

## News Release

Farm Credit Administration  
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**For Immediate Release**  
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### **FCA Board Approves Proposed Rule on Farmer Mac Board Governance and Standards of Conduct and Spring 2015 Unified Agenda**

McLEAN, Va., Feb. 12, 2015 — The Farm Credit Administration Board today approved a proposed rule that would enhance existing regulations on Federal Agricultural Mortgage Corporation (Farmer Mac) board governance and standards of conduct.

The purposes of the proposed rule are as follows:

- Enhance risk governance at Farmer Mac to further its long-term safety and soundness and mission achievement.
- Enhance the usefulness, transparency and consistency of conflict-of-interest reporting.
- Clarify the appropriate balance between a director's representational responsibilities and fiduciary duties, both in director elections and Farmer Mac board operations.
- Remove duplicative disclosure and reporting requirements.

The notice will be published in the Federal Register, and the comment period is open for 90 days from the date of publication.

The public may submit comments by electronic mail to [reg-comm@fca.gov](mailto:reg-comm@fca.gov), through the [Pending Regulations section](#) of FCA's website at [www.fca.gov](http://www.fca.gov), or through the federal government Web portal at [www.regulations.gov](http://www.regulations.gov). The public may also submit comments by mail to Laurie A. Rea, Director, Office of Secondary Market Oversight, Farm Credit Administration, 1501 Farm Credit Drive, McLean, VA 22102-5090.

To read submitted comments, go to the [Public Comments page](#) on the FCA website or visit the FCA office in McLean, Va.

In other business, the Board approved the abstract of FCA's spring 2015 submission for the Unified Agenda of Federal Regulatory and Deregulatory Actions and the Spring 2015 Regulatory Projects Plan.

FCA's Unified Agenda submission identifies 13 rulemaking items that FCA will consider during calendar year 2015:

1. Farmer Mac—Corporate Governance and Standards of Conduct (Proposed Rule)
2. Pension Benefit Disclosures (Final Rule, approved by notational vote on Feb. 4)
3. Field Office Locations (Final Rule)
4. Farmer Mac—Investment Eligibility (Proposed Rule)
5. Margin and Capital Requirements for Noncleared Swaps (Final Rule)
6. Institution Stockholder Voting Procedures (Final Rule)
7. Loans in Areas Having Special Flood Hazards (Final Rule)
8. Revisions to Requirements for Mergers of Banks and Mergers of Associations (Final Rule)
9. Investment Eligibility (Final Rule)
10. Standards of Conduct (Final Rule)
11. Amortization Limits—Agricultural Credit Associations and Production Credit Associations (Proposed Rule)
12. Capital—Basel 3 (Final Rule)
13. Farmer Mac—Corporate Governance and Standards of Conduct (Final Rule)

The agenda identifies six new projects that are in the beginning of the prerule stage:

1. Eligibility Criteria for Directors
2. Removal of Stockholder-Elected Directors
3. Criminal Activity Referrals and Related Internal Controls
4. Director Election Nomination Procedures
5. Attribution Rules
6. Lending and Loan Servicing Controls

It also identifies nine actions whose prerule review will be completed in 2015:

1. Farmer Mac—Risk-Based Capital Stress Test, Version 5.0
2. Bank/Association Lending Relationship
3. Eligibility Criteria for Directors
4. Removal of Stockholder-Elected Directors
5. Appraisal Regulations
6. Financing Farm-Related Service Businesses
7. Territorial Concurrence
8. Crop Insurance Sales Compensation
9. Bank Review of Insider Loans

The agenda identifies six rulemaking actions FCA has completed since the fall 2014 Unified Agenda was issued:

1. Margin and Capital Requirements for Noncleared Swaps (Proposed Rule)
2. Institution Stockholder Voting Procedures (Proposed Rule)
3. Loans in Areas Having Special Flood Hazards (Proposed Rule)
4. Pension Benefit Disclosures (Proposed Rule)
5. Capital—Basel 3 (Proposed Rule)
6. Revisions to Requirements for Mergers of Banks and Mergers of Associations (Proposed Rule)

The information in FCA's submission will be included in the official Unified Regulatory Agenda, which is published semiannually on the Internet at [www.reginfo.gov](http://www.reginfo.gov).

The Regulatory Projects Plan shows only the reviews and actions that are projected to occur over the next 12 months, and it is posted on the FCA website at [www.fca.gov/law/proj\\_plan.html](http://www.fca.gov/law/proj_plan.html).

## **Report**

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

## **Notational Vote**

Since the Jan. 8 FCA Board meeting, one notational vote has occurred. Notational votes are actions taken by the FCA Board between Board meetings.

On Feb. 4, the Board approved a final rule governing Farm Credit System compensation disclosures to shareholders and investors. The final rule would exclude from the compensation reporting requirement any employee who is not a senior officer and who would not, without payments related to his or her pension plan or changes in value of the plan, be considered a "highly compensated employee." The exclusion would apply only if the individual's pension plan was "available to all similarly situated employees on the same basis."

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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 87 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](http://www.fca.gov).