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### **Fact Sheet on Final Rule Regarding Corporate Governance and Standards of Conduct at Farmer Mac**

The Farm Credit Administration Board today adopted a final rule on corporate and risk governance activities at the Federal Agricultural Mortgage Corporation (Farmer Mac).

The final rule establishes new risk management regulations in part 653, streamlines Farmer Mac's disclosure and reporting requirements in part 655, and clarifies FCA's oversight role in part 650. The rule also makes some changes to standards of conduct rules in part 651.

The final rule adopted today achieves the following objectives:

- Clarifies FCA's broad authorities as Farmer Mac's primary regulator
- Updates conflict of interest terminology
- Requires Farmer Mac to have certain board committees (audit, risk, compensation, and corporate governance) and limits the number of these committees that a single director may chair
- Adds risk governance standards to ensure that Farmer Mac's board continues to be involved in setting the corporation's appetite for risk
- Requires internal controls to safeguard the safe and sound operations of Farmer Mac
- Removes repetitious disclosure and reporting requirements while improving the use of technology in reporting and disclosures activities

The proposed rule was published on Feb. 12, 2015, for a 90-day comment period. It proposed further enhancements to standards of conduct rules in part 651, but most of these proposed enhancements are not included in this final rule. FCA plans to revisit at a later date those areas proposed, but not finalized, in this rulemaking.

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