



MEMBERSHIP APPLICATION INSTRUCTIONS

CREDIT UNION

1. Prepare and submit an original of this membership application to:

Underwriting & Collateral Operations Department
Federal Home Loan Bank of Indianapolis
8250 Woodfield Crossing Boulevard
Indianapolis, IN 46240

If you wish to transmit the completed application packet electronically, please securely submit the application and materials to CreditUnderwriting@fhlbi.com and notify one of the listed contacts below.

2. Prepare and include with the application the following documents related to the Credit Union applying for membership:
 - a. A copy of the credit union's latest call report filed with its appropriate regulatory agency.
 - b. A copy of the most recently audited financial statements and management letter for the credit union as prepared by an independent certified public accountant. In absence thereof, please contact the Underwriting & Collateral Operations Department for other acceptable documents.
 - c. Latest annual report and published financial statements.
 - d. A copy of the credit union's Home Financing Policy (or other formal policy) and mortgage loan underwriting guidelines. Applicants should also include a written justification and supporting documentation/evidence on how and why the applicant's home financing policy and business activities are consistent with the FHLB system's housing finance mission. See updated pages 6-8.
 - e. A copy of the credit unions's Articles of Incorporation, Articles of Association or Articles of Charter (as applicable), along with all amendments needed to establish exact legal name and a copy of the current bylaws.
 - f. A list of all directors, senior officers, and subsidiaries of the credit union. For subsidiaries, please provide their primary activities.
 - g. A Copy of the most recent Report of Examination.

If you have any questions regarding completion of this application, please contact:

Scott Stansberry,
FVP, Senior Director of Underwriting and Collateral Operations
(317) 465-0505
dstansberry@fhlbi.com

Jonathan T. Bundy,
VP, Underwriting Manager
(317) 465-0448
jbundy@fhlbi.com



MEMBERSHIP APPLICATION

CREDIT UNION

Name of Credit Union:		
Street Address:		
P.O. Box:		
City:	State:	Zip:
Phone number:	Fax number:	
Federal Tax Identification Number:	Website Address:	
Name of Primary Contact Person:		
Title of Primary Contact Person:		
Phone number:	E-Mail Address:	

GENERAL INFORMATION

1. Name Managing Officer:	Title of Managing Officer:
2. Type of Deposit Insurance:	
3. If privately insured, date of most recent exam?	
4. Deposit Insurance Certificate Number:	

5. Location of all branch offices: (attach a separate sheet)

6. Has the applicant ever been a member of the Federal Home Loan Bank System? Yes No

If so, when? _____

Why did the Credit Union withdraw from membership? (attach a separate sheet)

Name of Credit Union: _____

7. Is the credit union operating under any form of formal enforcement action by any of its regulatory authorities? Yes No

If so, please attach a copy of the enforcement agreement, or a separate sheet with a brief explanation regarding the nature of the agreement and how the credit union is complying with the terms.

8. Is the credit union a member of the Federal Reserve System? Yes No

9. What is the date of the credit union's fiscal year-end? _____

10. Capital Requirement Information:

- a. Is the credit union considered "well capitalized" pursuant to the Prompt Corrective Action standards? Yes No
- b. If applicable, what is the level of transfer from the credit union's undivided earnings to the credit union's regular reserve account (expressed as a percentage of total assets) as of the most recent quarter-end?

_____ Yes No

- c. Is the credit union currently subject to a net worth restoration plan? Yes No

11. Merger Activity Information:

- a. Has there been any merger or acquisition activity in the last two years of operation? Yes No
(Beginning with the most recent quarter)

- b. Are there any pending mergers that will take place in the next two quarters? Yes No
(If so, please attach a separate sheet briefly explaining.)

12. Outline the eligibility requirements for membership in the credit union.

Name of Credit Union: _____

13. How does your credit union anticipate the needs of its members? (examples would be telemarketing, member surveys, etc.)

14. What products and services does the credit union offer that represent investment in the community?

15. How does the credit union inform members about new products and services?

16. In what ways does the credit union participate in community development?

Name of Credit Union: _____

17. In what other ways does the credit union show community support?

18. Is the credit union certified as a CDFI Credit Union?

Yes No

If certified as a CDFI Credit Union, please provide certification documentation received from the US Treasury/CDFI Fund.

The following Home Financing Policy – Sound and Economical Determination and Alignment with the FHLB System Mission are only required for institutions not subject to the Community Reinvestment Act (CRA). If your institution is subject to, and has received a CRA rating, please provide documentation regarding that rating and disregard the following sections.

Home Financing Policy – Sound and Economical Determination

A requirement for FHLB applicants outlined in 12 CFR §1263.6 (a)(6) requires applicants demonstrate their “home financing policy is consistent with sound and economical home financing.” While there is no formal regulatory definition on what constitutes “sound and economical home financing,” FHLBank Indianapolis requires the following parameters to be demonstrated in the submitted home financing policy to qualify as “sound and economical”:

1. Underwriting Standards – Guidelines or selection criteria for originating or investing in home loans and/or residential investment transactions (e.g. RMBS purchases).
2. Risk Management Practices – Risk management activities taken to ensure the home financing activities are being done in a safe and sound manner.
3. Compliance with Laws and Regulations – Home financing transactions must comply with all applicable laws and regulations.

An applicant that does not have a formal home financing policy may provide separate procedural or policy documents that will serve as a “de facto home financing policy” provided they contain and demonstrate the three core parameters outlined above.

The following questions and responses will assist in supporting the basis for determining if the applicant’s home financing policy (or de facto home financing policy) is “sound and economical.”

1. What policies or procedures, if any, has the applicant adopted that address how the applicant finances or invests in housing-related assets that is consistent with sound and economical transactions? Examples include mortgage loan underwriting guidelines, investment selection criteria, consumer protection and fair housing guidelines or other similar policies or procedures. Please list and provide copies of all relevant documents to the Bank:

2. Does the applicant have underwriting standards or selection criteria for their home financing transactions? Yes No

In general, please describe these standards and note where these references are located within your policy or procedural documents:

3. Does the applicant have risk management practices in place to adequately manage and control the risk associated with their home financing transactions? Examples can include stress testing, reporting to senior management, loan/investment reviews, concentration limits, etc. Yes No

In general, please describe these practices and note where these references are located within your policy or procedural documents:

4. Does the applicant abide by all applicable laws and regulations when engaging in their home financing transactions? Yes No

In general, please describe how the applicant abides by applicable laws and regulations and note where adherence to these laws are located and referenced within your policy or procedural documents:

5. Does the applicant engage in any “non-traditional” lending or investment activities such as subprime lending, non-qualified mortgage lending, investment in private-label RMBS or other alternative residential lending or investment activities? Yes No

“Non-traditional” home financing activities are acceptable to engage in provided they controlled and managed in a safe and sound manner. Please describe the additional risk mitigation controls taken for these types of activities. Examples include more conservative underwriting standards or selection criteria, additional or increased frequency of reporting, or other efforts that help mitigate the additional risk these activities exhibit.

FHLB System Mission Alignment

A requirement for FHLB applicants not subject to the Community Reinvestment Act (outlined in 12 CFR §1263.13(b) require applicants submit a written justification on how and why their home financing policy (or de facto home financing policy) is consistent with the FHLBank System’s housing finance mission.

12 CFR §1265.2 provides that, “The mission of the FHLBanks is to provide to their members' and housing associates financial products and services, including but not limited to advances, that assist and enhance such members' and housing associates financing (a) Financing of housing, including single-family and multi-family housing serving consumers at all income levels; and (b) Community lending.”

The FHLBank Indianapolis expects applicants to demonstrate the ability to originate, acquire or invest in single-family and/or multi-family home mortgage loans and/or securities backed by these loans; abide by all relevant consumer protection laws and regulations; and engage in community development, support or investment activities that meet the needs of the community the applicant serves.

The following questions and written responses will assist in supporting the basis for determining if the applicant’s home financing policy (or de facto home financing policy) is consistent with the FHLBank System’s housing finance mission.

- 1. Does the applicant originate, acquire or invest in single-family and/or multi-family home mortgage loans? Yes No
- 2. Does the applicant invest in securities backed by single-family and/or multi-family home mortgage loans? Yes No
- 3. When originating or acquiring single-family and/or multifamily home mortgage loans or investing in securities backed by these loans, does the applicant abide by all applicable federal, state and local anti-predatory lending, credit-related consumer protection, unfair and deceptive lending practice, and fair housing and other similar nondiscrimination laws and regulations? Yes No

Please describe how the applicant abides by consumer protection laws and regulations and note where adherence to these requirements is located and referenced within your policy or procedural documents. Please also describe any other efforts taken to ensure consumers rights are being protected.

4. What housing-related activities does the applicant engage in that support the needs of the community it serves? Examples include lending to low-income, distressed or underserved geographies, providing insurance related to housing (homeowners, title, flood, mortgage, etc.), investment in low-income tax credits, providing first-time homebuyer assistance, providing financial literacy education, or other community development, support or investment activities that meet the needs of the community.

In addition to answering the above questions, please submit with your application a formal written justification that outlines how and why the applicant feels their home financing policy and business activities are consistent with the mission of the FHLBanks. In drafting your statement, please include items and information that:

- Recognizes the importance of the FHLBank System housing finance mission with emphasis on sound and economical transactions.
- Identifies the relevant policies or procedures that describes the applicant's philosophy regarding the origination, investment or acquisition of mortgage-related assets. Mortgage-related assets include single-family home mortgage loans, home equity loans and lines-of-credit, multifamily home mortgage loans (apartment buildings, college dormitories, nursing homes/care centers for elderly individuals, etc.), and pass-through, mortgage-backed securities and collateralized mortgage obligations (CMOs and REMICs) backed by residential mortgage loans.
- Describe policies, procedures, and practices to ensure compliance with applicable anti-predatory lending, fair-housing and consumer protection laws for both origination and investment activities.
- Describe in what ways the applicant participates in community development and support and otherwise meets the needs of the community the applicant serves.
- Identify and describe products and services offered to the communities the applicant serves that align with the mission of the FHLBank System.

Please attach with your written justification statement all applicable policies, references and other supporting information that should be considered and evaluated by the FHLBank Indianapolis.

Name of Credit Union: _____

COMPUTATION OF FHLBANK CAPITAL STOCK REQUIREMENT

Pursuant to Section V of the FHLBank Indianapolis Capital Plan, each institution applying for membership must purchase and maintain FHLBank Indianapolis Class B capital stock in an amount equal to its membership stock requirement. The FHLBank Indianapolis Capital Plan defines the membership stock requirement as a percentage of the member's total assets subject to certain minimums and maximums. The initial membership stock requirement for your institution is as follows:

Date - Latest Quarter-End

CDFI, BANK, CREDIT UNION APPLICANT REQUIREMENT

TOTAL ASSETS \$ _____

0.10% OF TOTAL ASSETS ROUNDED TO NEXT
HIGHEST \$100
(Line 2) \$ _____

MINIMUM REQUIREMENT \$ 7,500

MAXIMUM REQUIREMENT \$ 5,000,000

DOLLAR AMOUNT OF FHLB STOCK REQUIRED
(Enter Line 2 or Minimum/Maximum if Line 2 outside
those bounds) \$ _____

Name of Credit Union: _____



APPLICATION FOR MEMBERSHIP AND PURCHASE OF STOCK IN FEDERAL HOME LOAN BANK

Date of Application

The undersigned applicant hereby applies for membership in the Federal Home Loan Bank of Indianapolis (FHLBank) and, if approved for membership, will purchase _____ shares of stock at the par value of \$100 each in the FHLBank, and agrees to make payment in the amount of \$_____ as payment of said stock purchase within 60 calendar days of approval for FHLBank membership.

Applicant is of the opinion that it is eligible to become a member of the FHLBank and that it is authorized to purchase and hold capital stock in the FHLBank and to maintain deposits there. Applicant understands that this application must be considered, acted upon, and approved by the Federal Housing Finance Agency (FHFA) before becoming a member of the FHLBank.

In submitting this application, applicant understands and agrees that:

1. Applicant will be advised whether or not its application for membership is approved.
2. If admitted to membership, applicant will conform to all requirements of the Federal Home Loan Bank Act, as now or hereafter amended, and to the rules and regulations thereunder.
3. In applying for, and if applicant is admitted to membership, the FHFA and the FHLBank are authorized to receive any information, examination reports and other supervisory materials provided by the appropriate state or federal regulatory authority or officer exercising supervisory authority over applicant regarding applicant and its affairs.
4. Applicant will not represent itself to be a member of the FHLBank until it has received notice of approval of membership and has purchased its minimum stock requirement.

Name of Credit Union: _____

AFFIDAVIT OF MANAGING OFFICER

State of }
 } SS
 County of }

I, _____, Managing Officer of
 _____,

Name of Credit Union

do solemnly swear that, to the best of my knowledge and belief, the financial statements of said Credit Union correctly reflect the true financial condition thereof; that said Credit Union has no undisclosed assets nor any undisclosed liabilities either real or contingent that are not recorded therein; that all notes, mortgages, or other instruments supporting the assets recorded on the Credit Union’s financial statements are in full force and effect and that the signatures appearing thereon are genuine; and that there are no undisclosed commitments, no material pending suits, nor unsatisfied judgments against the Credit Union, except as follows:

 Managing Officer

Subscribed and sworn to this
 _____ day of _____, 20____

Name of Credit Union: _____



OFFICER CERTIFICATION ON CORPORATE, DIRECTOR, AND SENIOR OFFICER CONDUCT

I certify that I am the chairperson, managing officer, or other duly authorized officer of the above applicant and that it is authorized under the laws of the United States and of this State, and under its corporate charter, constitution and bylaws, and by board resolution to apply for membership in, buy stock, do business with, open accounts, maintain deposit(s) in, become a member of the Federal Home Loan Bank referred to, and pay the expenses incident to such application; and that the foregoing has been legally done and validly executed to accomplish such purposes.

Furthermore, at the present time, I certify that except as described in a separate document filed with this membership application:

Enforcement Actions

Neither the applicant nor any of its directors or senior officers is subject to, or operating under, any enforcement action instituted by its appropriate regulator.

Criminal, Civil or Administrative Proceedings

Neither the applicant nor any of its directors or senior officers 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.

Criminal, Civil or Administrative Monetary Liabilities, Lawsuits or Judgments

There are no known potential criminal, civil or administrative monetary liabilities, material pending lawsuits or unsatisfied judgments against the applicant or any of its directors or senior officers since the most recent regulatory examination report that are significant to the applicant's operations.

Date: _____

Chairperson or Managing Officer

Name of Credit Union: _____

I certify that I am the duly elected, qualified, and acting secretary (or cashier) of the above mentioned applicant and that at a regular meeting of its board of directors/trustees or at a special meeting thereof called for that purpose, a quorum being present, a resolution was adopted, and recorded in the minutes as follows:

“BE IT RESOLVED that this Credit Union applies for membership in the Federal Home Loan Bank of Indianapolis, that if approved for membership it will subscribe and pay for stock therein as provided in the Federal Home Loan Bank Act, as amended, and that it be fully authorized to do business with, and exercise all of the privileges of membership in said Bank as provided in said Act;”

“BE IT FURTHER RESOLVED that the managing officer and secretary (or cashier) be authorized and directed to execute an application as prescribed by the Federal Housing Finance Agency 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 said Agency may by regulations prescribe.”

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 Federal Housing Finance Agency 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.

Secretary or Cashier

Name of Credit Union: _____

MORTGAGE LENDING QUESTIONNAIRE

1. Please place an (x) next to each type of long-term mortgage loan the bank originates (include loans originated that will subsequently be sold within the secondary market and those originated through subsidiaries):

Original Maturity	Fixed-Rate	Variable-Rate	Amortization Period
5-year balloon:	_____	_____	_____ Years
7-year balloon:	_____	_____	_____ Years
10-year balloon:	_____	_____	_____ Years
10-year	_____	_____	_____ Years
15-year	_____	_____	_____ Years
20-year	_____	_____	_____ Years
30-year	_____	_____	_____ Years
Other	_____		
Maximum loan-to-value:	_____	% (Fixed-Rate)	
	_____	% (Variable-Rate)	

Other comments regarding home mortgage loan programs offered:

2. Is your Credit Union an approved seller/servicer for: FHLMC? Yes No FNMA? Yes No

3. Does your Credit Union offer mortgage loans on multi-family dwellings? Yes No

If so, please describe briefly the terms offered.

Name of Credit Union: _____



COMPUTATION OF RESIDENTIAL MORTGAGE LOAN & LONG-TERM HOME MORTGAGE LOAN REQUIREMENT

Date - Latest Quarter-End

**1-4 Family Residential Mortgage Loans
(Include First and Junior Liens)**

Subtract vacant lot loans and all construction loans.

1. \$ _____

Multi-Family Residential Mortgage Loans

Subtract vacant lot loans and all construction loans.

2. \$ _____

Funded Residential Construction Loans

Subtract unfunded loans, nonresidential loans and land development loans.

3. \$ _____

Consumer Loans

Include only manufactured housing loans not secured by real estate, but subtract other consumer loans such as vehicle or educational loans.

4. \$ _____

Residential Mortgage Pass-Through Securities

5. \$ _____

Residential Mortgage-Derivative Securities

6. \$ _____

Total Residential Mortgage Loans

Sum of Lines 1 to 6

7. \$ _____

Total Assets

8. \$ _____

Percent of Residential Mortgage Loans

Line 7 divided by Line 8

9. _____ %

Long-term Home Mortgage Requirement

Enter the lesser of \$5 million or 10% of Total Residential Mortgage Loans (Line 7)

10. _____

Footnote: An applicant's balance sheet must contain at least 10% of its assets in residential mortgage loans as defined in §1263.1 and §1263.10. Other types of loans not listed above that are residential in nature may also qualify for the 10% requirement and will be reviewed as requested.

An applicant's balance sheet must reflect ownership of long-term home mortgage loans in the amount of 10% of residential mortgage loans or \$5.0 million, whichever is less. Use the Computation of Long-term Home Mortgages (Page 16) to identify amounts of long-term home mortgage loans to satisfy this requirement.

Name of Credit Union: _____

COMPUTATION OF LONG-TERM HOME MORTGAGES

Date - Latest Quarter-End

For the information entered below, please only include home-mortgage loans that are long-term in nature. As stated in §1263.1, long-term is defined as a term to maturity of five years or greater at the time of origination.

Long-term Home Mortgage Requirement

Carry over Line 10 from Computation of Residential Mortgage Loan & Long-term Home Mortgage Loan Requirement Worksheet

1. \$ _____

1-4 Family Residential Mortgage Loans

Subtract vacant lot loans and all construction loans. Include Only First Liens

2. \$ _____

Multi-Family Residential Mortgage Loans

Subtract vacant lot loans and all construction loans. Include Only First Liens

3. \$ _____

Residential Mortgage Pass-Through Securities

Include only securities in which underlying loans are long-term home mortgages

4. \$ _____

Residential Mortgage-Derivative Securities

Include only securities in which underlying loans are long-term home mortgages

5. \$ _____

Total Long-term Home Mortgage Loans

Sum of Lines 2 to 5

6. \$ _____

Percent of Residential Mortgage Loans

Line 6 divided by Line 7 of Previous Page (Residential Mortgage Loans)

7. % _____

Footnote: An applicant's balance sheet must contain at least 10% of its assets in residential mortgage loans as defined in §1263.1 and §1263.10. Other types of loans not listed above that are residential in nature may also qualify for the 10% requirement and will be reviewed as requested.

Home mortgage loans include both loans and securities with underlying loans that meet the definition of home mortgage loan stated in §1263.1. Other loans/securities that are believed to be long-term home mortgages may also qualify and will be reviewed as requested.