

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N.Y. 10045

AREA CODE 212-720-5000

March 31, 1988
Clearing Memo #138

Memorandum to Institutions Maintaining
Direct Wire Facilities with the Federal Reserve
Bank of New York For Securities Transfer:

RE: Book-Entry Services Provided for the Federal
Farm Credit Banks

The Federal Farm Credit Banks will begin issuing medium-term bonds in book-entry form in the near future. The Federal Reserve Bank of New York (FRBNY) has been named Fiscal Agent with respect to these obligations.

These obligations will be handled by FRBNY's securities transfer system. Transfers of the securities will be governed by the same procedures and prices applicable to transfers of other non-Treasury book-entry securities. The obligations will be transferable nationwide upon issuance.

A. CUSIP Number/Security Description

The security will be assigned a unique nine character CUSIP number. The security description field (line 8 of the securities message) will include the interest rate, the alpha mnemonic (FCBD), the year of the maturity date and the series. An example of this is "10 3/8 FCBD 88 A".

B. Denominations

The minimum and multiple denominations will be announced with the issue.

C. Original Issue

On the original issue settlement date, the Federal Farm Credit Banks Funding Corporation will transmit the securities through the securities transfer system to depository institutions (DIs). The original issue will be effected by sending a type code 25 message (Reversal Code 2502) which will transfer the securities against payment to the purchaser's account from the Farm Credit issuer account.

D. Secondary Market Transactions

These transfers will be effected using the standard type code 20 message, and will be governed by the same procedures and prices applicable to transfers of other non-Treasury book-entry securities.

E. Principal and/or Interest Payment

The principal and/or interest payments for the securities will be automated. On the payment date, FRBNY will wire proceeds via type codes 89 and 8906 respectively, to book-entry account holders. The procedures for processing these payments will be the same as those presently in place for effecting payments for other book-entry non-Treasury securities.

Questions regarding this announcement should be directed to Pat Hilt-Lupack, Manager, Securities Transfer Department, on (212) 720-5379.

Sincerely,



Carol W. Barrett
Vice President