

NEWS RELEASE



*Farm Credit System Insurance Corporation
McLean, Virginia 22102-0826
703-883-4380*

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Contact: Rick Pfitzinger, 703-883-4388

FCSIC Board Adopts Revised Policy Statement on Receivership and Conservatorship Counsel and Receives Clean Report from Independent Auditor

McLEAN, Va., March 24, 2009 — The Farm Credit System Insurance Corporation (FCSIC or Corporation) Board of Directors voted today to revise the Corporation's Policy Statement on Receivership and Conservatorship Counsel.

The Farm Credit Act of 1971, as amended, authorizes the Corporation to act as a receiver or conservator for Farm Credit System (FCS) institutions. The revised policy statement clarifies existing procedures and provides additional procedures and controls concerning the activities of receivership and conservatorship counsel.

In other business, the FCSIC Board received the report of its independent auditor, Clifton Gunderson, on the statements of financial condition and related statements of income and expenses, changes in the insurance fund, and statements of cash flows for the year ended December 31, 2008.

In the opinion of Clifton Gunderson, the financial statements presented fairly, in all material respects, the financial position of the Corporation, and the results of its operations and cash flows. In addition, Clifton Gunderson reviewed the Corporation's internal control over financial reporting. In an accompanying opinion Clifton Gunderson did not identify any control deficiencies or material weaknesses.

Clifton Gunderson conducted the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

FCSIC is an independent U.S. Government corporation responsible for ensuring the repayment of principal and interest on Farm Credit System debt obligations issued to investors. As of February 28, 2008, the Corporation had \$2.97 billion in assets and insured more than \$177 billion in outstanding FCS debt. The FCS is a nationwide financial cooperative, which has more than \$161 billion in gross loans outstanding to agriculture and rural America.

The Corporation is managed by a three-member Board of Directors composed of the members of the Farm Credit Administration Board. The Chairman is Nancy C. Pellett. Leland A. Strom and Dallas P. Tonsager serve as members of the Board.

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The Farm Credit System Insurance Corporation, an independent U.S. government-controlled corporation, ensures the timely payment of principal and interest on insured notes, bonds, and other obligations issued on behalf of Farm Credit System banks.

Note: FCSIC news releases are available on the Internet. Access the FCSIC Web site at <http://www.fcsic.gov>.