

News Release

Farm Credit Administration
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FCA Board Adopts Final Rule on Farmer Mac Governance and Standards of Conduct

McLEAN, Va., July 14, 2016 — At its monthly meeting today, the Farm Credit Administration Board approved a final rule establishing risk governance standards and internal controls requirements for the Federal Agricultural Mortgage Corporation (Farmer Mac). The final rule also enhances existing standards of conduct and disclosure and reporting regulations for Farmer Mac.

The final rule will become effective 30 days after publication in the Federal Register during which either body of Congress is in session. Notice of the effective date will be published in the Federal Register. For more information about the final rule, see the related [fact sheet](#) on the FCA website.

In other action, the board approved a resolution commemorating the 100th anniversary of the Farm Credit System.

Notational Votes

Since the June 9 FCA Board meeting, three notational votes have occurred. Notational votes are actions taken by the FCA Board between board meetings.

- On June 22, the FCA Board voted to approve a joint final rule that implements title III of the Terrorism Risk Insurance Program Reauthorization Act of 2015 by exempting the non-cleared swaps and non-cleared security-based swaps of certain counterparties from the initial and variation margin requirements of the joint final rule on margin and capital requirements for covered swap entities.
- On June 22, the board approved the election of Morgan M. Duffy as secretary-treasurer of the FCS Building Association.
- On June 24, the FCA Board approved AgStar Financial Services, ACA's and CoBank, ACB's requests to invest up to \$17.6 million each in bonds issued by a rural medical

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center in California. The bonds will provide financing to relocate and replace the existing facilities. FCA placed conditions on AgStar and CoBank in conjunction with this investment.

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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) that 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. Members of the FCA Board are Kenneth A. Spearman, Board Chairman and CEO; Dallas P. Tonsager; and Jeffery S. Hall.

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