

Farm Credit Administration

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September 27, 2010

To: The Chief Executive Officer
Each Farm Credit System Institution

From: Doug Valcour
Chief Information Officer 

Subject: Call for Reports of Financial Condition and Performance and Loan Account Reporting System Data for the Quarter Ending September 30, 2010

To comply with 12 CFR, Part 621, a report of financial condition and performance for the 3-month period ending September 30, 2010, is requested of each Farm Credit System institution. The requested information includes the Call Report, Call Report Addenda, and the LARS Reconciliation Report. This data should be electronically submitted to FCA's Web site, www.fca.gov.

Farm Credit Banks (FCBs) and CoBank, ACB, should submit their Call Report to us on or before October 20, 2010. Agricultural credit associations, federal land credit associations, and service corporations should submit their Call Report to us on or before November 1, 2010. Each institution should download a copy of the September 30, 2010, Excel file from FCA's Web site and use it to prepare the Call Report.

FCBs and CoBank, ACB, should submit, October 20, 2010, a LARS data file for their district for the quarter ending September 30, 2010. Associations that submit their own LARS data and the Farm Credit Financial Partners, Inc., should also submit a LARS data file by October 20, 2010. The LARS data file should be electronically submitted to the FCA. All institutions are reminded that the LARS data elements for total note numbers, principal and interest balances outstanding, and related performance status should be reconciled to the related Call Report schedules. Institutions should electronically submit, to the FCA, a copy of the LARS Reconciliation Report and a full explanation of the reconciling items. The LARS Reconciliation Report can be downloaded from FCA's Web site.

In addition, all FCBs; CoBank, ACB; and specific associations that have been contacted by an FCA examination team should file a Supplemental Call Report with asset/liability management (ALM) information. These institutions should download a copy of the Supplemental Call Report Excel file from FCA's Web site and use it to prepare the Call Report with ALM information. The Supplemental Call Report should be electronically submitted to the FCA by November 29, 2010.

Associations should provide their respective banks certain information on projected income in sufficient time for the banks to report projections on their district's consolidated earnings in the Supplemental Call Reports.

Further, each FCB and CoBank, ACB, should electronically submit a supplemental addendum report (Supplemental Addendum—Government Guaranteed Loans) that shows additional information on guaranteed loans and accrued interest payable on Systemwide notes and bonds. Each FCB and CoBank, ACB, should download a copy of the supplemental addendum report from FCA's Web site and use it to prepare the report. This supplemental addendum report has the same due date as the Call Report.

As outlined in our March 4, 2010, Advance Notice Letter, the new supplemental schedule which collects the loans (including principal and accrued interest receivable) on the 14-point probability of default (PD) rating has been included, Supplemental Schedule RC-F3 Performance of Loans, Notes, Sales Contracts, and Leases. The FCS's 14-point PD rating provides greater insight into the asset quality of an institution's loan portfolio than do the loan classifications of acceptable, OAEM, substandard, doubtful and loss. The new instructions and schedule can be found on the website in the Revisions to Call Reports.

Beginning with the quarter ending March 31, 2011 Call Report we will expand the new Supplemental Schedule RC-F3 into a matrix of the 14-point PD ratings by the Loss Given Default ratings.

Enclosed with this Call request is a revised Appendix A and updates to the Loan Service Organization Codes and the Standard Industrial Codes used for LARS reporting.

Please contact April Davis at (Davisa@FCA.GOV) regarding any questions.

Enclosures

FARM CREDIT ADMINISTRATION UNIFORM CALL REPORT INSTRUCTIONS

Revision No. 76
Effective September 15, 2010

Enclosed is the seventy-sixth revision to the Farm Credit Administration (FCA) Uniform Call Report (Call Report). Listed below are discussions of the revisions to the Call Report instructions and directions for inserting revised pages in the appropriate sections of the Call Report Instruction book. Revisions to specific instruction are identified on each page by an asterisk in the left margin of the paragraph. This information on the seventy-sixth revision should be filed after the "Revision" tab in your Call Report instruction book.

Discussion of Revisions:

Table of Contents:

Page numbers were changed in the Table of Contents to reflect the new Schedule RC-F3.

Report of Condition:

p. RC-46 – Instructions were updated to include new Supplemental Schedule RC-F3. In this schedule, total loans, (principal and accrued interest receivable) are to be reported by each of the classification on the institution's 14- point probability of default (PD) rating scale. The 14-point scale classifies loans by the probability of default within the next year.

Appendix A:

pp. B-1 – B-4 – New identification code has been assigned for recent association merger.

Listed below are the instructions for removing existing pages and inserting revised pages in the appropriate sections of the instruction book.

PAGES TO BE REMOVED

Appendix A

pp. B-1 – B-4

Table of Contents

pp. 1 - 2

Consolidated Report of Condition

pp. RC-1 – RC-98

Sample Forms

pp. 1a -17c

PAGES TO BE INSERTED

Appendix A

pp. B-1 – B-4

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Consolidated Report of Condition

pp. RC-1 – RC-98

Sample Forms

pp. 1a – 17c

FARM CREDIT ADMINISTRATION
LOAN ACCOUNT REPORTING SYSTEM INSTRUCTIONS

Revision No. 69
Effective September 15, 2010

Enclosed is the sixty-ninth revision to the Farm Credit Administration’s Loan Account Reporting System (LARS) Instructions. Revisions of specific instructions are identified on each page by an asterisk in the left margin of the section that has been revised. Revision No. 69 should be filed after the “Revisions” tab in your instruction book. All LARS instructions should be filed in the back of your Uniform Call Report Instruction Manual. Listed below is an explanation of the revisions.

Standard Industrial Codes

The following code was added: 2064 Candy and Other Confectionery Products.

Loan Service Organization Codes

As a result of addition and deletion of branch codes, all pages in this section have been reprinted.

Listed below are the pages that have been revised in the LARS Instructions. The revised pages should be inserted into the appropriate section of the instruction book as follows:

PAGES TO BE REMOVED

PAGES TO BE INSERTED

***Note:** Go to the U.S. Department of Labor Occupational Safety and Health Administration at <http://www.osha.gov/pls/imis/sicsearch.html> (Standard Industrial Classification (SIC) System Search) for the descriptions of the Commodity codes. We will only provide a list of current Commodity codes in our database on the pages listed below.

Standard Industrial Codes
pp. i – xiv

Standard Industrial Codes
pp. i – xiv

Loan Service Organization Codes
pp. 1 - 44

Loan Service Organization Codes
pp. 1 - 43