



For Immediate Release

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FCA assesses civil money penalty for violations of standards of conduct regulations

McLEAN, Va., May 25, 2021 — On May 5, the Farm Credit Administration entered into a consent civil money penalty order with a former employee of a Farm Credit System (System) institution. This order's execution, and the resulting payment, resolved an earlier notice of assessment of civil money penalty issued to the individual.

FCA brought the civil money penalty action because of multiple violations of FCA regulations governing standards of conduct by a loan officer who had become financially indebted to association borrowers and failed to make required standards of conduct disclosures. The loan officer was also terminated by the System institution for these violations.

The Agriculture Improvement Act of 2018 expanded FCA's enforcement authorities by giving the agency jurisdiction over former institution-affiliated parties for up to six years after an individual's separation from a System institution. This expanded jurisdiction gives FCA greater ability to ensure the safety and soundness of the System by using its enforcement authorities in appropriate circumstances, regardless of whether an individual has resigned from or been terminated by a System institution.

As the agency's action in this case shows, FCA takes standards of conduct very seriously and expects the System and its employees to adhere to all provisions of the Farm Credit Act and FCA regulations. The goal is to ensure high standards of honesty, integrity, impartiality, and conduct in the performance of System business. These high standards allow continued public confidence in the System and each of its institutions.

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The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac), which was established in 1988. The System's borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. FCA news releases are available on the web at www.fca.gov.