



NEWS RELEASE

CoBank Shareholders Approve Amendments To Governance Bylaws

DENVER (June 18, 2015) – CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States, today announced that shareholders have approved board-proposed amendments to the bank’s governance bylaws.

The changes will begin to take effect on January 1, 2016, and include the following:

- Gradually reducing the number of elected directors on the board from 24 to 14 over a four-year transition period concluding in 2020;
- Increasing the maximum number of appointed directors from three to four, in order to provide the board with more flexibility to fill in experience and industry representation gaps. In addition, the board will continue to have two outside directors with no customer or Farm Credit System affiliations; and,
- Modifying director experience requirements to create better balance between board members with agricultural, Farm Credit and rural infrastructure experience.

The bylaw amendments, which had been recommended by the board following a governance review in 2014, were approved by substantial majorities of shareholders on both a one-member-one-vote basis and a modified equity basis. Under the new governance structure, the bank will maintain its current six voting regions, as well as an even balance between one-member-one-vote and modified equity seats.

“On behalf of our entire board, I would like to thank our customer-owners for their ongoing support of CoBank,” said Everett Dobrinski, chairman of the board. “Strong board oversight is a hallmark of the cooperative model and an important component of CoBank’s business and financial success. Our goal with this restructuring is to ensure we remain aligned with governance best practices as well as the needs of the rural industries we serve.”

CoBank’s bylaws require that the board formally review its governance structure and practices every five years. In 2014, the board appointed a Restructuring Committee to examine every key aspect of governance at CoBank, including board size, director terms, voting methods, the number and geography of voting regions, and eligibility requirements for director candidates. The committee included an equal number of current board members and non-board customer representatives.

About CoBank

CoBank is a \$106 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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