

# Farm Credit Foundations Defined Contribution / 401(k) Plan

Financial Statements  
December 31, 2009 and 2008

# LarsonAllen<sup>®</sup> LLP

CPAs, Consultants & Advisors

www.larsonallen.com

## INDEPENDENT AUDITORS' REPORT

Participants and Trust Committee  
Farm Credit Foundations Defined Contribution/401(k) Plan  
St. Paul, Minnesota

We have audited the accompanying statements of net assets available for benefits of Farm Credit Foundations Defined Contribution/401(k) 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 audit 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, net assets available for benefits of Farm Credit Foundations Defined Contribution/401(k) 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

**Farm Credit Foundations Defined Contribution / 401(k) Plan**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2009 and 2008**

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	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Investments at fair value		
Plan interest in Master Trust	\$ 1,181,110,845	\$ 946,830,744
Receivables		
Employer contributions	<u>600,691</u>	<u>641,389</u>
Total assets	1,181,711,536	947,472,133
<b>Liabilities</b>		
Accrued expenses	<u>30,730</u>	<u>23,954</u>
Net assets reflecting investments at fair value	1,181,680,806	947,448,179
Adjustment from fair value to contract value for interest in Master Trust	11,863,361	30,455,739
<b>Net assets available for benefits</b>	<u><u>\$ 1,193,544,167</u></u>	<u><u>\$ 977,903,918</u></u>

See accompanying notes to the financial statements.

**Farm Credit Foundations Defined Contribution / 401(k) Plan  
Statements of Changes in Net Assets Available for Benefits  
Years Ended December 31, 2009 and 2008**

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	<u>2009</u>	<u>2008</u>
Net assets available for benefits, beginning of year	\$ 977,903,918	\$ 1,239,274,893
Net investment income (loss)		
Master Trust income (loss)	<u>172,617,036</u>	<u>(286,651,771)</u>
<b>Contributions</b>		
Participant	47,682,439	58,870,649
Employer	33,206,664	31,253,999
Total contributions	<u>80,889,103</u>	<u>90,124,648</u>
Other income	<u>-</u>	<u>120,005</u>
<b>Deductions</b>		
Benefits paid to participants	(37,419,312)	(64,443,833)
Administrative expenses	<u>(446,578)</u>	<u>(520,024)</u>
Total deductions	<u>(37,865,890)</u>	<u>(64,963,857)</u>
Net increase (decrease)	215,640,249	(261,370,975)
Net assets available for benefits, end of year	<u><u>\$ 1,193,544,167</u></u>	<u><u>\$ 977,903,918</u></u>

See accompanying notes to the financial statements.

# Farm Credit Foundations Defined Contribution / 401(k) Plan

## Notes to Financial Statements

### December 31, 2009 and 2008

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#### 1. Description of the Plan

The following description of the Farm Credit Foundations Defined Contribution / 401(k) Plan (the "Plan") provides general information regarding the Plan. Refer to the Plan document for a complete description of Plan provisions.

##### General

The Farm Credit Foundations Defined Contribution / 401(k) Plan (the "Plan") is sponsored and maintained by AgriBank Farm Credit Bank ("AgriBank") and by U.S. AgBank, FCB ("AgBank") for the benefit of the eligible employees of each Bank, their affiliated associations, Northwest FCS, and other employers within the federal Farm Credit System. The Plan is intended to conform to and qualify under § 401 and § 501 of the Internal Revenue Code of 1986, as amended.

The participating employers are defined and declared to be "instrumentalities of the United States" in the charters issued to them by the Farm Credit Administration. For this reason, the Plan is intended to be a "governmental plan" as that term is defined in Code § 414(d). For the same reason, the Plan is also intended to be a "governmental plan" as that term is defined in Section 3(32) of the Employee Retirement Income Security Act of 1974 ("ERISA").

Because of the close relationship that exists between the employers in the Plan under the provisions of the Farm Credit Act and the terms of their respective charters and because of their status as "instrumentalities of the United States," the Plan, consistent with prior historical practice, is designed and intended to be a single employer plan.

The Plan was restated effective January 1, 2009, to incorporate all amendments since the last IRS submission for a Determination Letter and was submitted to the IRS for their review as required to comply with the required resubmission period of Cycle C.

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 employer. The Trust Committee is responsible for fiduciary and plan administrative functions.

##### Contributions

The provisions of the Plan are summarized below:

- Participants may contribute up to 75 percent of the eligible earnings on a pre-tax basis and up to 75 percent of eligible earnings on a post-tax basis. Total participant contributions may not exceed 75 percent of eligible earnings. In addition, Roth 401(k) after-tax contributions are also available.
- Employer matching contributions are equal to 100 percent of total participant contributions, up to 6 percent of eligible earnings for participants not accruing benefits in their employer's closed defined benefit plan.

## **Farm Credit Foundations Defined Contribution / 401(k) Plan**

### **Notes to Financial Statements**

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- For employees hired prior to January 1, 2007, and who participate in their employer's closed defined benefit retirement plan the employer matching contributions are equal to 100% of employee contributions up to 2% of eligible pay; plus 50% of the next 4% of eligible pay. (maximum 4% total employer match)
- Any eligible employee of the AgriBank District, U.S. AgBank District, and Northwest, FCS, that is not participating in the defined benefit plan receives additional Employer contributions each pay period. For qualified employees, contributions are made at a rate of 3 percent of compensation.

#### Grandfathered provisions for certain employee groups:

- For qualified employees of FCS of America, an employer of the AgriBank District, who began participation prior to January 1, 1991, contributions were up to a maximum of 13 percent of earnings.
- All employees of Northwest, FCS, FCS of America, an employer of the AgriBank District, and employers of the former Eleventh District (part of the US AgBank District) hired prior to January 1, 2007, who do not participate in their employer's closed defined benefit plan, receive an additional 3% Integrated Contribution on salary that exceeds the Social Security taxable wage base for the year.
  - The Integrated Additional Contribution is credited to participants' 401(k) accounts beginning with the pay period that their benefit's eligible wages exceed the social security wage base.
- Certain employers of the former Eleventh District (those who have Internal Revenue Service private letter rulings) are allowed to make paid-leave contributions to participant accounts. In general, paid-leave contributions are made in an amount equal to the dollar value of paid-leave accrued at December 31 in excess of the paid-leave that can be carried forward under the employers' paid-leave policy.

All participant and employer contributions are subject to limits set forth by the Internal Revenue Code. Participants may also contribute amounts representing eligible roll-over distributions from other qualified plans.

Participants in the Plan may direct employee and employer contributions in 1 percent increments to any of the Plan's investment options. The Plan's investments in each fund/option are maintained under the direction of the participants.

#### **Participant Accounts**

Each participant's account is credited with the participant's contribution, related employer contributions, and Plan allocations of earnings. Allocations are based on participant earning or account balances, as defined. The benefit to which a participant is entitled is the vested portion of the participant's account. Participant accounts are valued on a daily basis.

#### **Vesting**

The vesting provisions of the Plan are as follows:

- Participants are immediately vested in participant contributions, paid-leave contributions, and investment income earned thereon.
- Participants vest 100 percent in employer matching contributions and employer contributions after four years of service. Participants with less than four years of service vest in the employer contributions at a rate of 25 percent for each full year of service.
- Participants are immediately vested upon death, disability or retirement.

## **Farm Credit Foundations Defined Contribution / 401(k) Plan**

### **Notes to Financial Statements**

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Former Ninth District, now part of the US AgBank District, participants in the Plan prior to January 1, 2007, are immediately vested in their contributions plus actual earnings thereon. Participants are also fully vested in the Company's contribution portion of their accounts at the date of participation.

#### **Participant Loans**

The Plan allows participants to borrow a portion of their account balance subject to limitations set forth by the Plan and the Internal Revenue Code. Loans are secured by the balance in the participants' accounts and generally bear interest at the prime rate. Repayment of participant loans, including monthly interest charges, is made semi-monthly in the form of payroll withholding. Loans are generally made for a term of five years or less, except for loans for a principal residence, which may be made for a term of up to 25 years.

#### **Payment of Benefits**

Upon termination, the value of the participant's accounts will be distributed to the participant. The Plan participant or a Beneficiary may elect distribution under one, or any combination, of the following methods: (a) by payment in a lump sum; or (b) by payment in monthly installments over a fixed reasonable period of time, not exceeding the life expectancy of the Participant. All distributions will be paid in the form of a check drawn on the trust. In the case of death, distributions will be made to the designated beneficiary.

The Plan allows for in-service withdrawals upon financial hardship, as defined in the Plan, or upon attainment of age 59 1/2. The Plan also allows for in-service withdrawals of post-tax, rollover, or deductible employee contributions and certain matching contributions, as defined in the Plan.

#### **Forfeited Accounts**

Nonvested, employer contributions are forfeited by terminating participants. Forfeited amounts are held in an account at New York Life until used to either pay Plan administrative expenses or to reduce employer contributions. The amount of the forfeitures was \$177,765 at December 31, 2009 and \$249,299 at December 31, 2008. Forfeited dollars were used to offset administrative expenses of \$371,129 during 2009 and \$335,149 during 2008. In addition, forfeited dollars were used to reduce employer contributions by \$15,121 during 2009 and \$3,453 during 2008.

#### **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 that has adopted the Plan who has satisfied the Plan's eligibility requirements will have rights to benefits under the plan. AgriBank, FCB serves as Plan Administrator under 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.

New York Life Trust Company is the third-party administrator for the Plan.

# Farm Credit Foundations Defined Contribution / 401(k) Plan

## Notes to Financial Statements

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#### Plan Termination

Although there has been no expression of intent to do so, the participating employers have the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the plan provisions. Upon either full or partial termination of the Plan, or, if applicable, upon complete discontinuance of profit sharing plan contributions to the Plan, an affected Participant's right to his/her Account Balance is 100% Vested, irrespective of the Vested percentage which otherwise would apply.

## 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.

#### Accounting Pronouncement

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract value basis.

#### 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, as well as disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

#### Fair Value of Financial Instruments

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.

# **Farm Credit Foundations Defined Contribution / 401(k) Plan**

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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, the Financial Accounting Standards Board (FASB) released guidance that requires 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 7 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 instrument and dividend income is recorded on the ex-dividend date. 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 when distributed. Administrative and other expenses of the Plan are paid from the Plan assets to the extent of forfeited employer contributions. Expenses in excess of forfeitures are either paid from Plan assets or directly by the Employers.

#### **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. The predecessor Plan received its latest determination letter in March 2004. The Plan was restated in 2009 and Plan management has applied for a new determination letter to the IRS.

**Farm Credit Foundations Defined Contribution / 401(k) Plan**  
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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, AgriBank District Retirement Plan, The Eleventh Farm Credit District Employees' Retirement Plan, Northwest Farm Credit Services Retirement Plan, and the Ninth Farm Credit District Pension 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 Plan's interest in the Master Trust was approximately 58% at December 31, 2009 and 2008.

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

	<u>2009</u>	<u>2008</u>
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	<u>2,045,200,880</u>	<u>1,697,707,983</u>
Due to brokers for securities lending	(21,812,517)	(51,094,456)
Net investments held by master trust	<u>\$ 2,023,388,363</u>	<u>\$ 1,646,613,527</u>

**Farm Credit Foundations Defined Contribution / 401(k) Plan**  
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Master Trust investment income for the years ending December 31, 2009 and 2008, is as follows:

	<u>2009</u>	<u>2008</u>
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)	<u>304,325,598</u>	<u>(506,680,944)</u>
Interest and dividends	11,967,534	21,500,999
Less: investment management expenses	20,551	20,040
	<u>\$ 316,272,581</u>	<u>\$ (485,199,985)</u>

**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. 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 participants' account balances and the amounts reported in the statement of net assets available for benefits.

**6. Related Party**

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

**Farm Credit Foundations Defined Contribution / 401(k) Plan**  
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7. Fair Value

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
<b>2009</b>				
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	<u>766,332,877</u>	<u>-</u>	<u>-</u>	<u>766,332,877</u>
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	<u>-</u>	<u>307,763,436</u>	<u>209,048,727</u>	<u>516,812,163</u>
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
Telecommunications	6,798,317	-	-	6,798,317
Utilities	6,408,656	-	-	6,408,656
Investment Funds	322,763	-	-	322,763
Total Common stocks	<u>257,078,208</u>	<u>-</u>	<u>-</u>	<u>257,078,208</u>
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
<b>Total Investments at Fair Value</b>	<u><u>\$ 1,070,135,287</u></u>	<u><u>\$ 589,068,942</u></u>	<u><u>\$ 385,996,651</u></u>	<u><u>\$ 2,045,200,880</u></u>

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	Level 1	Level 2	Level 3	Total
<b>2008</b>				
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
<b>Total Investments at Fair Value</b>	<b>\$ 841,297,068</b>	<b>\$ 692,356,192</b>	<b>\$ 164,054,723</b>	<b>\$ 1,697,707,983</b>

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
<b>Ending Balance, 12/31/09</b>	<b>\$ 21,585,086</b>	<b>\$ 92,086,679</b>	<b>\$ 63,276,159</b>	<b>\$ 209,048,727</b>	<b>\$ 385,996,651</b>

	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)
<b>Ending Balance, 12/31/08</b>	<b>\$ 18,384,641</b>	<b>\$ 89,095,131</b>	<b>\$ 56,574,951</b>	<b>\$ 164,054,723</b>

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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:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
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.

**8. 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.