

# Confirming Letters of Credit

## IMPROVE BOND RATING

Request a Federal Home Loan Bank of Des Moines Confirming Letter of Credit (CLOC) to provide credit enhancement and support for bonds that fund public initiatives which in turn lowers costs and encourages growth in your community.

### Confirming Letters of Credit Can Be Used To:

- Confirm non-housing bond issuances
- Confirm taxable housing bond issuances
- Confirm tax-exempt housing bond issuances



## BENEFITS

- Lower costs for the member municipality
- Encourages growth and improvement in your community
- Proceeds from the bond issuance can help finance a range of projects:
  - Housing Developments
  - Healthcare facilities
  - Schools and universities
  - Manufacturing plants

## FEATURES

- AAA-rated
- Competitive pricing
- No stock requirement
- Any term
- Any amount



REQUEST A  
CONFIRMING  
LETTER OF  
CREDIT

### 1. Contact the Money Desk

Email: [moneydesk@fhlbdm.com](mailto:moneydesk@fhlbdm.com)

Toll Free: 800.544.3452, ext. 1013

# PARTNERSHIP IN ACTION



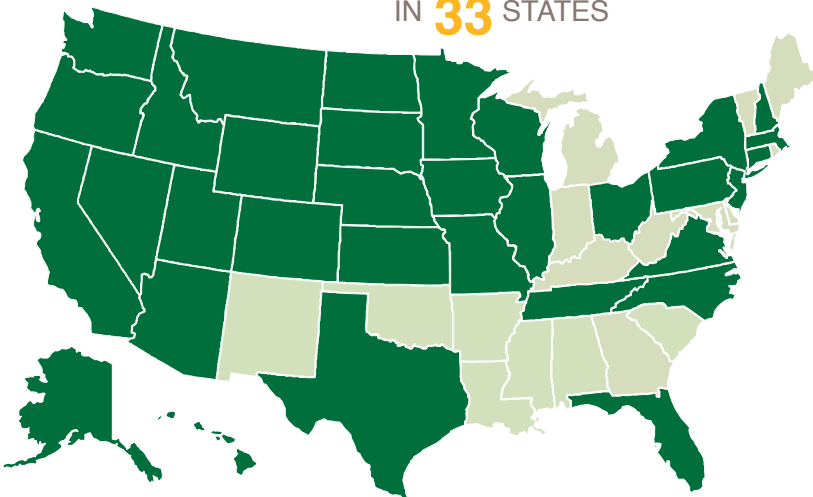
In Q1 2016  
FHLB Des Moines had

**1,722** LETTERS OF CREDIT  
OUTSTANDING  
totaling nearly  
**\$5.3 BILLION**

“Letters of Credit are much easier to use than securities when pledging for public funding as they allow more flexibility when choosing the amount and maturity of the collateralization. Securities can be less efficient and lead to over-pledging and additional administration when the bond gets called. We have found that public entities are very accepting of FHLB Des Moines Letters of Credit.”

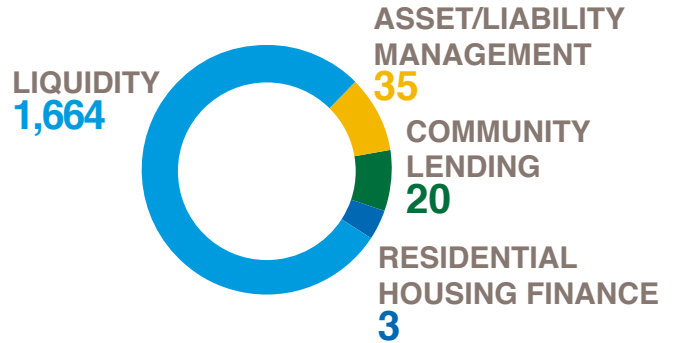
- Keith Wade, CFO  
First State Community Bank  
Farmington, MO

FHLB DES MOINES  
LETTERS OF CREDIT  
ARE USED BY  
FINANCIAL INSTITUTIONS  
IN **33** STATES



LETTERS OF CREDIT CAN BE USED FOR

- 1 Liquidity
- 2 Asset/Liability Management
- 3 Residential Housing Finance
- 4 Community Lending



“Using a Letter of Credit from FHLB Des Moines creates a sense of security for institutions. There is less to worry about, both for us and the public entities we serve, knowing our funds are local, available and secure.”

- Chuck Gnuse, President/CEO  
United State Bank  
Lewistown, MO