



NEWS RELEASE

CoBank Shareholders Approve Bylaw Amendments And Preferred Stock Revolver

DENVER (December 19, 2016) – CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States, today announced that shareholders have approved an amendment to the bank’s capitalization bylaws and a preferred stock revolver that provide increased capital flexibility regarding the use of preferred stock.

Previously, the bank’s capitalization bylaws limited CoBank to \$1.5 billion in outstanding preferred stock at any one time. The bylaw amendment and preferred stock revolver, which had been endorsed by the board of directors, increase the cap to \$2.5 billion and provide shareholder authorization for the bank to issue preferred stock on an as-needed basis up to the new limit through December 31, 2026. Any preferred stock issuances would still require approval from CoBank’s board of directors and its independent regulator, the Farm Credit Administration.

“We’re delighted that our shareholders have approved these measures,” said Bob Engel, chief executive officer. “Preferred stock is a critically important financial tool that enables us to supplement member capital and retained earnings in order to enhance the lending capacity of the bank. We deeply appreciate the support of our customer-owners as we continue to focus on meeting their borrowing needs in all market conditions.”

CoBank shareholders also approved a governance bylaw amendment related to industry experience requirements for directors. The amendment clarified the board’s responsibility to utilize the nominating committee charge and/or the appointment process, as necessary, to address any experience requirements that may become lacking in the future.

About CoBank

CoBank is a \$120 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 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, rural infrastructure and rural communities. 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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