

NEWS RELEASE



Farm Credit System Insurance Corporation

For Immediate Release
NR-06-02 (02-06-06)

Contact: Rick Pfitzinger, 703-883-4388

Farm Credit System Insurance Corporation Chief Operating Officer Mary Connelly Announces Retirement; Board of Directors Names FCSIC General Counsel Dorothy Nichols as Successor

McLEAN, Va., February 6, 2006 — The Farm Credit System Insurance Corporation (FCSIC), a Government-controlled corporation that insures the Farm Credit System's \$113 billion in debt obligations, announced the retirement of Mary Connelly, the FCSIC's Chief Operating Officer since 1991. Ms. Connelly is retiring after 33 years of Federal Government service.

Douglas L. "Doug" Flory, Chairman of FCSIC's Board of Directors, announced that the Board has designated Dorothy Nichols, FCSIC's General Counsel, to succeed Ms. Connelly. Ms. Nichols has been with the FCSIC since 1995. Her appointment will be effective February 19.

"We're fortunate to have two individuals with such depth of experience on our management team," said Chairman Flory. "The FCSIC Board has established a strong succession plan that builds on our experienced and qualified executive team."

Under Ms. Connelly's leadership, the FCSIC Insurance Fund crossed the \$2 billion mark. FCSIC also developed strong risk management capabilities, implemented a process for establishing loss reserves, developed a model for evaluating the adequacy of the Insurance Fund and obtained increased premium flexibility.

- more -

“Ms. Connelly’s years of Government service reached beyond FCSIC. She also served as Associate Director with the Federal Deposit Insurance Corporation and the Resolution Trust Corporation and held several executive positions at the Federal Savings and Loan Insurance Corporation during the height of the thrift crisis. Her outstanding contributions and wise counsel will be missed by our Board and by many others in Government,” Chairman Flory added.

To ensure a smooth transition, Ms. Connelly will remain with the FCSIC as an advisor to the Chairman until her departure in March.

Ms. Nichols has more than 20 years of bank regulatory and insurance experience. Prior to coming to the FCSIC, she was the Chief Operating Officer of the Farm Credit Administration and before that she was an Associate General Counsel at the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board.

###

The Farm Credit System Insurance Corporation (FCSIC) is an independent U.S. Government-controlled corporation, that ensures the timely payment of principal and interest on insured notes, bonds, and other obligations issued for Farm Credit System banks. A three-member board of directors, composed of the members of the Farm Credit Administration Board, manages the FCSIC. Besides Chairman Douglas L. Flory, Nancy C. Pellett and Dallas P. Tonsager serve as members of the Board.

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