



NEWS RELEASE

COBANK ANNOUNCES DROUGHT ASSISTANCE INITIATIVES

*Program Includes Expedited Review For Drought-Related Loan Requests
And Support For Affiliated Associations' Local Drought-Assistance Efforts*

*Bank Will Also Contribute \$1 Million To Feeding America
In Support Of Hunger-Relief Programs*

DENVER (September 13, 2012) — CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States, announced today that it is launching new initiatives to assist agricultural borrowers and others impacted by the 2012 drought.

CoBank's base of customers includes hundreds of grain and farm supply cooperatives in the central region of the country as well as a large number of customers in the protein and dairy sectors, where impacts from the drought have been the worst. In addition, the bank's affiliated Farm Credit associations serve over 70,000 individual farmers and ranchers in 23 states across the U.S., including many drought-impacted areas.

"We're committed to supporting our customer-owners at a time of significant challenge for U.S. agriculture," said Robert B. Engel, CoBank's president and chief executive officer. "Our agribusiness customers are, in general, in good financial condition and accustomed to dealing with weather-related volatility that is a fact of life for their industry. The same is true of the farmers and ranchers who borrow from our affiliated Farm Credit associations. But we believe having this program in place will help us better fulfill our mission as the impacts of this historic drought are felt over the balance of the year."

CoBank's drought relief initiatives will include expedited review and processing of any customer's loan request stemming from the drought, as well as working collaboratively with borrowers experiencing drought-related distress on a case by case basis. In addition, the bank will partner with its affiliated associations to provide support for local drought relief programs established to assist farmers, ranchers and other rural borrowers within their individual service territories.

"As a cooperatively owned, mission-based lender, CoBank's core purpose is to provide dependable credit for agriculture and the other vital industries we serve in rural America," Engel said. "Our customers should know that the bank is prepared to help them manage through this difficult period so they can continue to grow and be successful over the long term."

Yesterday, CoBank and the nation's three other Farm Credit banks issued a joint statement on the drought. The banks said that, despite the challenges presented by the drought, the Farm Credit System remains well positioned to meet the financial needs of the farmers, ranchers, cooperatives and other rural borrowers. The full text of the statement is available [here](#).

Also today, CoBank announced it will contribute \$1 million to Feeding America, the nation's leading hunger relief charity. The funds will be designated to support programs in areas of the country where the bank and its affiliated associations have significant operations.

"One of the unfortunate side effects of the drought has been a growing concern over increasing prices for a variety of food products at a time when unemployment remains stubbornly high," Engel said. "We want to do our part to alleviate the downside effects of a weak economic recovery coupled with potentially higher food prices, particularly on the poor. We're pleased to be able to underwrite Feeding America with this contribution and support their work on behalf of needy people across the country."

"Across the U.S., more than 50 million people face hunger, and rising food prices threaten to make it even harder for them to put food on the table," said Matt Knott, interim president and CEO of Feeding America. "We're deeply grateful to CoBank for this donation, which will help us provide more meals to people in need."

About CoBank

CoBank is a \$90 billion cooperative bank serving vital industries across rural America. The bank provides loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving more than 70,000 farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture and the nation's rural economy. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.

For more information about CoBank, visit the bank's web site at www.cobank.com.

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