

Farm Credit Administration

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INFORMATIONAL MEMORANDUM



December 3, 2012

To: Chairman, Board of Directors
Chief Executive Officer
All Farm Credit System Institutions

From: Gary K. Van Meter, Director
Office of Regulatory Policy

A handwritten signature in black ink that reads 'Gary K. Van Meter'. The signature is written in a cursive style and is enclosed in a thin black rectangular border.

Subject: Senior Officer Compensation Final Rule – Compliance Date Extension

On Friday, November 30, 2012, the Farm Credit Administration (FCA) Board approved an action to extend the compliance date for the provisions of the final rule related to senior officer compensation disclosures and related topics to 30 days after the effective date of the rule. The Board also extended the “base line” year to 2013 for the nonbinding advisory vote.

The effect of this action is as follows:

- Enhanced disclosures will be reported in the 2013 annual report rather than the 2012 annual report.
- The base line year for nonbinding, advisory votes required under § 611.410(b) will be 2013.
- Notices to shareholders will be issued on events occurring in 2013, after the compliance date.

Background

On October 3, 2012, the final rule amending FCA regulations on senior officer compensation disclosures and related topics (77 FR 60582) was published in the Federal Register. As originally approved, compliance with all provisions of the rule would have been required when the rule became effective, excluding the provision for the nonbinding, advisory vote on increases in senior officer compensation. The final rule is effective 30 days after publication during which one or both bodies of Congress are in session. As of November 30, 2012, Congress had been in session 20 days since the rule was published.

FCA recognizes that Farm Credit System (System) institutions are approaching their fiscal year-end and are beginning to prepare year-end reports. If the rule were to become effective in mid-December, System institutions would not have sufficient time to adequately prepare for the additional disclosures that would be required to be included in their annual reports.

For further information please contact Gary K. Van Meter, Director, Office of Regulatory Policy, at (703) 883-4026 (vanmeterg@fca.gov).