AgriBank
District Retirement Plan

Financial Statements
December 31, 2009 and 2008

LarsonAllen LLP

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INDEPENDENT AUDITORS' REPORT

Participants and Trust Committee
AgriBank District Retirement Plan
St. Paul, Minnesota

We have audited the accompanying statements of net assets available for benefits of AgriBank District Retirement Plan as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of AgriBank District Retirement Plan as of December 31, 2009 and 2008, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

LarsonAllen LLP

LarsonAllen LLP

Minneapolis, Minnesota
September 9, 2010

AgriBank District Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2009 and 2008

	2009	2008
Assets		
Investments, at fair value		
Short-term investment funds and cash	$ 1,459,700	$ 1,376,427
Plan interest in Master Trust	516,522,207	427,291,922
Total assets	517,981,907	428,668,349
Liabilities		
Administrative and other expenses payable	55,286	46,194
Net assets available for benefits	$ 517,926,621	$ 428,622,155

See accompanying notes to the financial statements.

AgriBank District Retirement Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2009 and 2008

	2009	2008
Net assets available for benefits, beginning of year	$ 428,622,155	$ 556,045,506
Net investment income (loss)		
Master Trust income (loss)	87,937,672	(123,357,311)
Contributions		
Employer	26,700,000	30,000,000
Deductions		
Benefits paid to participants	(24,936,318)	(33,149,842)
Administrative and other expenses	(396,888)	(916,198)
Total deductions	(25,333,206)	(34,066,040)
Net increase (decrease)	89,304,466	(127,423,351)
Net assets available for benefits, end of year	$ 517,926,621	$ 428,622,155

See accompanying notes to the financial statements.

1. Description of the Plan

The following description of the AgriBank District Retirement Plan (the "Plan") provides general information regarding the Plan. Refer to the Plan document for a complete description of Plan provisions.

Plan Provisions

The Plan is a noncontributory defined benefit pension plan offered to eligible employees of AgriBank, FCB and affiliated Associations, excluding Farm Credit Services of America (collectively, the "Employers"). Generally, all full-time and part-time employees of the Employers hired before January 1, 2007 are eligible to participate in the Plan. All Plan participants are fully vested after completing five years of credited service. Credited Service includes all years of employment as a benefits eligible employee of the Employers. The Plan was closed to new participants on January 1, 2007. Employees hired on January 1, 2007 and later are not eligible to participate in the Plan; rather they are eligible for enhanced benefits under the Farm Credit Foundations Defined Contribution / 401(k) Plan (the "401(k) Plan). The Plan was most recently restated effective January 1, 2008 and amended effective January 1, 2010.

Plan benefits for employees hired between October 1, 2001, and December 31, 2006, are based on a cash balance formula. Cash balance retirement benefits are calculated based on salary and credited service and adjusted for interest earned. Benefits for employees hired prior to October 1, 2001, who did not elect the cash balance formula are based on a final average pay formula. Final average pay retirement benefits are calculated based on credited service and a percentage of final average pay, subject to certain limitations. Retirement benefits are paid from plan assets with several benefit payment options available, as defined in the Plan document.

Effective January 1, 2010, the Plan was amended to incorporate certain provisions of the Heros Earnings Assistance and Relief Tax act.

Plan Governance

The Farm Credit Foundations Plan Sponsor and Trust Committees provide consideration and oversight of the benefit plans offered by participating employers of the AgriBank District, U.S. AgBank District, and Northwest, FCS as defined by the Farm Credit Foundations Administrative Agreement. There are 47 participating employers across 26 states with over 7500 active employees. The governance committees are either elected or appointed representatives (senior leadership and/or Board of Director members) from the participating organizations. The Plan Sponsor Committee is responsible for decisions regarding benefits at the direction of the participating employers. The Trust Committee is responsible for fiduciary and plan administrative functions.

Funding Policy

The Employers contribute amounts necessary on an actuarial basis to provide the Plan with sufficient assets to meet the benefits to be paid to participants. The plan's funding policy is to contribute amounts which represent normal cost, plus amortization of the unfunded accrued liability over 7 years, plus interest, subject to the full funding limitation or other IRS limitations for each plan.

Regulatory Compliance

The Department of Labor has determined the Plan to be a governmental plan; therefore, the Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Plan Administration

The Plan provides that an employee of a participating employer who has adopted the Plan, and who has satisfied the Plan's eligibility requirements, will have rights to benefits under the Plan. The Farm Credit Foundation's Trust Committee serves as Plan Administrator of the Plan. The Trust Committee has primary responsibility for administration and interpretation of the Plan and investment of the Plan assets.

The Farm Credit Foundation's Trust Committee is the trustee for the Plan assets invested in the Master Trust. The trustee supervises and administers all investments and related activities, including such functions as purchases, sales, reinvestment and collection of investment income. Certain income and expense items of the investments in the Master Trust are recorded at the Master Trust level. These include investment expenses, interest income and dividends. Wells Fargo is the custodian for the Plan assets.

Plan Termination

In the event of Plan termination, the present value of benefits due to participants would be distributed to participants. Plan assets in excess of obligations would be returned to the Employers. Obligations and liabilities in excess of assets would be the responsibility of the Employers.

As the Plan is not subject to ERISA, the Plan's benefits are not insured by the Pension Benefit Guaranty Corporation. Accordingly, the amount of accumulated benefits that participants would receive in the event of the Plan's termination is contingent on the sufficiency of the Plan's net assets to provide benefits at that time.

2. Summary of Significant Accounting Policies

A description of the Plan's significant accounting policies follows:

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, income is recorded in the year earned and expenses are recorded in the year incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosures of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Fair Value Measurements

The Plan categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair market value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the valuation methodologies used at December 31, 2009 and 2008.

During 2009, Financial Accounting Standards Board (FASB) released guidance requiring disclosures to include the nature of any restrictions on the ability to redeem certain investments at the measurement date, any unfunded commitments, and the investment strategies of the investees effective for fiscal years ending after December 15, 2009. See Note 8 for more information.

Investment Valuation and Income Recognition

The Plan's investments are valued at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income or losses less actual distributions and allocated administrative expenses.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Purchases and sales of investments are recorded on a trade date basis. Interest income is accrued based on the terms of the underlying investment. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Benefits and Expenses

Benefit payments to participants are recorded upon distribution. All benefit payments and eligible administrative expenses are paid from Plan assets. Administrative and other expenses of the Plan consist of legal, actuarial, auditing, recordkeeping, and custodial fees.

Reclassifications

Certain amounts in the 2008 financial statements have been reclassified to conform with the 2009 presentation. These reclassifications do not affect net assets available for benefits as previously reported.

3. Income Tax Status

The Internal Revenue Service ("IRS") has issued a favorable determination letter regarding the Plan's current nontaxable status. Plan was restated effective January 1, 2008 and received a new determination letter from the IRS dated September 28, 2009.

The Plan has been amended since receiving the determination letter. Plan management is of the opinion that the Plan continues to comply with the applicable sections of the Internal Revenue Code, and that the related trust, which forms a part of the Plan, is exempt from income tax. Accordingly, no provision has been made for federal or state income taxes.

4. Investments

Interest in Master Trust

The Plan's investments are in a master trust which holds the investment assets of the Plan, The Eleventh Farm Credit District Employees' Retirement Plan, Northwest Farm Credit Services Retirement Plan, Ninth Farm Credit District Pension Plan, and Farm Credit Foundations Defined Contribution/401(k) Plan. Each plan's share of the Master Trust is determined by the use of accumulation units, with each unit representing an undivided interest in the Master Trust. The plans are credited with units purchased and charged with units to be paid or forfeited at the monthly accumulation unit value. Net assets, net investment income, gains and losses and administrative expenses are allocated to the participating plans based upon the weighted average units held during the period. The Master Trust participates in securities lending. The Plan's interest in the Master Trust was approximately 26% at December 31, 2009 and 2008.

The following table presents the fair values of investments for the Master Trust as of December 31:

	2009	2008
Money market	$ 46,724,202	$ 82,281,050
Mutual funds	766,332,877	585,712,163
Collective trust funds	516,812,163	407,807,924
Common stocks	257,078,208	173,303,855
Pooled separate account	246,823,285	226,228,282
Investment insurance contracts	92,086,679	89,095,131
Limited partnerships	63,276,159	56,574,951
Cayman Island Exempted Company	21,585,086	18,384,641
Corporate bonds	911,121	1,012,679
Government securities	866,634	24,409
Participant loans	16,189,363	14,136,254
Securities lending cash collateral	16,515,103	43,146,644
Total investments held by master trust	2,045,200,880	1,697,707,983
Due to brokers for securities lending	(21,812,517)	(51,094,456)
Net investments held by master trust	$ 2,023,388,363	$ 1,646,613,527

Master Trust investment income for the years ending December 31, 2009 and 2008, is as follows:

	2009	2008
Net appreciation (depreciation) in fair value of investments:		
Money market	$ 1,130,423	$ (1,730,509)
Mutual funds	152,008,201	(260,055,273)
Collective trust funds	91,465,373	(167,549,067)
Common stocks	51,745,444	(110,529,256)
Pooled separate account	(10,824,527)	38,919,082
Investment insurance contracts	6,070,257	5,951,475
Limited partnerships	6,701,208	(277,548)
Cayman Island Exempted Company	3,200,445	(4,015,359)
Corporate bonds	150,558	(474,061)
Government securities	27,818	(11,426)
Securities lending cash collateral	2,650,398	(6,909,002)
Total net appreciation (depreciation)	304,325,598	(506,680,944)
Interest and dividends	11,967,534	21,500,999
Less: investment management expenses	20,551	20,040
	$ 316,272,581	$ (485,199,985)

Unallocated Insurance Contract

In May 1974, the Plan entered into a guaranteed interest group annuity contract (“annuity contract”) with Lincoln National Life Insurance Company. Lincoln National maintains the contributions to the annuity contract in an unallocated fund to which it adds interest at the stated interest rate. Such stated rate resets annually. The interest rate earned was 3.85% for 2009 and 3.95% for 2008.

Securities Lending

The Master Trust has a securities lending program with Wells Fargo Bank, N.A. The Master Trust requires collateral with a market value of at least 102% of the market value of the loaned securities at the time a loan is transacted. Collateral is provided by the borrower and may be held, invested, or reinvested in certain types of securities.

The fair market value of the securities loaned to Wells Fargo Bank, N.A. was $21,812,517 at December 31, 2009, and $51,094,456 at December 31, 2008. The fair value of the collateral accepted by the Master Trust was $16,515,103 at December 31, 2009, and $43,146,644 at December 31, 2008. No collateral had been sold or repledged at December 31, 2009 and 2008.

5. Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, which are attributable under the Plan’s provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

The actuarial present value of accumulated plan benefits is determined by the Plan’s actuary by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment.

The significant assumptions used in the valuations as of January 1, 2010, and 2009, are detailed in the following table:

Mortality	RP-2000 Combined Healthy Table (projected through the valuation year)
Interest rate	8.0 percent per annum
Compensation increases	5.0 percent per annum
Lump sum interest rate	6.5 percent per annum for the 50% option, 8.0 percent per annum for the 100% lump sum option

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated plan benefits at December 31 is summarized as follows:

	2009	2008
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants and beneficiaries currently receiving payments	$ 169,891,475	$ 161,983,182
Other participants	330,023,390	296,072,860
Total vested benefits	499,914,865	458,056,042
Nonvested benefits	18,406,818	17,967,897
Actuarial present value of accumulated plan benefits	$ 518,321,683	$ 476,023,939

The change in actuarial present value of accumulated plan benefits for the years ended December 31, 2009 and 2008, is summarized as follows:

	2009	2008
Actuarial present value of accumulated plan benefits, beginning of year	$ 476,023,939	$ 442,367,497
Increase (decrease) during the year attributable to		
Benefits accumulated and experience changes	27,163,635	26,012,295
Interest	39,129,127	35,389,400
Plan amendments	-	775,044
Changes in actuarial assumptions	939,163	4,598,138
Benefits paid	(24,934,181)	(33,118,435)
Net increase	42,297,744	33,656,442
Actuarial present value of accumulated plan benefits, end of year	$ 518,321,683	$ 476,023,939

The Plan was amended to increase the IRS 415 limitation on benefits, resulting in an increase in accumulated plan benefits of $775,044 in 2008.

The mortality rates were updated to better reflect actual experiences and future expectations resulting in an increase in accumulated plan benefits of $939,163 in 2009, and $4,598,138 in 2008.

6. Risks and Uncertainties

The Plan provides for investment in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions and the actuarial present value of accumulated plan benefits are calculated based on certain assumptions pertaining to interest rates, inflation rates, long-term return on investments and mortality, all of which are subject to change. Due to uncertainties inherent in the estimation process, it is at least reasonably possible that changes in these estimates in the near term would be material to the financial statements.

7. Related Party

AgriBank, FCB, paid expenses on behalf of the Plan and was reimbursed by the Plan for those expenses.

8. Fair Value of Financial Instruments

The Plan uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. For additional information on how the Plan measures fair value, refer to Note 2. The following table presents the fair value hierarchy for the balances of the assets of the Master Trust measured at fair value on a recurring basis as of December 31:

	Level 1	Level 2	Level 3	Total
2009				
Assets:				
Money market	$ 46,724,202	$ -	$ -	$ 46,724,202
Mutual funds:				
Fixed income funds	449,996,680	-	-	449,996,680
Domestic funds	223,403,218	-	-	223,403,218
International funds	81,667,961	-	-	81,667,961
Other	11,265,018	-	-	11,265,018
Total Mutual funds	766,332,877	-	-	766,332,877
Collective trust funds:				
Domestic equity fund	-	194,225,840	-	194,225,840
Index collective funds	-	-	209,048,727	209,048,727
International Funds	-	113,537,596	-	113,537,596
Total Collective trust funds	-	307,763,436	209,048,727	516,812,163
Common stocks:				
Information Technology	46,791,801	-	-	46,791,801
Industrials	40,956,573	-	-	40,956,573
Financial	37,981,282	-	-	37,981,282
Health Care	34,294,028	-	-	34,294,028
Consumer	34,224,016	-	-	34,224,016
Energy	22,004,333	-	-	22,004,333
Other	17,095,076	-	-	17,095,076
Material	10,201,363	-	-	10,201,363
Telecomunications	6,798,317	-	-	6,798,317
Utilities	6,408,656	-	-	6,408,656
Investment Funds	322,763	-	-	322,763
Total Common stocks	257,078,208	-	-	257,078,208
Pooled separate account:				
Fixed income fund	-	246,823,285	-	246,823,285
Investment insurance contracts	-	-	92,086,679	92,086,679
Limited partnership:				
Long/short equity limited partnership	-	-	63,276,159	63,276,159
Cayman Islands exempted company	-	-	21,585,086	21,585,086
Corporate bonds:				
Other	-	911,121	-	911,121
Government securities:				
Other	-	866,634	-	866,634
Participant loans	-	16,189,363	-	16,189,363
Securities lending cash collateral	-	16,515,103	-	16,515,103
Total Investments at Fair Value	$ 1,070,135,287	$ 589,068,942	$ 385,996,651	$ 2,045,200,880

	Level 1	Level 2	Level 3	Total
2008				
Assets:				
Mutual funds	$ 585,712,163	$ -	$ -	$ 585,712,163
Collective trust funds	-	407,807,924	-	407,807,924
Pooled separate account	-	226,228,282	-	226,228,282
Common stocks	173,303,855	-	-	173,303,855
Investment insurance contracts	-	-	89,095,131	89,095,131
Money market	71,362,122	-	-	71,362,122
Limited partnership	-	-	56,574,951	56,574,951
Cayman Islands exempted company	-	-	18,384,641	18,384,641
Interest-bearing cash	10,918,928	-	-	10,918,928
Certificate of deposit	-	1,012,679	-	1,012,679
Government securities	-	24,409	-	24,409
Participant loans	-	14,136,254	-	14,136,254
Securities lending cash collateral	-	43,146,644	-	43,146,644
Total Investments at Fair Value	$ 841,297,068	$ 692,356,192	$ 164,054,723	$ 1,697,707,983

The following table presents changes in assets measured at fair value using Level 3 inputs on a recurring basis for the years ending December 31, 2009 and 2008:

Changes in Assets - Level 3	Cayman Islands Exempted Company	Investment Insurance Contracts	Limited Partnership	Collective Trust Funds	Total
Beginning Balance, 1/1/09	$ 18,384,641	$ 89,095,131	$ 56,574,951	$ -	$ 164,054,723
Actual return on plan assets:					
Still held at the reporting date	3,200,445	4,256,207	6,701,208	30,962,544	45,120,404
Sold during the period	-	227,523	-	(4,419,383)	(4,191,860)
Purchases, issuance and settlements, net	-	(1,492,182)	-	(7,703,584)	(9,195,766)
Transfers into Level 3, net	-	-	-	190,209,150	190,209,150
Ending Balance, 12/31/09	$ 21,585,086	$ 92,086,679	$ 63,276,159	$ 209,048,727	$ 385,996,651

	Cayman Islands Exempted Company	Investment insurance contracts	Limited Partnership	Total
Beginning Balance 1/1/08	$ -	$ 88,895,218	$ 74,204,482	$ 163,099,700
Interest	-	5,531,252	-	5,531,252
Realized gains (losses)	-	-	15,147,501	15,147,501
Unrealized gains (losses) relating to instruments still held at the reporting date	(4,015,359)	-	(15,425,049)	(19,440,408)
Expenses	-	(212,650)	-	(212,650)
Purchases, issuances and settlement, net	22,400,000	(5,118,689)	(17,351,983)	(70,672)
Ending Balance, 12/31/08	$ 18,384,641	$ 89,095,131	$ 56,574,951	$ 164,054,723

Certain collective trust funds were re-assessed to be Level 3 investments based on additional guidance issued by FASB during 2009.

The following table sets forth additional disclosures for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent) as of December 31, 2009:

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Collective trust funds				
Domestic equity fund	$ 194,225,840	$ -	Daily	Daily
Index collective funds	209,048,727	-	Semi-monthly	Daily
International Funds	113,537,596	-	Daily	Daily
Total Collective trust funds	516,812,163	-		
Pooled separate account				
Fixed income fund	246,823,285	-	Daily	Daily
Cayman Island Exempted Company	21,585,086	-	Monthly	Monthly

Objectives:
The domestic equity collective trust fund seeks to outperform the S&P 500 Index over a full market cycle with similar or less risk.

The investment objective of the index collective trust funds is to match the return of the S&P 500 Index or the Lehman Brothers Aggregate Bond Index.

The international collective trust funds seek long-term growth of capital by investing primarily in a wide variety of international equity securities issued throughout the world, normally excluding the U.S.

The fixed income pooled separate account is designed for investors seeking stable returns and competitive rates over the long term.

The Cayman Island Exempted Company's investment objective is to generate superior, long-term return with less risk than equity markets.

9. Subsequent Events

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through September 9, 2010, the date the financial statements were available to be issued.