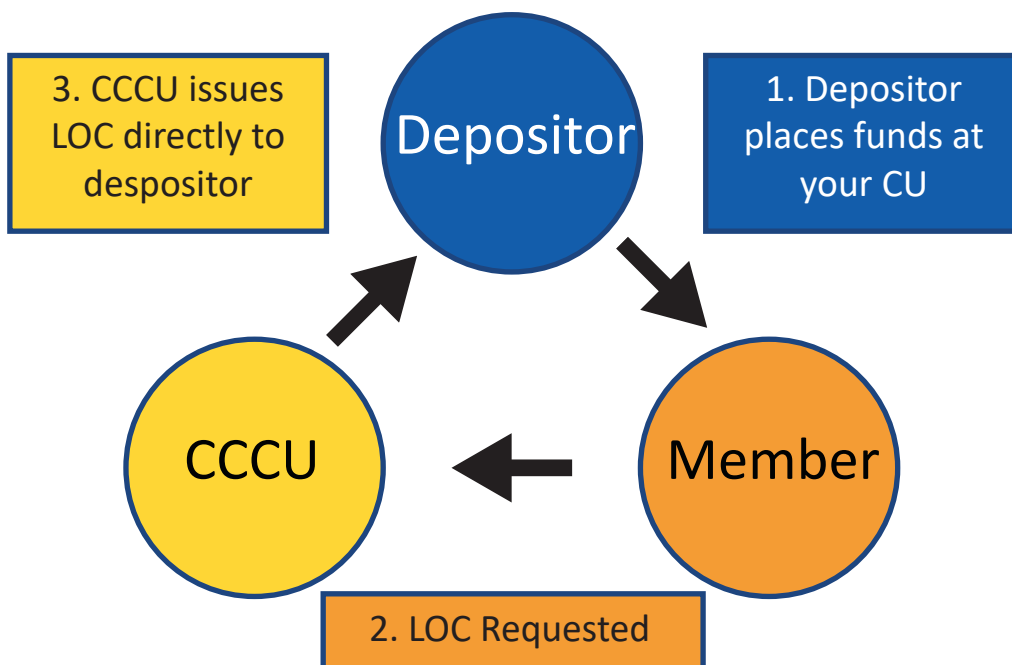




# Letter of Credit



*Public agencies and businesses can provide your credit union with valuable sources of deposits. Those deposits often require supplemental collateral because the amounts exceed NCUA coverage. A useful alternative to pledging securities to collateralize those deposits is to utilize a low cost standby letter of credit from Corporate Central.*



# Features & Benefits

- Simple – Eliminate the need to monitor pledged securities collateral.
- Convenience – Collateralize deposits using loan assets pledged to Corporate Central
- Prompt – Corporate Central can generally issue a LOC within 24 hours.
- Savings – Reduced costs versus other forms of collateralization.
- Liquidity – Attract large public depositors



## Utilize a Standby LOC for:

- Public Depositors
  - Municipalities
  - State Treasurers
  - Regional Transportation Authorities
  - Water Reclamation Authorities
  - Housing Authorities
  - Public School Districts
  - Community Colleges
- Private Depositors
  - Hospitals
  - Small Businesses
  - High Net Worth Individuals
- Construction Zoning Boards/Utility Companies
  - LOCs are often accepted in lieu of a cash deposit during construction projects