

COBANK ACB
Form SC 13D
February 25, 2013

United States
Securities and Exchange Commission
Washington, DC 20549

Schedule 13D

(Rule 13d-101)

Information to be Included in Statements Filed Pursuant to § 240.13d-1(a)

and Amendments Thereto Filed Pursuant to § 240.13d-2(a)

Under the Securities Exchange Act of 1934

(Amendment No.)*

Federal Agricultural Mortgage Corporation

(Name of Issuer)

Class B voting common stock

(Title of Class of Securities)

313148207

(CUSIP Number)

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| | |
|--|----------------------------------|
| Greg Buehne | Kyle Pankonien |
| General Counsel | General Counsel |
| CoBank ACB | Farm Credit Bank of Texas |
| 5500 South Quebec Street | 4801 Plaza on the Lake |
| Greenwood Village, CO 80111 | Austin, TX 78746 |
| (303) 740-4000 | (512) 465-0400 |
| (Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications) | |
| February 25, 2013 | |

(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1 Names of Reporting Persons

CoBank, ACB

2 Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3 SEC Use Only

4 Source of Funds (See Instructions)

WC

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

Federally chartered under 12 USC 2011 and 2121

7 Sole Voting Power

Number of

Shares
8 Shared Voting Power

Beneficially

Owned by
Each Sole Dispositive Power

Reporting

Person With
10 Shared Dispositive Power

11 Aggregate Amount Beneficially Owned by Each Reporting Person

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163,253 shares of Class B voting common stock

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (*see* Instructions) "

13 Percent of Class Represented by Amount in Row (11)

32.6%

14 Type of Reporting Person (*See* Instructions)

CO

1 Names of Reporting Persons

CoBank, FCB

2 Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3 SEC Use Only

4 Source of Funds (See Instructions)

WC

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

Federally chartered under 12 USC 2011

7 Sole Voting Power

Number of

Shares
8 Shared Voting Power

Beneficially

Owned by
Each Sole Dispositive Power

Reporting

Person With
10 Shared Dispositive Power

11 Aggregate Amount Beneficially Owned by Each Reporting Person

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100,273 shares of Class B voting common stock

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (*see* Instructions) "

13 Percent of Class Represented by Amount in Row (11)

20.0%

14 Type of Reporting Person (*See* Instructions)

CO

1 Names of Reporting Persons

Farm Credit Bank of Texas

2 Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3 SEC Use Only

4 Source of Funds (See Instructions)

WC

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Item 2(d) or 2(e)

6 Citizenship or Place of Organization

Federally chartered under 12 USC 2011

7 Sole Voting Power

Number of

Shares 38,503 shares of Class B voting common stock
8 Shared Voting Power

Beneficially

Owned by

- 0 -
9 Sole Dispositive Power
Each

Reporting

Person With 38,503 shares of Class B voting common stock
10 Shared Dispositive Power

- 0 -

11 Aggregate Amount Beneficially Owned by Each Reporting Person

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38,503 shares of Class B voting common stock

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (*see* Instructions) "

13 Percent of Class Represented by Amount in Row (11)

7.7%

14 Type of Reporting Person (*See* Instructions)

CO

Item 1. Security and Issuer.

This Schedule 13D relates to the Class B voting common stock (the **Class B Stock**) of Federal Agricultural Mortgage Corporation, a federally chartered instrumentality of the United States (the **Issuer**), whose principal executive offices are located at 1999 K Street N.W., 4th Floor, Washington, D.C. 20006.

Item 2. Identity and Background.

(a) (c) The persons filing this statement are CoBank, ACB, CoBank, FCB, and Farm Credit Bank of Texas, all federally-chartered corporations under the Farm Credit Act of 1971, as amended, 12 USC 2001 et seq. (the **Farm Credit Act**). The foregoing persons are sometimes collectively referred to herein as the **Reporting Persons**. Any disclosures herein with respect to persons other than the Reporting Persons are based on the information and belief of the Reporting Persons. The Reporting Persons are making a single, joint filing because they may be deemed to constitute a **group** within the meaning of Section 13(d)(3) of the Securities Act of 1934, as amended. The agreement among the Reporting Persons to file jointly is attached hereto as Exhibit A.

The Reporting Persons are banks of the Farm Credit System that, pursuant to the authorities granted by the Farm Credit Act, provide loans and other financial and technical assistance to eligible borrowers in support of U.S. agriculture, agribusiness, and rural infrastructure. Eligible borrowers include, among others, (i) farmers, ranchers, and producers and harvesters of aquatic products, (ii) providers of farm-related services, (iii) agricultural marketing and processing operations, (iv) agricultural cooperatives, and (v) rural power and telecommunications companies. The Reporting Persons also provide wholesale financing to locally-owned Farm Credit Associations, which are also part of the Farm Credit System. CoBank, FCB is a wholly owned subsidiary of CoBank ACB. CoBank, ACB and CoBank, FCB each has an office at 5500 South Quebec Street, Greenwood Village, CO 80111. Farm Credit Bank of Texas has an office at 4801 Plaza on the Lake, Austin, TX 78746.

The names and present principal occupation or employment of the directors and executive officers of each of the Reporting Persons are as listed on Schedule 1, which is incorporated by reference herein.

(d) None of the Reporting Persons nor any other person listed in this Item 2 has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Persons nor any other person listed in this Item 2 has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each of the Reporting Persons is incorporated under the laws of the United States of America. All of the directors and executive officers of the Reporting Persons listed in this Item 2 are citizens of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

CoBank, ACB (formerly known as the National Bank for Cooperatives) is the direct owner of 62,980 shares of Class B Stock. These shares were originally acquired in part by the National Bank for Cooperatives from the Issuer and in part through merger with, and transfer from, other banks of the Farm Credit System that were the original purchasers of shares from the Issuer, as shown below. All purchases were from working capital of the purchasing entity. The dates of acquisition given below are believed to be accurate but in many cases are based on records of predecessor entities. Each share of Class B Stock was purchased from the Issuer as part of a **unit** consisting of one share of Class B Stock and one share of the Issuer's Class C non-voting common stock (**Class C Stock**) at a purchase price of \$20.00 per unit. All shares of Class C Stock were subsequently sold.

| Purchasing Entity | Number of Shares | Original Purchase Date |
|---|------------------|--|
| CoBank, ACB (f/k/a National Bank for Cooperatives (NBC)) | 250 | November 23, 1988 |
| Springfield Bank for Cooperatives (merged into NBC in 1995) | 250 | November 23, 1988 |
| Farm Credit Bank of Springfield (merged into NBC in 1995) | 30,936 | November 23, 1988 |
| St. Paul Bank for Cooperatives (merged into CoBank, ACB in 1999) | 250 | November 23, 1988 |
| AgAmerica Farm Credit Bank (transferred these shares to CoBank, ACB on January 1, 2003) | 30,594 | November 23, 1988 |
| | | (original purchasers were predecessors Farm Credit Bank of Spokane and/or Farm Credit Bank of Omaha) |
| Subtotal | 62,280 | |
| Less shares transferred to 13 Farm Credit Associations on March 19, 1990 | (1,300) | |
| Total | 60,980 | |

CoBank, ACB is also the indirect owner of 100,273 shares of Class B Stock currently held in the name of its subsidiary, CoBank, FCB. The shares held in the name of CoBank, FCB were previously in the name of U.S. AgBank, FCB (AgBank), which merged into CoBank, FCB on January 1, 2012. Those shares were originally acquired from the Issuer by AgBank's predecessors Farm Credit Bank of Wichita and Farm Credit Bank of Sacramento (later known as Western Farm Credit Bank). Each share was purchased from working capital and as part of a unit consisting of one share of Class B Stock and one share of Class C Stock for a purchase price of \$20.00 per unit. All shares of Class C Stock were subsequently sold.

Farm Credit Bank of Texas acquired 39,803 shares of Class B Stock from the Issuer on November 23, 1988. Each share was purchased from working capital and as part of a unit consisting of one share of Class B Stock and one share of Class C Stock for a purchase price of \$20.00 per unit. All shares of Class C Stock were subsequently sold. On March 28, 1991, Farm Credit Bank of Texas transferred ownership of 1,300 shares of Class B Stock to 13 Farm Credit Associations in its Farm Credit District leaving it with 38,503 shares of Class B Stock.

Item 4. Purpose of Transaction.

The Reporting Persons acquired their Class B Stock in accordance with the statutory framework creating the Issuer and not with any plans or purposes other than those set forth in the laws, rules and regulations governing the Issuer, including those requiring five directors of the Issuer to be elected by the Class B shareholders of the Issuer. None of the Reporting Persons intends to hold or vote their Class B Stock for any purpose other than to elect Class B directors to the Issuer's board of directors in accordance with applicable laws, rules and regulations.

Other than as set forth above, none of the Reporting Persons currently has plans to undertake any action that would require further disclosure under this Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) As of the date of this Schedule 13D, CoBank, ACB beneficially owns 163,253 shares of Class B Stock, representing 32.6% of the Class B Stock outstanding. This includes 100,273 shares of Class B Stock, or 20.0% of the Class B Stock outstanding, beneficially owned by CoBank, FCB, a wholly owned subsidiary of CoBank, ACB. As of the date of this Schedule 13D, Farm Credit Bank of Texas beneficially owns 38,503 shares of Class B Stock, representing 7.7% of the Class B Stock outstanding. Collectively, the Reporting Persons own approximately 40.3% of the Class B Stock outstanding. All of the foregoing percentages are based on 500,301 shares of Class B Stock outstanding on November 1, 2012, as reported in the Issuer's Form 10-Q for the period ended September 30, 2012.

(b) CoBank, ACB, as the owner of 100% of the outstanding stock of CoBank, FCB, may be deemed to share both voting power and dispositive power with respect to all of the Class B Stock beneficially owned by CoBank, FCB listed in response to Item 5(a). Otherwise, each beneficial owner of the shares listed in response to Item 5(a) solely owns such shares.

(c) The information set forth in Item 3 is incorporated by reference herein.

(d) No other person is known by the Reporting Persons to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, Class B Stock beneficially owned by any of the Reporting Persons.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

The Reporting Persons may be deemed to have entered into an understanding or arrangement with respect to voting their Class B Stock pursuant to which they will vote their Class B Stock in favor of their preferred nominees in the election of Class B directors to the Issuer's board of directors. Also, as described in Item 2 above, the Reporting Persons are all party to a joint filing agreement, a copy of which is attached hereto as Exhibit A and is incorporated by reference herein.

Item 7. Material to Be Filed as Exhibits.

| Exhibit | Exhibit Description |
|----------------|--|
| A | Agreement Regarding Joint Filing of Statement on Schedule 13D or 13G |

Signatures

After reasonable inquiry and to the best of my knowledge and belief, each of the undersigned certify that the information set forth in this statement is true, complete and correct.

CoBank, ACB

By: /s/ Robert B. Engel
Name: Robert B. Engel
Title: President and Chief Executive Officer

CoBank, FCB

By: /s/ Robert B. Engel
Name: Robert B. Engel
Title: President and Chief Executive Officer

Farm Credit Bank of Texas

By: /s/ Larry R. Doyle
Name: Larry R. Doyle
Title: Chief Executive Officer

Dated: February 25, 2013

SCHEDULE 1

EXECUTIVE OFFICERS AND DIRECTORS

OF

COBANK, ACB AND COBANK, FCB

The names and present principal occupation or employment of the executive officers and directors of CoBank, ACB and CoBank, FCB are as listed below. All positions at CoBank set forth below opposite an individual's name refer to positions with each of CoBank, ACB and CoBank, FCB. Unless otherwise specified, the business address for each person listed in the table below is c/o CoBank, 5500 South Quebec Street, Greenwood Village, CO 80111.

| Name | Present Principal Occupation (principal business of employer) | Business Address of Corporation or Other Organization in which such Employment is Conducted |
|-------------------------|--|---|
| Robert B. Engel | President and Chief Executive Officer of CoBank | |
| David P. Burlage | Chief Financial Officer of CoBank | |
| Mary E. McBride | Chief Banking Officer of CoBank | |
| Lori L. O'Flaherty | Chief Credit Officer of CoBank | |
| Gregory E. Somerhalder | Chief Risk Officer of CoBank | |
| John Svisco | Chief Administrative Officer of CoBank | |
| Ann Trakimas | Chief Operating Officer of CoBank | |
| Everett M. Dobrinski* | Owner and operator of Dobrinski Farms, a cereal grain and oilseed farm | 33200 366 th St SW Makoti, ND 58756 |
| Daniel T. Kelley* | Owner and operator of Kelley Farms, a corn and soybean operation | 2633 N Linden St Normal, IL 61761 |
| Mary E. Fritz* | Owner and operator of Quarter Circle JF Ranch, Inc., a dry land grain and cow/calf operation | 3200S Fritz Rd Chester, MT 59522 |
| Gene J. Batali* | Retired | 612 Follow Through Dr Yakima, WA 98901 |
| Robert M. Behr* | Chief Operating Officer, Citrus World, Inc. | PO Box 1111 Lake Wales, FL 33859 |
| Robert W. Bray* | Owner and operator of Bray Ranches, a farming and ranching operating and big game hunting business | PO Box 65 Redvale, CO 81431 |
| Oghi A. DeGiusti* | Owner and operator of DeGiusti Farms, an alfalfa, grass, hay, wheat and cow/calf stocker operation | 1514 N Morgan Rd Tuttle, OK 73089 |
| William M. Farrow III* | President of Urban Partnership Bank | 225 W Washington, Suite 2200 Chicago, IL 60606 |
| John L. Guthrie* | Owner and operator of a cow/calf and stocker cattle ranch and a diversified farming operation | 341 N 3 rd St Porterville, CA 93257 |
| William H. Harris, Jr.* | Owner and operator of Harris Farms, a cash crop farming operation | 10018 Asbury Road LeRoy, NY 14482 |
| Erik N. Jacobson* | Owner of RG Solutions, LLC, a consulting firm | 3492 NW Braid Dr |

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| | | |
|---------------------|---|---|
| James A. Kinsey* | Owner and operator of Kinsey's Oak Front Farms, a purebred Angus seed-stock operation | Bend, OR 97701 Route 1, Box 169 |
| George B. Kitchens* | General Manager and CEO of Joe Wheeler EMC, an electric distribution cooperative | Flemington, WV 26347 25700 Alabama Highway 24 Trinity, AL 35673 |

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| | | |
|-----------------------|--|---|
| David J. Kragnes* | Owner and operator of a wheat, sugar beet, soybean and corn farm | 10600 60 th Street N Felton, MN 56536 |
| James R. Magnuson* | General Manager and CEO of Heart of Iowa Cooperative, an agricultural grain marketing and farm supply cooperative | 13585 620 th Avenue Roland, IA 50236 |
| J. Scott Markham* | Owner and operator of Markham Farms, Inc., a corn, dairy heifer and beef operation | 3513 West Road Constableville, NY 13325 |
| Jon E. Marthedal* | Owner and operator of Marthedal Farms, producing grapes, raisins and blueberries | 8180 S Orange Avenue Fresno, CA 93725 |
| Gary A. Miller* | President and Chief Executive Officer of GreyStone Power Corporation, an electric membership cooperative | PO Box 897 Douglasville, GA 30133 |
| Catherine Moyer* | CEO and General Manager for Pioneer Communications, a telephone and communications company | 120 W Kansas Avenue Ulysses, KS 67880 |
| Alarik Myrin* | President of Myrin Ranch, Inc. and Myrin Livestock Co. LLC, a family cattle operation | HC 65 Box 30 Altamont, UT 84001 |
| David S. Phippen* | Partner in Travaille & Phippen, Inc., an almond grower and processing company | 12700 Graves Road Manteca, CA 95336 |
| Ronald J. Rahjes* | Director of Wesley J. Rahjes and Sons, Inc., a farm producing wheat, corn, soybeans and grain sorghum | 602 N Main Kensington, KS 66951 |
| David L. Reinders* | Chief Executive Officer of Sunray Coop, a diversified farmer owned grain cooperative | 1001 N Main Sunray, TX 79086 |
| Clint E. Roush* | Owner and operator of Clint Roush Farms, Inc., a farm producing wheat, alfalfa, and feeder cattle | 9672 U.S. Highway 183 Arapaho, OK 73620 |
| Barry M. Sabloff* | General Partner of the Sabloff Family Limited Partnership | 280 White Oak Lane Winnetka, IL 60093 |
| Richard W. Sitman* | Owner and operator of a retail company in the rental and storage business | 172 Crooked Creek Road Kentwood, LA 70444 |
| Kevin A. Still* | President and Chief Executive Officer of Co-Alliance, LLP, a partnership of five supply, production and marketing cooperatives | 5250 E U.S. Highway 36 Building 1000 Avon, IN 46123 |
| Scott H. Whittington* | General Manager of Lyon-Coffey Electric Cooperative, an electric distribution cooperative | 1013 N 4 th Street Burlington, KS 66839 |

* Director of CoBank, ACB and CoBank, FCB.

EXECUTIVE OFFICERS AND DIRECTORS
OF**FARM CREDIT BANK OF TEXAS**

The names and present principal occupation or employment of the executive officers and directors of Farm Credit Bank of Texas are as listed below. Unless otherwise specified, the business address for each of the persons listed below is c/o Farm Credit Bank of Texas, 4801 Plaza on the Lake, Austin, TX 78746.

| Name | Present Principal Occupation (principal business of employer) | Business Address of Corporation or Other Organization in which such Employment is Conducted |
|-------------------------|---|--|
| Larry R. Doyle | Chief Executive Officer of Farm Credit Bank of Texas | |
| Kurt Thomas | Senior Vice President and Chief Credit Officer of Farm Credit Bank of Texas | |
| Kyle Pankonien | Senior Vice President, General Counsel of Farm Credit Bank of Texas | |
| Amie Pala | Chief Financial Officer of Farm Credit Bank of Texas | |
| Allen Buckner | Chief Operations Officer of Farm Credit Bank of Texas | |
| Stan Ray | Chief Administrative Officer of Farm Credit Bank of Texas | |
| Susan Wallar | Chief Audit Executive of Farm Credit Bank of Texas | |
| James F. Dodson** | President of Dodson Farms, Inc. & Dodson Ag, Inc., a family cotton and grain operation | 4222 FM 665 Robstown, TX 78380 7006 CR 138 |
| Lester Little** | A farmer and custom farm operator | Hallettsville, TX 77964 3121 Billy the Kid Road |
| Ralph W. Cortese** | President of Cortese Farm and Ranch, Inc., a farming and ranching operation | Ft. Sumner, NM 88119 5630 Bean Road |
| Brad C. Bean** | Owner and operator of a dairy farm | Liberty, MS 39645 322 Farrell Road |
| Elizabeth G. Flores** | Partner in a ranching and real estate limited partnership and serves on the Inst. for Mexicans Abroad | Laredo, TX 78045 PO Box 1 |
| Jon M. Garnett** | President of Garnett Farms, Inc., a grain, forage and stocker cattle operation | Spearman, TX 79081 7854 Anselmo Lane |
| Dr. William F. Staats** | Retired professor emeritus of finance at Louisiana State University | Baton Rouge, LA 70810 |

** Director of Farm Credit Bank of Texas.

EXHIBIT A

AGREEMENT REGARDING JOINT FILING

OF STATEMENT ON SCHEDULE 13D OR 13G

The undersigned agree to file jointly with the Securities and Exchange Commission (the SEC) any and all statements on Schedule 13D or Schedule 13G (and any amendments or supplements thereto) required under Section 13(d) of the Securities Exchange Act of 1934, as amended, with respect to the Class B voting common stock of Federal Agricultural Mortgage Corporation.

CoBank, ACB

By: /s/ Robert B. Engel
Name: Robert B. Engel
Title: President and Chief Executive Officer

CoBank, FCB

By: /s/ Robert B. Engel
Name: Robert B. Engel
Title: President and Chief Executive Officer

Farm Credit Bank of Texas

By: /s/ Larry R. Doyle
Name: Larry R. Doyle
Title: Chief Executive Officer

Dated: February 25, 2013