



Member driven.
Community focused.

Correspondent Services Product Guide

Approval Date: 06/17/2024
Effective: 07/01/2024

Mission Statement

The Federal Home Loan Bank of Dallas is a member-owned financial intermediary with the primary mission of supporting homeownership, affordable housing and community lending through its member institutions.



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Overview

The Federal Home Loan Bank's (Bank) Correspondent products offer the ultimate in efficient, simplified cash management. Member institutions will save valuable time and expense by using the Bank's private, online network (SecureConnect) to transfer funds between accounts, execute outgoing wire transfers, view statement and transaction activity. These services help members centralize funds at the Bank.

Demand Deposit Accounts (DDA) are the cornerstone of the Bank's cash management services. The Bank also provides a comprehensive Wire Transfer service that allows customers to efficiently execute wire transfer transactions through their DDA. Wire transfer activity may be executed through SecureConnect or by telephone.

AUTHORIZATION CHANGES:

A signature card must be provided to the Bank, establishing each individual authorized to access DDA accounts. A signature card is required for wire transfers, which denotes users authorized to execute wire transfers on behalf of the institution. To add or delete a person, or change the institution name, please contact the Bank.

ADVANTAGES OF FHLB CORRESPONDENT DDA AND WIRE TRANSFER SERVICES

- Enhance earnings with linked DDA accounts
- Funds may earn interest
- Sweeps between accounts
- Initiate internal transfers between accounts
- Online, secure access to your DDA through SecureConnect
- Access to historical data and account statements
- Balance projections based on same day activity

ACCOUNT FLEXIBILITY

The Bank's DDAs offer centralized account handling with the flexibility to accommodate all types of transactions. The customer may have separate accounts for different kinds of transactions, or for different branch offices. Customize accounts to fit your Institution's specific needs. Typical types of DDAs include:

- General operating accounts
- MPF[®] settlement accounts
- Dividend and interest accounts
- Settlement accounts
- Loan disbursement accounts
- Payroll accounts
- Escrow accounts
- Zero balance accounts

ACH DISCLOSURES AS DIRECTED BY THE UNIFORM COMMERCIAL CODE, ARTICLE 4A**1. Notice of Receipt of ACH Items**

Under (the operating rules of the National Automated Clearing House Association which are applicable to ACH transactions involving your account, the Federal Home Loan Bank of Dallas (FHLB) is not required to give next day notice of receipt of an ACH item, and we will not do so. However, FHLB will make every effort to provide this information on SecureConnect as soon as it becomes available. In addition, FHLB will continue to notify you of receipt of payments in the periodic statement we provide you with.

2. Provisional Payment

Credit given by the Federal Home Loan Bank of Dallas to you with respect to an automated clearing house credit entry is provisional until FHLB receives final settlement for such entry through a Federal Reserve Bank. If FHLB does not receive such final settlement, you are hereby notified, and agree, that FHLB is entitled to a refund of the amount credited to you in connection with such entry, and the party making the payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you the amount of such entry.

3. Choice of Law

The Federal Home Loan Bank of Dallas may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (“ACH”) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of Texas as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.



Services

SECURECONNECT

Members may access the Bank through our secure, private internet network known as SecureConnect. This simplified, online system offers a diverse range of functions that save your institution valuable time and expense as well as provide access to DDA transactional capabilities and information. Users can view and print reports, as well as view and retrieve account statement(s). The SecureConnect system provides a high level of security. Individual User ID's and Tokens will be assigned. The individual User may then select their unique PIN. A combination of all three is required to access the system. To access the Wire Transfer module the user's same unique pin and token is required. A second Wire Transfer PIN is assigned to enter or authorize a wire transfer within the Wire Transfer module upon receipt of a properly completed Wire Transfer Signature Card.

The secondary authorization feature provides a third layer of security, which allows Members to control the types of transactions that require approval by a second individual prior to execution. Use this feature to establish secondary review and release guidelines for selected transaction types. All non-repetitive wire transfers require secondary authorization per the Bank's policies and procedures.

Account Balance Reports

As you transfer funds to and from your accounts, or as money is received through the Fedwire network, your balances are updated nightly and may be visible intraday through the Bank's Cash Management function in SecureConnect. This balance information can be printed or displayed online through SecureConnect. The following balance data is available on the Transaction Activity Report or Account Statement/Daily Activity Report:

- Opening available balance (Previous Balance)
- Current available balance (Ending Balance)
- Volumes and dollar totals for debit and credits
- Interest posted

Wire Transfer Transaction Reports

As funds are transferred to and from your accounts in the Customer Money Transfer application, or over the Fedwire network, a record of the activity is kept by the system. Reports can then be generated with details for a specific date or for a specified time range within the past 90 days. The Bank can provide details for earlier transactions past the 90-day timeframe for a research fee. The different types of wire reports include:

- Accounts
- All Payments
- All Payment Detail
- CMT Payment Status
- CMT Payment Status - Detail
- Future Dated Payments
- Future Dated Payments - Detail
- Payments Awaiting Secondary Authorization
- Payments Awaiting Secondary Authorization - Detail
- Repeats
- Repeats - Detail

Wire Transfer Initiation

Five types of wire transfers transactions are available:

Full Repetitive Wire Transfers

Repetitive wire transfers are convenient if funds are moved regularly between two specific accounts. Repetitive wire transfers consist of predefined information and require that you change only the dollar amount being sent each time. They can be easily set up if you have established payment instructions for a receiving institution. Staff designated to initiate and approve repetitive setups should be indicated on the Wire Transfer Signature card on file.

The initial wire data is entered by Bank staff, and this predefined data is given a repeat code so that it can be accessed on a repetitive basis without having to re-enter it. Repeat codes are established by submitting the referenced Repetitive Wire Transfer form to the Bank's Banking Operations Department. This form is located on Secure Connect, under Resources Guides and Forms. The Bank must have an assigned repeat code on file for each repetitive wire transfer.

Changes to predefined data can be modified by submitting a Repetitive Wire Transfer form with the change box checked and providing the repeat code in the designated box. Deletions/Removals of existing predefined data can be removed by submitting written instructions signed by an authorized individual indicated on the Wire Transfer Signature card on file.

Callbacks will be made to authorized individuals when setting up or changing repeat instructions to verify user's identity and confirm instructions on the Repetitive Wire Transfer form.

Semi-repetitive Wire Transfers

Use semi-repetitive wire transfer when initializing the same basic transfer with only slight modifications. While these wire transfers also consist of predefined information, parts of the wire may be changed in addition to the dollar amount. The Repetitive Wire Transfer Form is also used to establish semi-repetitive wire transfers and is located on Secure Connect, under Resources Guides and Forms. A member must check the Semi Repetitive box on the Repetitive Wire Transfer form. If a box is not checked, Full Repetitive Wire Transfer will be assumed.

Callbacks will be made to authorized individuals when setting up or changing semi repeat instructions to verify user's identity and confirm instructions on the Repetitive Wire Transfer form.

Non-repetitive Wire Transfers

Non-repetitive wire transfers are executed individually and require completion of all parts of the wire transfer. These wire transfers do not have assigned repeat codes. Secondary authorization is required for all non-repetitive wire transfers.

Callbacks will be made to authorized individuals to verify user's identity when executing and approving non-repeat wires over the telephone.

Internal Wire Transfers

Perform internal transfer payments by moving funds from one DDA into another. Internal transfers may be initiated through SecureConnect or phoned in to the Member Services department.

Callbacks will be made to authorized individuals to verify user's identity when executing and approving non-repeat wires over the telephone.

Drawdown Requests

Transfer requests sent by a member to initiate a wire transfer from their own account. These requests are also known as reverse wires or self-wire transfers. A Drawdown Request Set-up and Authorization form, found on Secure Connect, under Resources Guides and Forms, must be properly executed and on file with the Bank before any drawdown request can be accepted. Staff designated to initiate and approve Drawdown Set-up and Authorization forms should be indicated on the Wire Transfer Signature card.

Deletions/Removals of existing predefined drawdown authorizations can be removed by submitting written instructions signed by an authorized individual indicated on the Wire Transfer Signature card on file.

Callbacks will be made to authorized individuals when setting up or changing drawdown set-up instructions to verify user's identity and confirm instructions on the Drawdown Set-up and Authorization form.

FUTURE-DATED TRANSFERS/CANCELLATION

Future-dated wire transfers can be postdated to occur up to ten business days ahead. The transaction may be cancelled prior to the date of the transfer by calling the Member Services desk before the effective date of the transaction. Cancellation confirmations can be requested on the effective date of the transaction cancelled.

WIRE TRANSFER INSTRUCTIONS

To ensure the proper transmission of wire transfers through the Fedwire network, please use the following wiring instructions:

Incoming Wire Transfers

Wire to:

Federal Home Loan Bank of Dallas

ABA # 111040195

BNF Name: (Name of the FHLB Dallas member receiving the credit)

BNF A / C: (Valid FHLB Dallas member account number receiving the credit)

3rd Party Credit*: Any details the FHLB Dallas member needs to apply funds to their customer should be included in the "Originator to Beneficiary" FRB reference field of the Fedwire Payment

*Note: Any for Final Credit instructions properly listed in the "Originator to Beneficiary" reference filed will be displayed on the Wire Transaction Report entitled "All Payments Detail" for your reference.

Outgoing Wire Transfers

Wire from:

Name of your institution

Your wire transfer PIN*

A / C: (Your DDA number or Repeat Code)

ABA #: (Receiving Bank)

Additional information pertaining to the wire, i.e., BNF, BNF A / C #, etc.

*Note: If you do not have a wire transfer PIN, contact the Bank's Member Services desk for wire transfer services at 844-FHLBank.

Hours of Operation/Deadlines

HOURS OF OPERATION

The Member Services desk hours of operation are from 8:00 a.m. to 5:00 p.m. Central Time (CT), Monday through Friday.

- At 6:00 a.m. CT SecureConnect is available for wire transfer initiation.
- At 8:00 a.m. CT phone lines are available for wire transfer initiation.

OUTGOING WIRE TRANSFERS 4:00 P.M. CT

The deadline for executing outgoing domestic wire transfers is 4:00 P.M. CT.

INCOMING WIRE TRANSFERS

The deadline for receiving incoming wire transfers is the wire transfer close of business; 5:00 pm CT. Wires received after close of business will be posted the following business day. Any incoming wires over \$100,000 received after 4:00 p.m. CT and before close of business will be assessed a late wire fee equal to one percent of the amount of the wire divided by 360 (or approximately 0.000028 percent of the incoming wire amount). Occasionally the wire transfer close of business may be extended beyond 5:00 pm CT.

Fees

| | |
|---|-------------------------|
| DDA Maintenance Fee | No Charge |
| Overdraft fee (per daily accounting) | \$50.00 |
| <i>(Plus, Bank's Overdraft Rate)</i> | |
| SecureConnect initiated internal transfer | No Charge |
| Telephone-initiated internal transfer..... | \$2.00 |
| SecureConnect initiated outgoing wire transfer | \$2.00 |
| Telephone-initiated outgoing wire transfer | \$50.00 |
| Incoming wire transfer | \$4.00 |
| Incoming Late Wire Fee | Amt. of wire x 0.000028 |
| Drawdown Request | \$4.00 |
| ACH Stop Payment | \$5.00 |
| Mail/Fax Fee..... | \$25.00 |
| to receive Reports or Statements via Mail/Fax that are available on SecureConnect | |
| Research | \$25.00 |
| Per hour if request is for information over 90 days old | |

Contact Information

The Bank's Member Services staff are available to assist with all your banking needs.

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| Toll-Free | 844.FHL.Bank |
| Fax | 214-441-8512 |
| E-mail | member.services@fhlb.com |

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