

News Release

Farm Credit Administration
1501 Farm Credit Drive
McLean, Virginia 22102-5090



For Immediate Release

NR 14-08 (08-14-14)

Contact: Mike Stokke or Christine Quinn,
703-883-4056

E-mail: info-line@fca.gov

Website: www.fca.gov

FCA Board Adopts Proposed Rule on Stockholder Voting Procedures

McLEAN, Va., August 14, 2014 — The Farm Credit Administration Board today approved a proposed rule to amend FCA regulations regarding stockholder voting policies and procedures at Farm Credit System (System) institutions.

System institutions must ensure the confidentiality of all information regarding how or whether an individual stockholder has voted. The proposed rule clarifies that, as long as an institution takes measures to maintain this confidentiality, it may use a tellers committee consisting of voting stockholders to tabulate ballots. The institution may also authorize a small number of its administrative employees to help verify stockholder eligibility to vote.

Allowing institutions to use a tellers committee consisting of voting stockholders offers two advantages. First, it removes the cost of having to hire an independent third party to tabulate votes. Second, it encourages stockholder participation in the governance of the organization, which is a core principle of the cooperative business model.

To ensure the confidentiality of votes, the proposed rule would require those involved in tabulating votes or verifying voter eligibility to sign certifications that they will protect the confidentiality of the voting process. In addition, if an institution uses a tellers committee, the process of verifying voter eligibility must be separate from the process of tabulating ballots.

Following a 30-day period for congressional review, the proposed rule will be published in the Federal Register for a 60-day comment period. Comments for the proposed rule may be submitted by electronic mail to reg-comm@fca.gov, through the Pending Regulations section of FCA's website at www.fca.gov, or through the federal government Web portal at www.regulations.gov.

-more-

Comments also may be sent by mail to Barry Mardock, Deputy Director, Office of Regulatory Policy, Farm Credit Administration, 1501 Farm Credit Drive, McLean, VA 22102-5090. The public may read submitted comments at the FCA office in McLean, Va., or on FCA's website at www.fca.gov.

Reports

During the closed session of the meeting, the Board received a quarterly report from the Office of Secondary Market Oversight.

###

The Farm Credit Administration is the safety and soundness regulator of the cooperative Farm Credit System and the Federal Agricultural Mortgage Corporation (Farmer Mac). FCA charters, regulates, and examines the 89 banks, associations, service corporations and special-purpose entities of the Farm Credit System. The System makes loans to agricultural producers and their cooperatives nationwide. It includes Farmer Mac, which provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. Members of the FCA Board are Jill Long Thompson, Board Chair and CEO; Kenneth A. Spearman; and Leland A. Strom.

Note: FCA news releases are available on the Web at www.fca.gov.