				\$ 1,000,000
Multiplied by Collateral Value% by 100%-(Ineligible% + Exception%)x Price		70.00% x 45.00%		x 97.00%
TOTAL MULTIFAMILY				\$ 305,550

Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	A 100,000,000		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %	5	%	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	B 60,562,500		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

Collateral status shown is based on inputs from the four ratios in the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

Collateral types in the tool match with your Blanket Lien Worksheet

Fill in the input boxes with the **A** and **B** next to them with the matching data from the Blanket Lien Worksheet

Current Blanket Lien Worksheet Report

FHLB (blktwksheet)	BLANKET LIEN STATUS WORKSHEET	Page No. 1
FHFA ID:	MEMBER TYPE:	CREDIT RATING:
TOTAL ASSETS: \$ 500,000,000	TIER 1 CAPITAL (T1C): \$ 50,000,000	
FINANCIAL DATE:	TRIAL BALANCE:	ONSITE VERIFICATION:
1) SINGLE FAMILY (RCON5367, CU703) \$ 100,000,000		
Less: Participations		\$ 0
Adjustments		\$ 0
Delinquencies		\$ 0
Delivered Loans (Book Value)		\$ 0
Net Adjusted		A \$ 100,000,000
Multiplied by Collateral Value% by 100%-(Ineligible% + Exception%)x Price	75.00% x 85.00%	\$ 60,562,500
TOTAL SINGLE FAMILY		B \$ 60,562,500
2) MULTIFAMILY (RCON1460) \$ 1,000,000		
Less: Delinquencies		\$ 0
Delivered Loans (Book Value)		\$ 0
Net Adjusted		\$ 1,000,000
Multiplied by Collateral Value% by 100%-(Ineligible% + Exception%)x Price	70.00% x 45.00%	\$ 305,550
TOTAL MULTIFAMILY		\$ 305,550

Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	100,000,000		
Anticipated Amount Delivered (Stressed)		90,000,000 6	
Anticipated Rejection Rate %*		25 7	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	60,562,500		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

*Refer to the "Collateral Verifications - Assigned Exception Rates" bulletin on FHLB.com, which is published yearly and provides the median exception rate for all members, as a reference point for estimating your anticipated rejection rate in custody status.

Collateral status shown is based on inputs from the four ratios in the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

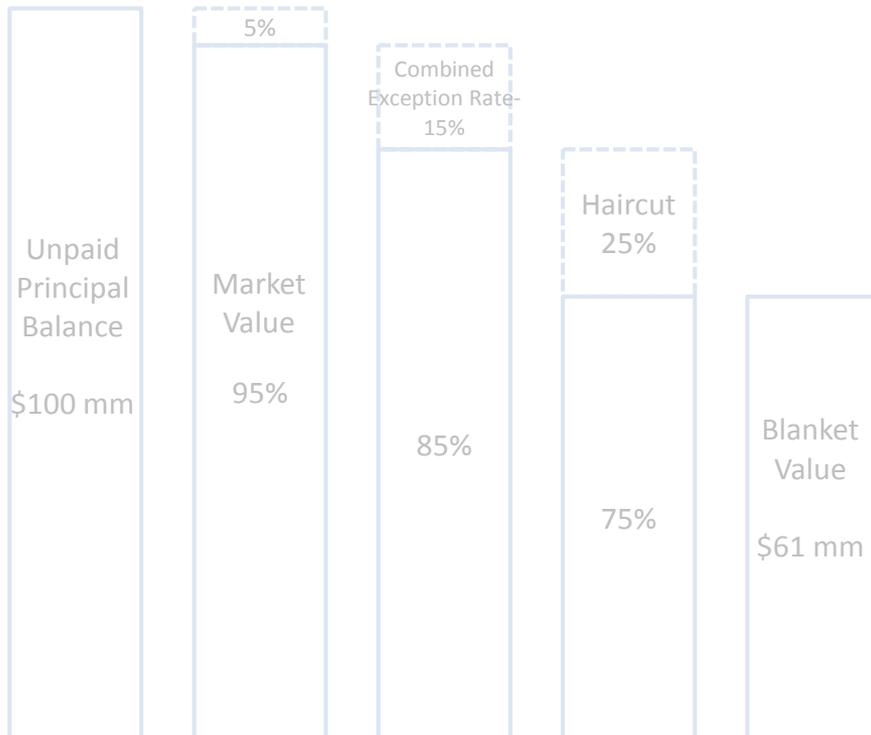
Collateral types in the tool match with your Blanket Lien Worksheet

Fill in the input boxes with the **1** and **2** next to them with the matching data from the Blanket Lien Worksheet

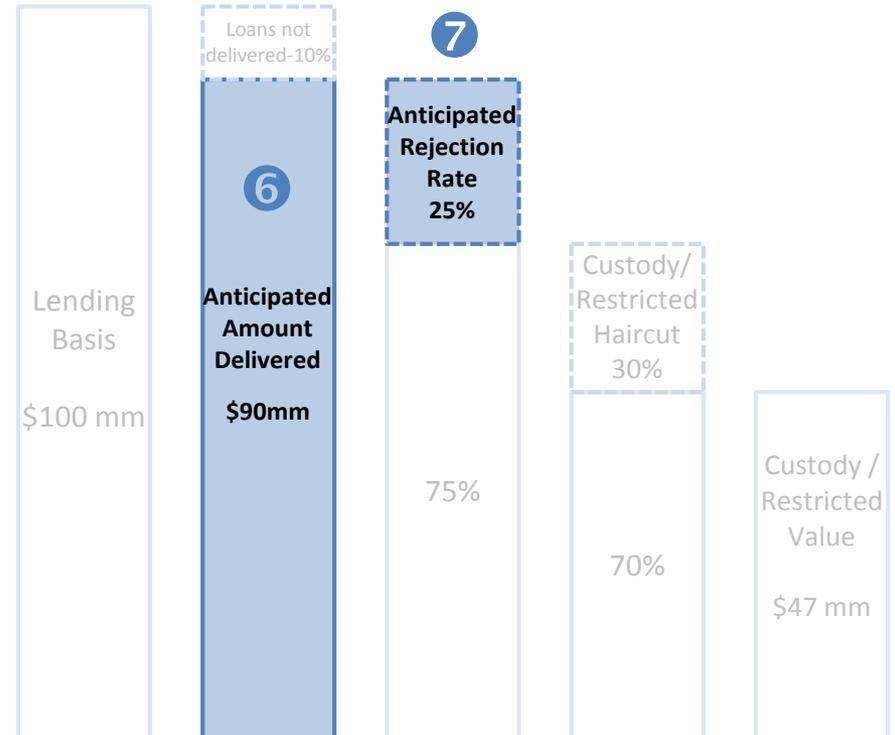
These two boxes are for inputting the anticipated collateral amount delivered and the rejection rate under a stress scenario.

Collateral Valuation – Custody / Restricted

Blanket Status Collateral



Custody / Restricted Status Collateral



Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	100,000,000		
Anticipated Amount Delivered (Stressed)		90,000,000	
Anticipated Rejection Rate %		25	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	60,562,500		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

Collateral status shown is based on inputs from the four ratios in the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

Collateral types in the tool match with your Blanket Lien Worksheet

Fill in the input boxes with the ① and ② next to them with the matching data from the Blanket Lien Worksheet

These two boxes are for inputting the anticipated collateral amount delivered and the rejection rate under a stress scenario.

Estimated Haircut percentage will be determined by the tool based on the stress scenario collateral status

Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	100,000,000		
Anticipated Amount Delivered (Stressed)		90,000,000	
Anticipated Rejection Rate %		25	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	60,562,500		
2) MULTIFAMILY			
Call Reports (RCON1460)	\$		
Anticipated Amount Delivered (Stressed)		\$	
Anticipated Rejection Rate %		%	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	\$		

These boxes will not populate until you complete step 9

Collateral status shown is based on inputs from the four ratios in the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

Collateral types in the tool match with your Blanket Lien Worksheet

Fill in the input boxes with the ① and ② next to them with the matching data from the Blanket Lien Worksheet

These two boxes are for inputting the anticipated collateral amount delivered and the rejection rate under a stress scenario.

Estimated Haircut percentage will be determined by the tool based on the stress scenario collateral status

These boxes will show total accepted collateral under the stress scenarios and difference in collateral between current and stressed scenario

Stressing Collateral Values

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

	Current	Stressed Estimate	Estimated Difference
Collateral Status	Blanket	Custody	
1) SINGLE-FAMILY			
Call Reports (RCON5367)	100,000,000		
Anticipated Amount Delivered (Stressed)		90,000,000	
Anticipated Rejection Rate %		25	
Estimated Haircut %			
Total Single-Family (From Blanket Lien Worksheet)	60,562,500		
2) MULTIFAMILY			
Call Reports (RCON1460)	1,000,000		
Anticipated Amount Delivered (Stressed)		900,000	
Anticipated Rejection Rate %		50	
Estimated Haircut %			
Total Multifamily (From Blanket Lien Worksheet)	305,550		

Collateral status shown is based on inputs from the four ratios in the previous section and the amount stressed

8 types of acceptable collateral are assessed

- 1) Single Family 2) Multifamily 3) Commercial
- 4) Commercial Construction 5) Land Loans 6) Home Equity
- 7) Small Business 8) Small Farm

Collateral types in the tool match with your Blanket Lien Worksheet

Fill in the input boxes with the ① and ② next to them with the matching data from the Blanket Lien Worksheet

These two boxes are for inputting the anticipated collateral amount delivered and the rejection rate under a stress scenario.

Estimated Haircut percentage will be determined by the tool based on the stress scenario collateral status

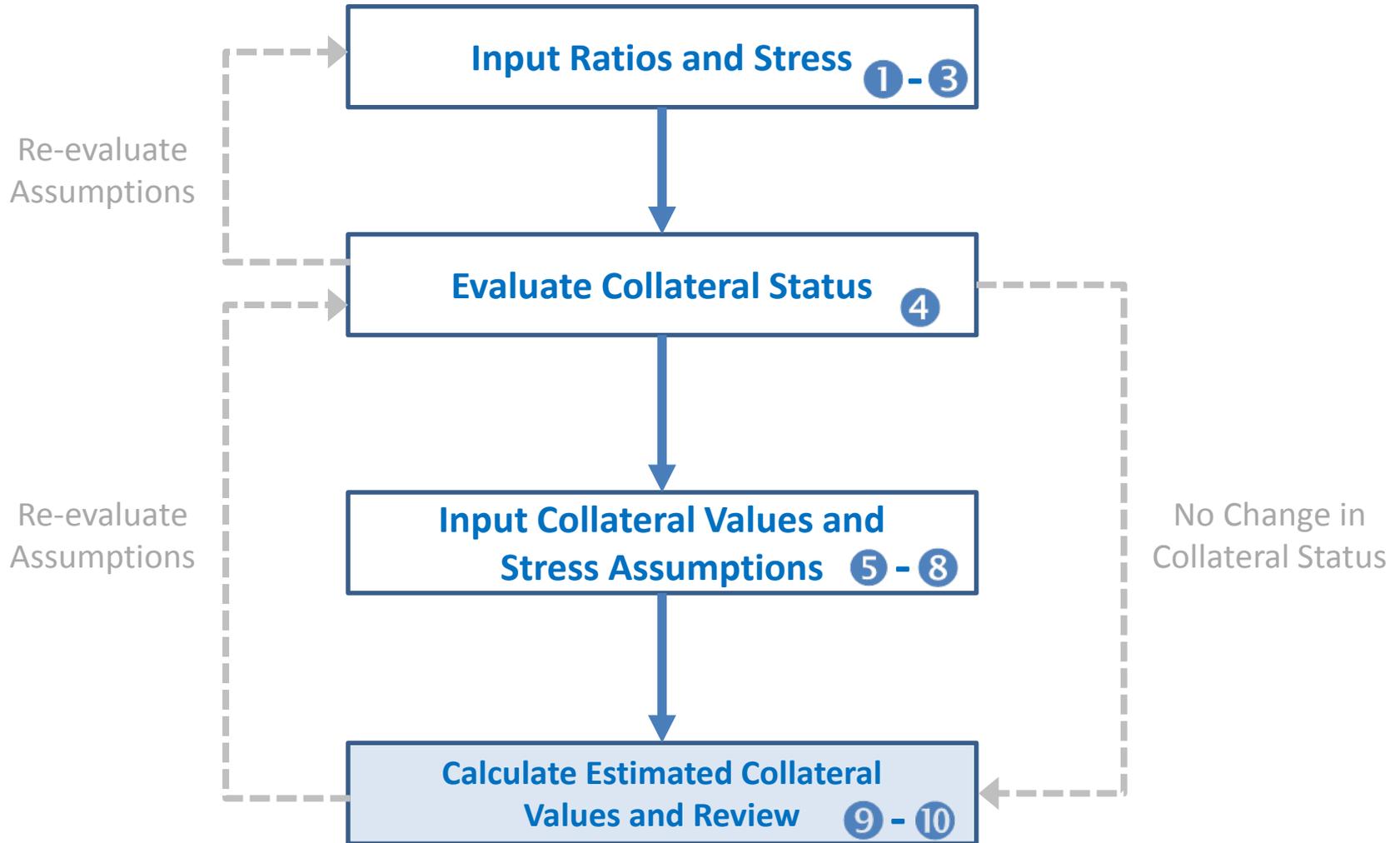
These boxes will show total accepted collateral under the stress scenario and difference in collateral between current and stressed scenario

Fill in the Multifamily section and 6 other collateral sections as applicable

Current Blanket Lien Worksheet Report

FHLB (blktwksheet)		BLANKET LIEN STATUS WORKSHEET		Page No. 1
FHFA ID:		MEMBER TYPE:		CREDIT RATING:
TOTAL ASSETS:	\$ 500,000,000	TIER 1 CAPITAL (T1C):		\$ 50,000,000
FINANCIAL DATE:		TRIAL BALANCE:		ONSITE VERIFICATION:
1) SINGLE FAMILY (RCON5367, CU703) \$ 100,000,000				
Less: Participations				\$ 0
Adjustments				\$ 0
Delinquencies				\$ 0
Delivered Loans (Book Value)				\$ 0
Net Adjusted				\$ 100,000,000
Multiplied by Collateral Value% by 100%-(Ineligible% + Exception%)x Price		75.00% x 85.00%		x 95.00%
TOTAL SINGLE FAMILY				\$ 60,562,500
2) MULTIFAMILY (RCON1460) \$ 1,000,000				
Less: Delinquencies				\$ 0
Delivered Loans (Book Value)				\$ 0
Net Adjusted				\$ 1,000,000
Multiplied by Collateral Value% by 100%-(Ineligible% + Exception%)x Price		70.00% x 45.00%		x 97.00%
TOTAL MULTIFAMILY				\$ 305,550

MLSA 10-Step Summary



Remember to print your assessment results once complete

MLSA Tool for Banks

Member Liquidity Stress Assessment - Banks << Training Print Help

All estimated amounts below are not to be relied upon. Actual numbers may vary greatly. Reach out to your Member Sales Officer if more information is required.

Calculate Estimated Stressed Ratios

	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
Equity / Assets (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
Liquidity Ratio (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>
ROAA (%) = SHOW CALCULATION	<input type="text"/>	- <input type="text"/> +	<input type="text"/>

Input 'current' and calculate estimated 'stressed' collateral values (click button to calculate new scenario) Calculate Collateral Status

Review potential changes in estimated collateral (click button to calculate new scenario) Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Notes

Return to Training Print and Help Options

Calculate and Stress Ratios from Call Report

Stressing Collateral Values

Review potential changes in estimated collateral

Notes

Estimated Collateral Change

9

Review potential changes in estimated collateral (click button to calculate new scenario)

Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Notes

Click the “Calculate Change in Total Collateral” button

Estimated Collateral Change

Review potential changes in estimated collateral (click button to calculate new scenario) Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	10 60,868,050.00	50,940,000.00	-9,928,050.00

Notes

Click the “Calculate Change in Total Collateral” button

Shows current total collateral based on inputs from previous sections

Estimated Collateral Change

Review potential changes in estimated collateral (click button to calculate new scenario) Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	60,868,050.00	50,940,000.00	-9,928,050.00

10

Notes

Click the “Calculate Change in Total Collateral” button

Shows current total collateral based on inputs from previous sections

Shows stressed total collateral based on inputs from previous sections

Estimated Collateral Change

Review potential changes in estimated collateral (click button to calculate new scenario) Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	60,868,050.00	50,940,000.00	-9,928,050.00

Notes

- Click the “Calculate Change in Total Collateral” button
- Shows current total collateral based on inputs from previous sections
- Shows stressed total collateral based on inputs from previous sections
- Difference between current and stressed total collateral

Estimated Collateral Change

Review potential changes in estimated collateral (click button to calculate new scenario) Calculate Change in Total Collateral

	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	60,868,050.00	50,940,000.00	-9,928,050.00

Notes

Click the “Calculate Change in Total Collateral” button

Shows current total collateral based on inputs from previous sections

Shows stressed total collateral based on inputs from previous sections

Difference between current and stressed total collateral

Notes section

Don't Forget to Print Results

Member Liquidity Stress Assessment - Banks

All estimated amounts below are not to be relied upon. Actual numbers may vary greatly. Reach out to your Member Sales Officer if more information is required.

Member Liquidity Stress Assessment - Banks

	Current	Stressed Estimate	Estimated Difference
Past Due Loans (%) =	2	7	5
Equity / Assets (%) =	12	10	-2
Liquidity Ratio (%) =	25	15	-10
ROAA (%) =	1	0.5	-0.5

	Current	Stressed Estimate
Collateral Status	Blanket	Custody

Review potential changes in estimated collateral

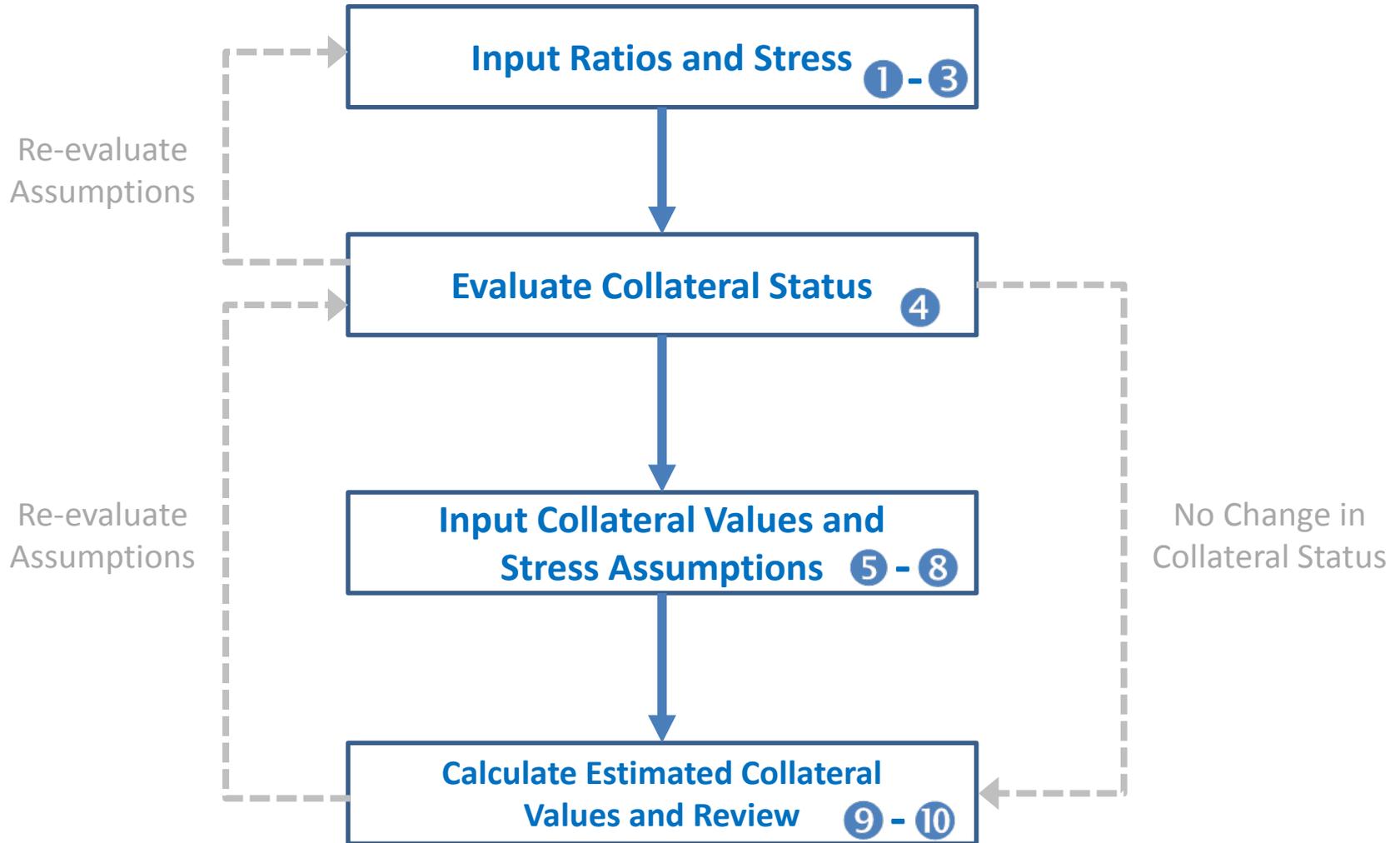
	Current	Stressed Estimate	Estimated Difference
Total Collateral (\$)	60,868,050.00	50,940,000.00	-9,928,050.00

Notes



At top of page

MLSA 10-Step Summary



Remember to print your assessment results once complete

Key Takeaways

- If your collateral status changed from “blanket” to “custody.”
 - Think through what loans you can realistically deliver in custody status (i.e. small loans may not be economical, already know you will need additional documentation for some loans).
 - Your combined exception rate (blanket) is not the same thing as the anticipated rejection rate (custody/restricted).
 - Past delivery experience, if applicable, can help you establish your anticipated rejection rate.
- Do not use the MLSA to forecast upgrades in collateral status or collateral value.
- The MLSA is only as good as the assumptions you input.
- **The Bank is here for you and can provide assistance.**
- If you have ANY questions please contact us.



**For additional information, please contact your FHLB
Dallas Member Sales Officer or Member Solutions at:**

1.844.345.2265

or

MLSA@fhlb.com