

FEDERAL RESERVE BANK OF NEW YORK
EAST RUTHERFORD OPERATIONS CENTER
100 ORCHARD STREET
EAST RUTHERFORD, N.J. 07073
AREA CODE 201-531-3000

May 18, 2000
Clearing Memo #214

TO: Memorandum to All Institutions Maintaining Direct
Wire Facilities with the National Book-Entry System

RE: Expansion of Book-Entry Services for the Federal
Agricultural Mortgage Corporation (Farmer Mac)

The Federal Agricultural Mortgage Corporation (Farmer Mac) will begin issuing mortgage-backed securities (MBS) with a principal & interest (P&I) remittance on the 15th calendar day of each month. In this connection, the Federal Reserve Banks have been named fiscal agent with respect to these securities.

The record date of these new securities will be the last business day of the month and the payment date will be the 15th day of the following month (or the next business day if the 15th is a holiday or falls on a weekend).

The new securities will be processed by the Federal Reserve's National Book-Entry System (NBES). Transfers of these obligations will be governed by the same procedures

and fees applicable to transfers of other book-entry securities. These securities are transferable nationwide upon issuance.

A. CUSIP NUMBER/SECURITY DESCRIPTION

Each security will be assigned a unique nine-character CUSIP number. An example of the security description is "FFPA AA0001 A".

B. DENOMINATIONS

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

C. ORIGINAL ISSUES

On the original issue settlement date, Farmer Mac will transmit the securities through the securities transfer system to depository institutions (DIs). The original issue will be effected by sending a Type Code 2500 message (Reversal Code 2502) which will transfer the securities against payment to the purchaser's account from the Farmer Mac issuer account.

D. SECONDARY MARKET TRANSACTIONS

Transfer will be at par amount and effected using the standard Type Code 2000 message.

E. PRINCIPAL AND INTEREST PAYMENTS

The principal and/or interest payments for these securities will be automated. The principal and/or interest payments will be made via a Type Code 8906 wire. The maturing securities will be withdrawn electronically on the payment date via Type Code 8900. The payment details will be available in the Notification of P&I Credit Non-Immediate report that will be available on or about the 6th calendar day of the month.

Questions regarding this announcement should be directed to Belinda Williams, Information/Technical Support Specialist, Electronic Payments on 201-531-3155.

Very truly yours,



Gary M. Bertone
Assistant Vice President
Electronic Payments Function