

HEARING TO CONSIDER THE NOMINATIONS OF
ELISABETH HAGEN, M.D., CATHERINE E.
WOTEKI, SARA LOUISE FAIVRE-DAVIS, LOWELL
LEE JUNKINS, AND MYLES J. WATTS, FOR
RESPECTIVE POSITIONS WITH THE USDA AND
FEDERAL AGRICULTURAL MORTGAGE COR-
PORATION

HEARING
BEFORE THE
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY
UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

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MAY 27, 2010
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**HEARING TO CONSIDER THE NOMINATIONS
OF ELISABETH HAGEN, M.D., CATHERINE E.
WOTEKI, SARA LOUISE FAIVRE-DAVIS, LOW-
ELL LEE JUNKINS, AND MYLES J. WATTS,
FOR RESPECTIVE POSITIONS WITH THE
USDA AND FEDERAL AGRICULTURAL MORT-
GAGE CORPORATION**

Thursday, May 27, 2010

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC

The committee met, pursuant to notice, at 9:30 a.m., in Room 328A, Russell Senate Office Building, Hon. Blanche Lincoln, Chairman of the committee, presiding.

Present or submitting a statement: Senators Lincoln, Casey, Chambliss, Baucus, Gillibrand, Klobuchar and Lugar.

**STATEMENT OF HON. BLANCHE L. LINCOLN, U.S. SENATOR
FROM THE STATE OF ARKANSAS, CHAIRMAN, COMMITTEE
ON AGRICULTURE, NUTRITION, AND FORESTRY**

Chairman LINCOLN. Good morning. It is a pleasure to bring the committee together today for a hearing that is critically important to my home State of Arkansas and the whole country. The committee is considering five nominations for positions of vital importance to all Arkansans and all Americans who produce, process, or consume agricultural products and who care about and invest in our rural economy.

One of the Senate's key constitutional obligations is to advise and give consent on nominations, and we take this job very seriously, not only because our system of checks and balances is so important, but because the sooner we confirm qualified members and nominees, the sooner they can go to work.

Before I get to the introductions, I want to welcome all of our nominees, their families and friends to the committee today. I also want my congratulations for your respective nominations, which represent the hard work, the academic achievement, the experience and standard of professional excellence demanded of these positions, and we are grateful that you are willing to offer yourself for public service in these important capacities.

Today, we will have two panels and we will be under a time crunch, knowing that there are going to be votes on the floor. I will introduce the first panel from USDA and then proceed with open-

ing statements and questions. We will proceed to the second panel with the same format. In the interest of time, I should ask each witness to briefly summarize their statement, as your full statement will be made a part of the committee's record.

I would like to recognize Senator Casey, who is going to introduce Dr. Hagen.

**STATEMENT OF HON. ROBERT P. CASEY, JR., U.S. SENATOR
FROM THE STATE OF PENNSYLVANIA**

Senator CASEY. Thanks, Madam Chair. We are grateful to have this opportunity. There are some Pennsylvania connections here, as you can imagine.

Chairman LINCOLN. Yes.

Senator CASEY. But I wanted to just briefly review Dr. Hagen's record. She is the Chief Medical Officer in the United States Department of Agriculture's Office of Food Safety, where she advises the USDA missionaries on human health matters, including food safety, nutrition, and other matters. She was previously in the USDA Food Safety and Inspection Service helping to oversee the scientific agenda for meat and poultry inspection as well as public health at the Department.

Before joining the Federal Government in 2006, she worked in private practice in the academic sectors, specializing in infectious disease and internal medicine. She holds her medical degree from Harvard Medical School and a Bachelor of Science degree from St. Joseph's University in Philadelphia, Pennsylvania. My daughter is a student there, so I wanted to make sure we highlighted that, as well.

Dr. Hagen completed her specialty medical training at the University of Texas-Southwestern and the University of Pennsylvania. She is board certified in infectious disease. She was drawn to community service while she was in college at St. Joe's. She became involved with multiple service projects in inner-city Philadelphia as well as in Mexico. She spent one year as a post-graduate volunteer in Central America, where she deferred her admission to Harvard Medical School. She lived in an orphanage in rural Honduras, working in the clinic there providing health care to children in the surrounding villages.

We are so grateful that she has been willing to put herself for public service. I know that her mom and dad, Jim and Ann, are here. We are grateful for their presence. I won't go through all family members, but we are so grateful that she is continuing her public service.

I could say a lot more, but in the interest of time, I know we have to move forward. Dr. Hagen, thank you very much.

Chairman LINCOLN. Thank you, Senator Casey.

Having met with Dr. Hagen and being married to a research physician, it was a great opportunity to get to know her better and understand the importance of the mission of USDA. There is no greater mission, quite frankly, than maintaining the safety of our nation's commercial meat, poultry, and egg product supply. With recent highly publicized food safety incidents, I think, creating fear and uncertainty, keeping the public's faith in the integrity of our food system will require increased coordination with all relevant

agencies, especially FDA, and it is going to require certainly the diligence and effective use of all the tools at the Service's disposal, including the rulemaking to implement new authorities created by Congress.

As Dr. Hagen knows, I look forward to the USDA's catfish inspection rule that was mandated months ago in the 2008 farm bill. We look forward to working with the agency.

Dr. Catherine Woteki is nominated by the President to fill the position of Under Secretary of Agriculture for Research, Education, and Economics. She has previously served as Under Secretary of Agriculture for Food Safety, as Dean of Agriculture at Iowa State University, and most recently as Global Director of Scientific Affairs at Mars, Incorporated, a major confectionery and food manufacturer headquartered at McLean, Virginia.

If confirmed, Dr. Woteki would be in charge of four different agencies at USDA, each with complementary missions. The National Institute of Food and Agriculture is charged with providing linkages between USDA and land grant-based agricultural education and research programs. We all here on the Agriculture Committee have great respect for those land grant agricultural education institutions, as well as the highly regarded State Cooperation Extension System, which many of us grew up in.

So the Agricultural Research Service has responsibility for conducting intramural agricultural research in areas such as crop and livestock production, crop protection, food safety, and water efficiency and usage. The National Agricultural Statistics Service is charged with collecting and publishing on a timely basis data on the state of the U.S. agricultural economy. And finally, the Economic Research Service is charged with providing information and analysis on agriculture, food, the natural environment, and rural development issues. It sounds like an awful lot to be on your plate, Dr. Woteki.

Ranking Member Chambliss is not able to be with us today, but he has provided a statement that will be included in the record.

[The prepared statement of Senator Chambliss can be found on page 19 in the appendix.]

Chairman LINCOLN. If we can, we will move to the witnesses' testimony, unless there are other comments from the members that are here today.

Senator KLOBUCHAR. Madam Chair, I just want to thank you for your leadership in these two areas, with not just food safety, but also nutrition. I hope Dr. Woteki touches on that. I met with Dr. Hagen and was very impressed. As you know, I believe that one of our number one goals this summer should be to pass the food safety bill, the bipartisan bill in the Senate. We have worked so hard on that and Minnesota plays a role in that we caught both of the recent foodborne illness issues, the jalapeno peppers as well as the peanut butter, and it didn't get solved until someone got sick or died in Minnesota. While I am proud of our work, I think we need to use that model more across the country so that we can save more lives and do a better job with food inspections and look forward to hearing from you, Dr. Hagen.

Chairman LINCOLN. Great. We all do agree that food safety is something we have to get done.

Of course, Senator Lugar is joining us today. He is certainly one of my mentors and many others in terms of both his involvement with dealing with hunger, but also food safety and so many other issues, and we appreciate it.

Before we begin the testimony, we need to swear in the witnesses, if you all will please rise and raise your right hand.

Do you swear that the testimony you are about to present is the truth, the whole truth, and nothing but the truth?

Dr. HAGEN. I do.

Ms. WOTEKI. I do.

Chairman LINCOLN. Secondly, do you agree that, if confirmed, you will appear before any duly constituted committee of Congress if asked?

Dr. HAGEN. I do.

Ms. WOTEKI. I do.

Chairman LINCOLN. Great. Thank you very much, and if you all would please proceed to your testimony. Dr. Hagen?

**TESTIMONY OF ELISABETH A. HAGEN, M.D., OF VIRGINIA,
NOMINEE TO BE UNDER SECRETARY OF AGRICULTURE FOR
FOOD SAFETY, U.S. DEPARTMENT OF AGRICULTURE**

Dr. HAGEN. Thank you, and good morning.

Chairman LINCOLN. Good morning.

Dr. HAGEN. Madam Chairman and members of the committee, I thank you for inviting me here to testify today. It is a great honor to be nominated by President Obama to be the Under Secretary for Food Safety at the U.S. Department of Agriculture and to have Secretary Vilsack place his confidence in me to lead this crucial mission. Thank you, Senator, for your kind words and for the great work that you do for the people of Pennsylvania and the nation.

There are a host of reasons why I hope to serve in this position. First and foremost, I truly believe in the critical public health mission of the Food Safety and Inspection Service, FSIS. To me, there are no functions of government more important than those that protect the safety of its people. FSIS is responsible for ensuring that tens of billions of pounds of meats, poultry, and processed egg products each year are safe and properly labeled. The work of this agency has a profound impact on public health, and if confirmed, I will take very seriously this responsibility to protect consumers.

As the mother of two young children, I know that mix of hope and worry that all parents experience as we try to give our kids everything they need to lead happy and healthy lives. Like parents everywhere, I am hard-wired to protect my kids from harm. So for me and for all of us, the idea that something so fundamental as feeding our children could actually harm them is frightening.

But yet thousands of families each year experience this awful reality. They watch as their children become gravely ill and even die from contaminated food. As a mom, it is hard to comprehend the unspeakable pain of losing a child to foodborne illness. These stories of family heartbreak bring into sharp focus the importance of the food safety mission at USDA.

My background and experience in medicine, public health, and food safety has prepared me to lead an agency responsible for the safety of a large portion of the food supply. The work performed by

FSIS is integrally linked to science and public health, and understanding pathogens like salmonella and E. coli and their impact on health is an essential first step.

I have been a student of human microbe interactions in various ways for over half of my life, first as an undergraduate researcher, then as a volunteer in Honduras, where I ran a small rural clinical laboratory, later in my medical subspecialty training and practice, and more recently in the Office of Public Health Science at FSIS, where my work included oversight of the laboratory system, testing programs, and outbreak investigations.

As an internist and infectious disease specialist, I have led clinical research on infection risks in cancer and transplant patients, and I have personally treated and cared for many victims of foodborne illness and I know very well how these pathogens can devastate the human body and shatter families.

Since 2006, it has been my privilege to work for USDA's Food Safety and Inspection Service. I understand well the challenges of pathogen reduction and the hazards associated with the production of meat and poultry. As a public health and science leader at FSIS, I have played a major role in efforts to address emerging issues, to improve outbreak investigations, and to communicate risk effectively. If confirmed, I look forward to using this experience to build strong science-based public health policy.

A growing chorus of support for food safety reform from consumers, public health partners, and industry in recent years tells us that we have a historic opportunity to make real progress. President Obama made clear his commitment with the creation of the Food Safety Working Group in 2009. This effort put the Federal Government on a path toward a system anchored in prevention, improved inspection and enforcement, and more rapid response to outbreaks.

Leading the charge at USDA is Secretary Vilsack, who is committed to driving down rates of foodborne illness. He has directed FSIS to review from top to bottom its entire system for ensuring food safety. If confirmed, I will hold us to the Secretary's commitment. We will need to ask the hard questions, to build upon our successes, to acknowledge our failures, and look to the science to move us forward.

We thoroughly face challenges and there is more to do. But regardless of these challenges, consumers rightfully expect that the food they put on their tables will be safe. Recurrent outbreaks from contaminated food endanger not only the public's health, but their trust. We can and we must do better. If confirmed, I assure you that I will work every day with that as my mandate.

Lastly, I would like to say that Secretary Vilsack has made clear his commitment to civil rights and to a USDA where employment and program practices are fair and open to all. I share Secretary Vilsack's commitment and, if confirmed, will not tolerate discrimination in any form in the food safety mission area at USDA.

I would again like to thank you, Madam Chairman and members of the committee, for the opportunity to appear here today. If confirmed, I look forward to working with each of you and I pledge to you that I will be open and responsive to your concerns. This nomi-

nation by the President is truly humbling and it would be my great honor to serve.

Finally, I would like to thank my husband, Dan, whose love and partnership make all things possible for me and our family, for my mom and dad for their lifetime of unconditional support, and my children, Ned and Nora, who remind me every day why all this matters so very much.

Thank you.

[The prepared statement of Dr. Hagen can be found on page 27 in the appendix.]

Chairman LINCOLN. Thank you so much, Dr. Hagen.

Dr. Woteki?

**TESTIMONY OF CATHERINE E. WOTEKI, OF WASHINGTON, DC,
NOMINEE TO BE UNDER SECRETARY OF AGRICULTURE FOR
RESEARCH, EDUCATION, AND ECONOMICS, U.S. DEPARTMENT OF AGRICULTURE**

Ms. WOTEKI. Good morning, Madam Chairman and members of the committee. I am pleased to appear before you today as President Obama's nominee to the position of Under Secretary for Research, Education, and Economics in the U.S. Department of Agriculture.

Since I left government service nine years ago, I have had the opportunity to spend a lot of time talking with students, high school students who are thinking about what they want to do with the rest of their lives and college students, and to talk to them about their career aspirations as well as what is worrying them—concern about their families, their communities, and their general concerns about the future of the planet.

I steered them to consider studying the agricultural sciences based on my firm belief in the importance of the agricultural sciences to America's future. Our economic energy and national security rely on them. The healthfulness and safety of our food supply relies on these sciences, and the quality of our environment. And also on recognition that the world looks to America's research as necessary for international food security.

The Food Conservation and Energy Act of 2008 also recognized the central importance of agricultural research, education, and extension and set a new course for USDA's science and education programs. Much has been done since enactment of that law and much remains to be done.

If confirmed, I look forward to working with Secretary Vilsack and with Dr. Roger Beachy, head of the National Institute of Food and Agriculture and a world renowned expert in plant biology, to fulfill the Congress's vision to advance knowledge for agriculture, the environment, human health and well-being, and communities through integrated research, education, and extension programs.

I would also look forward to fulfilling the responsibilities of the Chief Scientist, assuring that Secretary Vilsack and President Obama receive scientific advice to inform their policy decisions and assuring the efficient use of resources, knowledge sharing, and cooperation across agencies and the Federal Government.

Should I be confirmed, I will bring to this position dedication to scientific excellence, a track record of contribution to science-based

policies, a focus on science-based solutions, commitment to an efficient infrastructure, and experience in administering large, complex programs.

The agencies in the REE mission area are recognized globally as centers of excellence in their respective scientific fields. ARS is ranked as the premier agricultural research institution in the world, and our land grant university system is recognized as an engine of economic growth in each of the States in which the land grant universities are also providing a source of fundamental and applied knowledge that is of such importance to the citizens of those States. If confirmed to the position of Under Secretary for REE, my highest priority will be maintaining and enhancing the excellence of these programs and agencies.

I would also bring to this position a track record of contributing to science-based policy decisions. I am committed to obtaining the highest impact we can achieve from the investment that the American people make in agricultural research and to assure that the research infrastructure is efficient and responsive to farmers' needs. That means focusing on our country's highest priorities, leveraging external resources, and providing oversight to assure that the REE agencies are following through on their plans and on their commitments. If confirmed, I will continue to place very high priority on crop, livestock, and production systems research that our farmers rely on and to enhance the partnerships with universities and Federal agencies that will assure future success for American farmers and rural communities.

Finally, I bring an extensive experience in administering large, complex research organizations. The agenda for change that is laid out in the 2008 farm bill has much yet to be done, and should I be confirmed, I am committed to seeing its vision for the future accomplished in an efficient as well as a transparent manner.

Madam Chairman, I want to conclude by thanking President Obama and Secretary Vilsack for their confidence in me and by thanking you and the members of this committee for the opportunity to appear before you today.

I would also like to thank my family. My mother, Regina O'Connor, is here with me. My husband and my father, unfortunately, are not able to be here today, but I have a number of friends in the audience, as well. I want to thank them for their support and encouragement.

I also look forward to answering any questions you may have. Thank you.

[The prepared statement of Ms. Woteki can be found on page 32 in the appendix.]

Chairman LINCOLN. Thank you, Dr. Woteki, and again, the committee would like to welcome your family members and supporters, as well. I noticed the two youngest have been extremely well behaved and that is quite a compliment, quite a compliment.

Just two brief questions from me, one for each of you all, and then I will turn to my colleagues on the committee.

Dr. Hagen, I know this won't come as a surprise. The FDA has been inspecting only roughly two percent of catfish that is entering the country. There are numerous examples of fish from other countries failing inspection and being denied entry into the U.S. I be-

lieve that this is one of the more pressing food safety concerns that exists right now, certainly for that category, but certainly a precedent for others, as well.

In the 2008 farm bill, catfish inspection regulations were authorized to move to FSIS. What is the status of the regulations to begin these inspections and what do you believe you can do or intend to do to address the development of regulations regarding that catfish inspection?

Dr. HAGEN. Thank you, Senator, for your question, and I know that this is an important issue to you and to your State and really to other members of the committee. As you state, statutory authority was transferred from FDA to USDA with the 2008 farm bill regarding the inspection of catfish. FSIS is responsible for establishing the regulations to make catfish an amenable species under the Federal Meat Inspection Act and has developed a proposed rule which is, as I understand, with the Office of Management and Budget right now under review.

I know that USDA has not met your expectations and has not met the expectations of Congress in terms of meeting the deadline. That deadline has come and gone. And I assure you that if I am confirmed, it will be a highest priority to immediately review where we are on this and to move that regulation forward.

Chairman LINCOLN. I appreciate that, and I do share your concern that food safety is a critical issue. With two boys, I have that same reminder at home, of how important it is to all of our families, so I thank you. Thank you, Dr. Hagen.

Dr. Woteki, the farm bill mandated REE reorganization, the creation of the National Institute of Food and Agriculture. How do you see the future opportunities to support and expand the base funding for land grant institutions? I know many of us have really great interest in that.

Dr. WOTEKI. Are you referring, Senator, to the formula funds?

Chairman LINCOLN. Yes.

Dr. WOTEKI. Well, the formula funds are very important to the land grant university system and to the long-term partnership that exists between the U.S. Department of Agriculture and the land grant universities. The funds provide for broad-based capacity and they support that capacity both for agriculture at the local and State as well as regional level and also related sciences in the natural resources area. They facilitate rapid response. They provide for a way of facilitating multi-university, multi-institutional collaborations. So they are very important for maintaining the infrastructure within our system of agriculture and natural resources research, education, and economics.

My commitment is to maintaining the formula funding because it is such an important part of our agricultural research, education, and extension infrastructure.

Chairman LINCOLN. Well, it certainly is, and I know that many of us from States with land grant institutions feel that. We often-times have to supplement it and work hard to find extra dollars to be able to meet those needs. So certainly the support is important, but looking for ways to expand the base of that funding and how we can get more out there to help these land grant institutions continue their good work is a great opportunity. Thank you very much.

I will turn now to Senator Casey.

Senator CASEY. Thank you very much.

Dr. Hagen, I wanted to ask you about a bill I introduced with Senator Grassley, the Eat Safe Act. It is a bill we have introduced in this session of Congress and the focus of that is on smuggled food. In particular, one of the authorizations in the bill is \$10 million for USDA's Food Safety and Inspection Service to increase the number of full-time field investigators and surveillance officers and others that do that kind of work.

I just wanted to get your sense of where we are, even prior to the passage of that kind of legislation, where we are as it relates to those kinds of efforts at the border to try to prevent smuggling, the entry of foods that might be unsafe from beyond the United States borders, and what you think we can do even prior to the passage of that kind of legislation to deal with this challenge.

Dr. HAGEN. Thank you for your question, Senator. You know, I think the issue that you raise is really the importance of the safety of our food consumed here regardless of where it is produced or processed. I think Americans want to know that what they put on their tables is safe, and there is a growing concern about the safety of imported products, that which is brought in legally and illegally.

It is absolutely critical that we maintain a robust system for the inspection and safety of imports. Right now, USDA has a system that requires an equivalency system for any government, any country that wants to export to the United States, that that system be approved and audited by FSIS and that the product is periodically reinspected and tested at the border. This is very important, and maintaining a robust import inspection system will be of a high priority for me.

Obviously, whatever needs to be done in terms of enhanced enforcement and to prevent smuggled food from getting in and from putting American consumers at risk, anything that could be done to improve that is something that I would be interested in talking about and helping to move forward.

Senator CASEY. Part of the problem, I guess, is coordination, too. We have got a number of Federal agencies that have some jurisdiction or responsibility. We could talk more about that. I know we are short on time.

I did want to ask you, as well, about—and based upon your work at USDA, do you have any recommendations as to how we can improve technical assistance for small meat facilities. You have got some background in this. I just want to get your sense of that. I know we are limited on time.

Dr. HAGEN. Thank you for that question, Senator, and it is an important question. I think USDA has a commitment to producers and processors of all sizes and all scopes. The "Know Your Farmer, Know Your Food" campaign program is really all about connecting consumers with the farmers and ranchers that produce their food, and I think anything that does that is the way that we should be going.

There is an entire office at USDA that has as its mission outreach to small and very small establishments. They have recently published some guidance documents on custom mobile slaughter units to allow local producers to be able to slaughter their products

and get them out. There is a provision in the 2008 farm bill that instructs USDA to establish regulations about interstate shipment, interstate commerce. It establishes a new program that would allow producers who are currently under State meat and poultry inspection programs to actually obtain the Federal Market Inspection and be able to ship their products across State lines. So I think things like this are very important.

I certainly understand that people are really interested in where their food comes from, how it is grown, and are increasingly interested in locally produced food. Anything that we can do to support farmers, ranchers, producers, processors of all sizes is something that I want to see happen at USDA.

Senator CASEY. Thank you, and Dr. Woteki, I will be maybe submitting some questions for the record. I know we are limited on time, and thank you for your work, as well.

Dr. Hagen, I didn't mention that your husband, Dan, is here, and that you met at the University of Pennsylvania. I just want to make that part of the record.

[Laughter.]

Chairman LINCOLN. That sounds very romantic.

[Laughter.]

Chairman LINCOLN. Senator Klobuchar.

Senator KLOBUCHAR. Thank you very much, and thank you both for being here. I really appreciate it.

We have this bill, as you know, Dr. Hagen, on food safety. It is Senator Durbin's bill. Eight of us were original authors. Could you talk a little bit about what you see as the holes in the food safety system right now, what you think the most glaring problems are that need to be fixed?

Dr. HAGEN. Thank you for your question, Senator. I think that better coordination and collaboration across all the agencies that regulate food is essential. I think that there would be less talk about what kind of food safety system do we need, do we need one agency, do we need multiple agencies, if the public perceived that the system we have is working as well as it could be. So I think increased collaboration and communications that we have a system that appears to be seamless to the public is really what we need.

There are a couple of particular issues right now that remind us that we need to be vigilant about the food supply and think about ways to continue to improve its safety. There is certainly a growing concern about the safety of imported products, and I can understand why that exists. There is a concern about intentional contamination. We do live in a world now where intentional contamination is a reality and our food safety policies have to address both unintentional and intentional contamination of the food supply.

We have a growing at-risk population for foodborne illness, with the aging of the population, more individuals who are immunosuppressed because of medical conditions and treatment. And we have changes in consumption practices, changes in the way that people prepare their food. They dine out more often, things like that.

So I think we have a number of particular challenges right now that remind us that this is the time to continue to be vigilant and

to think about how to move this modern food safety system forward.

Senator KLOBUCHAR. Right. We just saw on the front page of our people today four people very sick, including a toddler, from E. coli in raw milk. It actually wasn't sold in the stores, but was sold directly from a place. So there are just a lot of issues going on right now, so I appreciate your expertise.

You mentioned the food coming in from out of the country. What role does the Food Safety and Inspection Service play in making sure these products are safe?

Dr. HAGEN. Thank you, Senator. As I mentioned when Senator Casey talked about smuggled food, the USDA plays a very important role here. FSIS has a strong, stringent set of standards for imported products. Foreign governments, foreign countries have to meet equivalency standards in the United States. They have to have a system that has been approved and certified as equivalent to that which we use here in the United States to process and produce food. Those systems are audited on a regular basis, and a significant portion of food is reinspected and actually retested at the border coming in to ensure that everything consumed here in the United States, regardless of where it is produced, is safe.

Senator KLOBUCHAR. And one last question. Are you aware of the work that the University of Minnesota and the School of Public Health do in this model, where in these last two outbreaks, it wasn't caught by CDC or FDA or NIH. It was caught by what they call "Team Diarrhea" at the University of Minnesota and the School of Public Health, and do you think the rest of the country could benefit from that model?

Dr. HAGEN. Yes, Senator. Actually, I am well aware of Team Diarrhea. That is a really catchy name.

[Laughter.]

Dr. HAGEN. But it is a system and a program that works. It has been working for years, where they utilize the interest and the enthusiasm of public health students there at the University of Minnesota and they do things in this collaborative way and really get to the bottom of things quickly. So Minnesota, I think we all know, is really quite a star, quite a standout in the world of public health and there are lots of lessons that we could all learn from the way that they do things and their excellent public health system.

Senator KLOBUCHAR. And again, for us, we just would rather not have had Jeff Almer's mom die if there was a national system which could have been set up—which, by the way, the Minnesota system isn't even that expensive; it uses graduate students—if we could have set it up to be more immediate when we see these foodborne illnesses. So that is going to be part of this bill. Senator Chambliss and I have an amendment.

I should turn it over to the Chair. Thank you.

Chairman LINCOLN. Thanks.

Senator Lugar, the vote has been called; so we will let Senator Lugar go and then the rest of the members—

Senator LUGAR. I will just summarize, because Senator Casey has hit the point about the small food processors. I think we are all hearing from these. I would hope that, Dr. Hagen, in your application of the new responsibilities that you took a look at firms of

all sizes and the particular problems that they have, because there is some concern by the small processors that these new regulations impinge unduly on their progress. Whether that is justified or not, it is at least the feeling of some processors in Indiana, so I ask for your thoughts about that.

Dr. Woteki, I am interested, as perhaps you are, in the argument worldwide about genetically modified seed, fertilizer. The problems of opposition by European countries have made the problems of Africa a great deal more difficult. As a matter of fact, arguments occur in our own country about the efficacy of this. I am hopeful that your experience in this area will be very helpful with regard to seed production that will make American agriculture more productive, as we have seen on my own farm in a generation or two, as well as throughout the world in leadership that we offer.

I trust, given the background of both of you, that you are sensitive to these issues. I will not dwell upon this, Madam Chairman, particularly in view of our other responsibilities to vote, which we must now do. But we thank you for your leadership and look forward to working with you.

Dr. HAGEN. Thank you, Senator.

Chairman LINCOLN. Thank you, Senator Lugar. And certainly the record is open for members to submit questions and for other statements, as well, so I want to make sure the members know that.

Thanks to both of you. Thanks, Dr. Hagen, Dr. Woteki. We appreciate you being here and your testimony today and, more importantly, your willingness for public service. We are grateful. So we will excuse you now.

I will ask the witnesses—I am going to try to do this kind of quickly. The vote has been called over there. But we will excuse you all and ask the witnesses on the second panel to come forward and be sworn in.

For the sake of time, I am going to go ahead and begin and just introduce you all, if I might. I am very pleased to introduce the three nominees to the Federal Agricultural Mortgage Corporation Board of Directors.

Dr. Sara Davis was raised on her family's dairy farm—dairy, corn, and soybean farm, I believe. After earning a Ph.D. in genetics, Dr. Davis held research and faculty positions before starting two livestock genetics companies. Currently, she owns and manages Wild Type Ranch in central Texas with her husband. Wild Type Ranch produces registered Red Angus and Black Angus breeding stock. Welcome.

Mr. Lowell Junkins currently serves as the Vice Chairman and Acting Chairman of the Farmer Mac Board of Directors. He was first appointed by President Clinton in 1996 and reappointed by President Bush in 2003. In addition to a career in public service that included mayor and State Senator, he has managed his private businesses, including Hillcrest Farms, for more than 40 years. He is also President of Integrated Energy Company, which provides leading-edge development of biomass energy production. Welcome, Mr. Junkins.

And finally, Dr. Myles Watts is a professor in the Department of Agricultural Economics at Montana State University. After receiv-

ing a Ph.D. at the University of Nebraska, he joined the Montana State faculty in 1978, served as department head for 17 years, and his current responsibilities include classroom teaching, research, and outreach education. His family still owns and operates the cattle and wheat ranch where he was raised in Southeastern Montana.

Farmer Mac is extremely important to the rural and agricultural sectors. Farmer Mac is part of the Farm Credit System and is in the business of creating a secondary market for agricultural and rural loans. Farmer Mac provides liquidity to Farm Credit institutions and banks which originate agricultural and rural loans. Farmer Mac's financial position has improved dramatically in the last 12 months. After a net loss in 2008, it was reassuring to see Farmer Mac post a profit of \$82 million in 2009. In addition, it was also reassuring to see Farmer Mac double its capital surplus to more than \$200 million in January with the issuance of perpetual preferred stock. That, along with the decrease in non-performing assets, signals that Farmer Mac is moving in the right direction under Farmer Mac President Michael Gerber.

I look forward to hearing each of the statements. We might ask you to shorten those as briefly as possible, and we will proceed with that. But before that testimony, if you will please rise and raise your right hand.

Do you swear that the testimony you are about to present is the truth, the whole truth, and nothing but the truth?

Ms. FAIVRE-DAVIS. I do.

Mr. JUNKINS. I do.

Dr. WATTS. I do.

Chairman LINCOLN. Secondly, do you agree that, if confirmed, you will appear before any duly constituted committee of Congress if asked?

Ms. FAIVRE-DAVIS. I do.

Mr. JUNKINS. I do.

Dr. WATTS. I do.

Chairman LINCOLN. Great. Thank you.

Please proceed with your testimony. Actually, if you all don't mind, for the sake of time and the fact that we are going to have not one vote but seven votes, which means the committee will not be able to come back, if we can submit your testimony for the record, that will expedite an awful lot of things, and then I will just ask a couple of questions, if I may, and get those on the record.

TESTIMONY OF SARA L. FAIVRE-DAVIS, OF TEXAS, NOMINEE TO BE A MEMBER OF THE BOARD OF DIRECTORS, FEDERAL AGRICULTURAL MORTGAGE CORPORATION

[The prepared statement of Ms. Faivre-Davis can be found on page 25 in the appendix.]

TESTIMONY OF LOWELL LEE JUNKINS, OF IOWA, NOMINEE TO BE A MEMBER OF THE BOARD OF DIRECTORS, FEDERAL AGRICULTURAL MORTGAGE CORPORATION

[The prepared statement of Mr. Junkins can be found on page 29 in the appendix.]

**TESTIMONY OF MYLES J. WATTS, OF MONTANA, NOMINEE TO
BE A MEMBER OF THE BOARD OF DIRECTORS, FEDERAL AG-
RICULTURAL MORTGAGE CORPORATION**

[The prepared statement of Mr. Watts can be found on page 31 in the appendix.]

Chairman LINCOLN. To each of you all, perhaps, are there certain areas of agricultural finance where Farmer Mac should be more active?

Mr. JUNKINS. Madam Chair, I think as we look forward, there are continuing areas where there needs to be more activity. I think the importance for Farmer Mac going forward, as has been important in the past, we have probably not done as well as we needed to with regard to focusing on the mission and then focusing on the right areas. It will change from time to time.

So is there one specific one out there today? I don't see one specific one, but I do believe, as we look at the dynamics of our future, that we are clearly at Farmer Mac going to have to stay abreast of the needs as they change.

Chairman LINCOLN. Great.

Dr. Davis.

Ms. FAIVRE-DAVIS. Well, as an active producer who is attempting to actually make a living off of her property, I was thrilled to be appointed because the public appointees here, as Mr. Junkins suggested, really drive the mission, and I believe it is our responsibility to hold Farmer Mac to its mission. The importance of Farmer Mac in making credit available to farmers who are producers and to some of the other missions of rural agriculture are incredibly important and that would be where I would put my emphasis when I have a chance.

Chairman LINCOLN. Great. Coming from a production agriculture family myself, I absolutely understand that.

Dr. Watts, did you have a comment?

Mr. WATTS. Yes, just a brief statement. Certainly, we need to honor the original intent of the Farmer Mac program and look to the legislation. But beyond that, we must understand the special credit needs of agriculture, that the biological process results in certain risks and certain fluctuations and flows that we don't see in other sectors of the economy. And as a result, there are special banking and credit needs associated with that biological process.

Chairman LINCOLN. Great. Thanks for bringing that up.

I know just in this environment that we find ourselves in, having come through both this committee and on the floor with financial regulatory reform, do you believe Farmer Mac's capital surplus of \$200 million is sufficient?

Mr. JUNKINS. I do, Madam Chair. I do believe that it is sufficient. I think, initially, it is sufficient. If we are going to fulfill the mission, though, that capital over a period of time is going to have to grow, as well as the opportunities for Farmer Mac to get into jurisdictions that they presently cannot, if we are to really fulfill what the smorgasbord of opportunities, maybe better put, the demands, are. Initially, the capital that we have today is okay, but with the demand that is pent up out there, that will not be enough capital for us to fulfill the kind of challenges that the mission will bring to us.

Chairman LINCOLN. All right.

Mr. WATTS. I will be new, if confirmed, on the Farmer Mac Board, and so certainly I haven't had the inside look yet. But I do believe that we have gone through a period of time that should make us particularly cognizant of the level of capital within the organization as well as other risk assessments, and that those risk assessments need to be done regularly and they need to be done rigorously and stress tests are only one part of those risk assessments.

Chairman LINCOLN. Thank you. Well, certainly from your previous answer, as well, knowing that there are so many other specifics engaged in terms of production that you are supporting with that capital, it would make sense to certainly look towards the future of where that sufficiency should lie, and then——

Mr. WATTS. Yes, Senator.

Chairman LINCOLN. —the presence of that capital requirement. Dr. Davis, did you have a comment?

Ms. FAIVRE-DAVIS. Having access, of course, only to the public filings, but reading through the SEC filings, it just appears, even as an outsider, that what Farmer Mac has done to address its own risk needs and its own rules really are leading the way for the other GSEs in both stability and in accountability, and I think we are in a very good position currently.

Chairman LINCOLN. That is great.

I am going to thank you all for your testimony that has been submitted for the record. I am grateful. In order to make sure that we can get started on the votes on the floor, I am going to have to finish our hearing here today. But again, thank you for your testimony and I congratulate you on your nominations. And I am very grateful, again, for your willingness to serve in the public sector, in public service.

Any questions for the record by members of the committee should be submitted to the Committee Clerk by 5:00 p.m. today. There may very well be questions of you all from members of the committee, and obviously their testimony will also be submitted for the record, so you will know and understand all of the concerns of the members of the committee that you may need to address.

So again, thank you all. I appreciate your patience as well as your understanding of what happens here on Capitol Hill. We look forward to moving forward on these nominations.

So thank you, and the committee is adjourned.

[Whereupon, at 10:23 a.m., the committee was adjourned.]

APPENDIX

MAY 27, 2010

**Senator Max Baucus
Statement before Senate Agriculture Committee
Introducing Myles Watts, nominee to
The Federal Agricultural Mortgage Corporation, Board of Directors
May 27, 2010**

Madame Chairman, Ranking Member Chambliss and other members of the Committee, it is my pleasure to introduce one of Montana's own, Myles Watts, of Bozeman, to serve on the Board of Directors of Farmer Mac. I commend President Obama for nominating Dr. Watts and hope that members of this committee will support his confirmation.

Dr. Watts' entire career and life has been involved with agriculture. He grew up on a cattle and wheat ranch in southeastern Montana that is still owned by his family. He attended Montana State University and holds a Ph.D. in agricultural economics.

Since 1978, Dr. Watts has been a faculty member of Montana State University's Agricultural Economics Department, serving as its Head three times. He also provided me with valuable assistance and insight during my work on the 2008 Farm Bill, particularly regarding crop insurance issues.

I believe his strong academic and practical background in the U.S. farm safety net will well serve Farmer Mac's Board and our nation's farmers. Thank you.

**Sen. Saxby Chambliss
Opening Statement
Nomination Hearing
May 27, 2010**

Madam Chairman, thank you for holding this hearing to consider two nominees for Under Secretary positions at the U.S. Department of Agriculture and three nominees to be on the Board of Directors of the Federal Agricultural Mortgage Corporation, Farmer Mac. I would like to welcome our nominees to the committee. I appreciate your willingness to serve our country in these important positions and look forward to hearing your testimony.

Dr. Hagen, I'm sure your past service in the Food Safety Inspection Service makes you aware of the challenges we face. Your office is responsible for the safety of our meat and poultry supply and our egg products. In addition to inspecting our domestic products, the Office of Food Safety is also responsible for inspecting foreign suppliers of meat and poultry products, and for helping to set international food safety standards through the Codex Alimentarius Commission.

While our nation has made great strides in reducing pathogens in the food supply over the last decade, we still face recalls each year. We must make sure USDA works with the Food and Drug Administration and other federal partners to identify the root cause of outbreaks, utilize new technologies and better communication, and tailor food safety regulations to protecting consumers. We also must work with our trading partners to use sound science in enforcing sanitary standards, and not let international politics get in the way. If confirmed, you will be responsible for those goals, and I look forward to working with you in these efforts.

Dr. Wotecki, the challenges in agricultural research seem particularly acute today. As you are well aware, agricultural productivity in the United States has stalled. Yet, the world's population is projected to grow by two billion people in the coming decades. We are facing new diseases, such as wheat stem rust, and must continue to confront the age-old issues of rising production costs and how to encourage the adoption of the best conservation systems.

The agricultural research system that helped to solve these challenges in the past continues to be admired and envied around the world. The historic federal, state and local investment in agricultural research, education, and extension has led to increased productivity and yields, new crop varieties, and a multitude of techniques and practices to help us preserve our natural resource base. However, today, this system is under strain. It is underfunded and under-utilized. Within the Administration, USDA struggles for budgetary support. In Congress, the system is pitted against other funding priorities.

The 2008 farm bill made significant changes to some agricultural research programs. These changes provide an opportunity for the agricultural research system to rebuild and meet the challenges of the 21st century. To date, the Administration has done well implementing the 2008 farm bill. However, this is only the beginning. If confirmed, your job will be to build on this foundation to ensure the future viability of our world-class research enterprise. That is no small task, but I look forward to working with you on this.

Dr. Faivre-Davis, Mr. Junkins, and Dr. Watts, Farmer Mac plays a unique role in financing agriculture and rural America. As you well know, it provides a secondary market for agricultural real estate, rural home mortgages and some rural utility loans. The secondary market increases the availability of long-term credit at reasonable rates to producers and rural America. Farmer Mac also helps to ensure liquidity and lending capacity for agricultural lenders.

By comparison with the other government-sponsored enterprises, Farmer Mac is small. However, by statute and the expectation of this committee, Farmer Mac is required to fulfill its congressionally mandated purpose in a safe and sound manner. I'm pleased that Farmer Mac was able to manage the credit crisis that started in the fall of 2008. It has been a tough financial time. If you are confirmed, I hope and expect that you will learn from the lessons of the credit crisis and work to ensure a successful and sound future for Farmer Mac and those producers, utilities, banks and rural residents that use its programs.

Statement of Senator Thad Cochran
Committee on Agriculture, Nutrition and Forestry

May 27, 2010

Madame Chairman, thank you for holding this nomination hearing.

Recently, the aquaculture industry approached the Congress and the U.S. Department of Agriculture about implementing additional food safety procedures to further regulate aquaculture products. By uniting as an industry and recognizing both the internal need for regulation and the external needs of creating a quality product, the ultimate goal of industry sustainability can be achieved.

The 2008 Farm bill included provisions designed to help the Federal Government better enforce the American people's ideas of food safety by instituting new policies that will require the Food Safety and Inspection Service to begin enforcing equivalency standards for catfish imported into this country and begin

inspections for farm-raised catfish produced in this country. This legislation is very important to both consumers and catfish producers and processors in my State. While the Office of Management and Budget has held up the process of implementing these provisions, I remain resolute that this provision is needed and should be enacted as the Congress directed.

The position of Undersecretary of Food Safety will have a direct role in the implementation of these provisions, and I am counting on swift and decisive action for these measures. I will look forward to hearing from Dr. Hagan regarding her plans for the effective enactment of these important catfish food safety rules.

Again, Madame Chairman, thank you for holding this nomination hearing, and I look forward to hearing the testimony of the witnesses.

Hearing to Consider the Nominations of Elizabeth Hagen, Catherine E. Woteki, Sara Louise Faivre-Davis, Lowell Lee Junkins, and Myles J. Watts, for Respective Positions with the USDA and Federal Agricultural Mortgage Corporation

Statement for the Record from Senator Gillibrand:

Thank you Chairwoman Lincoln, Ranking Member Chambliss and the staff of the Agriculture Committee for your work in organizing this important Nominations Hearing.

The safety of our nation's food is a critical priority that requires the attention of this Committee, our colleagues in Congress, the USDA, and industry. The Centers for Disease Control and Prevention (CDC) estimate that food-borne diseases such as *E. coli* and salmonella cause approximately 76 million illnesses, 325,000 hospitalizations and 5,000 deaths in the United States each year. We have one of the best food safety systems in the world, but we need to do better. It is unacceptable that so many families and communities have to suffer due to the illness and deaths caused by pathogens reaching our dinner tables.

The serious illnesses and fatalities caused by food-borne illnesses begin with contamination from any one of a number of microbial pathogens, the most common ones being salmonella and *E.coli* O157:H7. While USDA-FSIS currently treats *E.coli* O157: H7 as an adulterant, it has yet to classify the other equally dangerous strains of *E.coli* as adulterants.

This is a time when we can learn from the unfortunate experiences of other countries, who have suffered as a result of these other strains. In the United Kingdom, outbreaks of *E.coli* O26 have caused illness and even death in children and the elderly because, like us, they failed to test meat for this non-O157 strain. We should not make the same fatal mistake.

Another example here in our country is *E. coli* O111, which caused a lethal outbreak of food poisoning in August 2008 in Locust Grove, Oklahoma. During this tragic event, 341 were sickened; 70 people were hospitalized, including 22 children; 17 people received kidney dialysis, including eight children; and 1 man died. Without FSIS changing its policy to start testing for non-O157 *E.Coli*, these tragedies will continue.

In addition, I am hopeful that the USDA will strengthen the testing procedures required for ground beef processors. I have a bill that will require ground beef processors to test their product at least twice before grinding and require imported meat to finally meet the same standards as domestically produced products. This should be the minimum standard that we require from our companies and I am anxious to hear nominee Hagen's view on this issue.

Lastly, I would like to hear nominee Hagen's ideas for additional, minimally invasive techniques to reduce *E.coli* loads before slaughter. Will the USDA do their own research to determine if diet changes, hide washing or simply slowing down the line speed at slaughter houses would reduce *E.coli* contamination without subjecting our food to further chemical or other experimental technologies.

As we convene today to consider these nominations, especially that of Elisabeth Hagen for Undersecretary of Food Safety, I want to highlight the importance of FSIS's role in protecting our families and communities from continued harm from food-borne illness. It is imperative that we do all in our power to protect the food we eat each day.

Senator Gillibrand

Madam Chairman and members of the Senate Ag Committee: My name is Dr. Sara Faivre-Davis. I am deeply humbled to have been nominated by President Obama to serve on the Board of Directors of the Federal Agricultural Mortgage Corporation. It is indeed an honor to appear before you today. I would like to share with you a bit of my story and my passion for agriculture.

Agriculture runs deep in my blood. Both sides of my family have been farmers since they immigrated to this country several generations ago. I was born and raised on a family farm in DeKalb, Illinois, where I spent my childhood helping milk cows and spending as much time as I was allowed on the tractors and grain trucks with my Dad and brothers. Our farm matured technologically, and my high school job included entering computer code, tracking commodities markets and surveying our property lines for one of the first GPS-guided systems in the country.

I graduated with honors from Iowa State University with majors in Agricultural Business and Animal Science. I selected Texas A&M for graduate work, and received my Ph.D. in Genetics through the Animal Science Department in the early 90s. I had a "surf and turf" education; researching the genetics of Gulf Shrimp and as part of the first NCBA (National Cattleman's Beef Association) sponsored research on genetic markers in beef.

After graduate school, I worked as a staff scientist with the USDA's Meat Animal Research Center on the Bovine Genome project and later with the University of Iowa on the Human Genome Project. From there I entered academic life as a professor at the University of Illinois and Texas A&M University. Although my research was cutting-edge scientifically, I always had an eye to its practical application to industry.

The spirit of entrepreneurship runs strong in me. I left University life in 2000 to sequentially co-found two different agricultural animal biotech companies in Austin, TX. As an executive in each company, I gained a first-hand appreciation of financing, leverage and shareholder value. I am also aware of the critical role the board of directors plays in a company's success.

Over the course of 2004-2005, I segued out of my executive role to become a full time rancher and to provide to my two young sons the same benefits of on-farm life that I enjoyed growing up. My husband, Ralph, and I run a 333 acre cattle ranch in Cameron TX, about an hour away from Texas A&M. I have never felt obligated to do things the way they've always been done. From the beginning, the business plan for our ranch has been to raise top-quality registered Angus and Red Angus breeding stock and to produce the best beef in Texas under our own brand. This year, we expect to sell 20,000 pounds of Wild Type Ranch premium pasture-raised beef through farmer's markets and local retail outlets. Direct-marketing our beef also gives me a chance to be an active ag-advocate and to educate consumers about farm life and agricultural issues. As managing partner, I am active in all parts of the company, from marketing and bookkeeping to genetic selection, data analysis and breeding.

On both ends of my life in agriculture, the Farm Credit System has played an important role. My father built our family farm from nearly nothing to a thriving business through access to agricultural credit. My own family business of today would likely not exist if it weren't for Capital Farm Credit of Texas. If

confirmed, my life experiences, business credentials and education make me uniquely suited to serve as a director of FAMC. It would be my great honor to do so.

Thank you again for giving me the opportunity to be here today, and I will be happy to answer your questions.

TESTIMONY OF ELISABETH HAGEN, OF VIRGINIA, TO BE UNDER SECRETARY FOR
FOOD SAFETY, U.S. DEPARTMENT OF AGRICULTURE

Madam Chairman, Ranking Member Chambliss, and members of the Committee, I thank you for inviting me to testify before you today. It is a great honor to be nominated by President Obama to be the Under Secretary for Food Safety at the U.S. Department of Agriculture and to have Secretary Vilsack place his confidence in me to lead this crucial mission. Thank you, Senator Casey, for your kind words and for the great work that you do for the people of Pennsylvania and the Nation.

There are a host of reasons why I hope to serve in this position. First and foremost, I truly believe in the critical public health mission of the Food Safety and Inspection Service, FSIS. To me, there are no functions of government more important than those that protect the safety of its people. FSIS is responsible for ensuring that billions of pounds of meat, poultry, and egg products each year are safe and properly labeled. The work of this Agency has a profound impact on public health, and if confirmed, I will take very seriously this responsibility to protect consumers.

As the mother of two young children, I know that mix of hope and worry that all parents experience as we try to give our kids everything they need to lead happy and healthy lives. Like parents everywhere, I am hard-wired to protect my children from harm. So for me, and for all of us, the idea that something so fundamental as feeding our kids could actually harm them, is frightening. But yet, thousands of families each year experience this awful reality—they watch as their children become gravely ill, and even die, from contaminated food. As a mom, it is hard for me to comprehend the unspeakable pain of losing a child to foodborne illness. These stories of family heartbreak bring into sharp focus the importance of the food safety mission at USDA.

My background and experience in medicine, public health, and food safety has prepared me to lead an agency responsible for the safety of a large portion of the food supply. The work performed by FSIS is integrally linked to science and human health, and understanding pathogens like *Salmonella* and *E.coli*, and their impact on health is an essential first step.

I have been a student of human-microbe interactions in various ways for over half of my life—first as an undergraduate researcher; then as a volunteer in Honduras, where I ran a rural clinical laboratory; later in my medical subspecialty training and practice; and more recently in the Office of Public Health Science at FSIS, where my work included oversight of the laboratory system, testing programs, and outbreak investigations. As an internist and infectious disease specialist, I have led clinical research on infection risks for cancer and transplant patients. And I have personally treated and cared for many victims of foodborne illness, and know very well how these pathogens can devastate the human body and shatter families.

Since 2006, it has been my privilege to work for USDA's Food Safety & Inspection Service. I understand well the challenges of pathogen reduction, and the hazards associated with the production of meat and poultry. As a public health and science leader at FSIS, I have played a major role in efforts to address emerging issues, to improve outbreak investigations, and to communicate risk effectively. If confirmed, I look forward to using this experience to build strong, science-based, public health policy.

A growing chorus of support for food safety reform from consumers, public health partners, and industry in recent years tells us that we have a historic opportunity to make real progress.

President Obama made clear his commitment with the creation of the Food Safety Working Group in March of 2009. This effort put the federal government on a path toward a system anchored in prevention, improved inspection and enforcement, and more rapid response to outbreaks. Leading the charge at USDA is Secretary Vilsack, who is committed to driving down rates of foodborne illness. He has directed FSIS to review, from top to bottom, its existing system for ensuring food safety. If confirmed, I will hold us to the Secretary's commitment—we will need to ask the hard questions, build upon our successes, acknowledge our failures, and look to the science to move us forward.

We clearly face challenges, and there is more to do. Regardless of these challenges, consumers rightfully expect that the food they put on their tables will be safe. Recurrent outbreaks from contaminated food endanger not only the public's health, but their trust. We can, and we must do better. If confirmed, I assure you that I will work every day with that as my mandate.

Lastly, I would like to state that Secretary Vilsack has made clear his commitment to civil rights, and to a USDA where employment and program practices are fair and open to all. I share Secretary Vilsack's commitment, and, if confirmed, will not tolerate discrimination in any form in the Food Safety Mission Area at USDA.

I would again like to thank you, Madam Chairman, Ranking Member Chambliss, and the Members of the Committee for the opportunity to appear here today. If confirmed, I look forward to working with each of you, and pledge to you that I will be open and responsive to your concerns. This nomination by the President is truly humbling, and it would be my great honor to serve.

Finally, I would like to thank my husband, Dan, whose love and partnership make all things possible for me and for our family; my mom and dad, for their lifetime of unconditional support; and my children, Ned and Nora, who remind me every day why all of this matters so very much.

STATEMENT OF LOWELL L. JUNKINS
Before the
United States Senate Committee on Agriculture, Nutrition and Forestry
May 27, 2010

Thank you Chairman Lincoln, Ranking Member Chambliss and members of the Committee. I am grateful for the opportunity to appear before you as the President's nominee to serve as the Chairman of the Board of the Federal Agriculture Mortgage Corporation (FarmerMac)

I appreciate the Committee holding this nomination hearing, and I would like to briefly share some information about myself.

I grew up in rural Iowa and began my adult life by joining my father in our family's small business. I continued to work with my father in that and other businesses until his death 4 years ago at the age of 96. Those business experiences combined with my public service have honed my skills and helped prepare me for my service to Farmer Mac. I have served as the Vice Chairman of Farmer Mac since 1996, and a year and one half ago was chosen by the members of the board to serve as the Acting Chairman.

I have been able to see, firsthand, the wisdom of Congress, which required 5 members of the board of directors to be public members. I feel that I and the other public members have been able to challenge the board and the company to remain focused on the public mission of Farmer Mac. It is critically important that the board support both the need for the company to be strong financially for the investors, and serve the public purpose of providing liquidity that brings competition in rates to rural America.

During my service at Farmer Mac, I have been sensitive to that challenge and have strived to achieve the outcomes that Congress had envisioned. The board has faced many of the same challenges that other financial companies have in the last several years. As Acting Chairman of the board, I tried to pilot our board through the significant changes that were necessary to deal with those challenges and position the company for the future. We now have a new and stronger leadership in our management team and we have strengthened the committee and board oversight of the company. As an example, our newly adopted board policies on conflict of interest and independence are significantly stronger than required by the New York Stock Exchange and based on our information, set much higher standards than is currently in place at most private and public companies.

The future needs in rural America, more than ever, demand that we succeed in our mission, namely to bring liquidity and capital to rural America. I hope that with the support of the President and Congress, Farmer Mac can continue to meet and in fact, improve our service to rural America.

Should I be confirmed for chairmanship of the board, I am confident that my life experiences, my record of public service, and my long service to the Farmer Mac board, will give me the skills to help the board successfully fulfill its mission..

In closing, I would like to thank the Committee for holding this hearing and considering my nomination. It would be an honor and a privilege for me to serve as the Chairman of the Federal Agriculture Mortgage Corporation and the American people in that capacity.

Madam Chairman, that concludes my statement and I would be pleased to answer any questions.

Thank you.

Statement of Myles Watts, Nominee
Federal Agricultural Mortgage Corporation, Board of Directors

Madame Chairwoman and Members of the Committee, my name is Myles Watts. I thank President Obama for the nomination, members of this committee for considering my appointment, and Senator McConnell for his recommendation to join the Board of Directors of Farmer Mac.

If confirmed by the Senate, I look forward to serving on the Farmer Mac Board. Farmer Mac provides a secondary market for agricultural loans that furthers the availability of agricultural credit with particular emphasis on agricultural real estate loans. The production characteristics of agriculture require special credit needs and bank lending practices which creates Farmer Mac's role.

My entire career and life has been involved with agriculture. I grew up on a cattle and wheat ranch in southeastern Montana and was active in both 4-H and FFA. The ranch is still owned by my family. I attended Montana State University and the University of Nebraska, receiving a Ph.D. in agricultural economics in 1978. Since 1978 I have been a member of the faculty of the Department of Agricultural Economics and Economics at Montana State University.

I am particularly pleased that I was chosen by the faculty to serve as Department Head three times and served 17 years in that position. My teaching has ranged from introductory economics to farm management to graduate mathematical economics. My research areas are public land policy, agricultural finance including actuarial methods with applications to insurance and credit, and agriculture durable investments. Each year I am invited to speak about 50 times on a wide variety of topics including public and private finance issues, energy markets, changing demographics, current agricultural concerns, crop insurance, water quality, public lands issues, and evaluation of breeding livestock. I have published in all of the major agricultural economics journals, am a Distinguished Scholar of the Western Agricultural Economics Association, and have been appointed to various committees by Montana Governors.

I spend substantial time interacting with individual producers, agricultural lenders, producer organizations, politicians, and the general public. I have been recognized as a "Lead Actuary" by the USDA and been involved in many USDA crop insurance efforts. I also have substantial experience with large reinsurance companies in various capacities. Internationally, I was one of the primary organizers of the International Institute for Agricultural Risk Management, whose primary goal is to develop the capacity in less developed countries for crop and other insurance and thereby increase credit availability. Capacity development is necessary to attract risk bearers such as large reinsurance companies and other private financial institutions. The current effort in the Ukraine is funded by the International Finance Corporation. I am the lead instructor addressing all aspects of insurance: development, operations, data management, underwriting, actuarial, regulation, public policy, trade implications, and risk transfer.

If confirmed, I will always honor the law, the intent of the authorizing and controlling legislation, be attentive to stakeholders, and comply with Congressional informational requests. If confirmed, I pledge to help Farmer Mac fulfill the role of facilitating agricultural credit in a responsible manner. Thank you for the consideration.

Testimony of Dr. Catherine E. O'Connor Woteki
Nominee to be Under Secretary of Agriculture
For Research, Education and Economics
Before the Senate Agriculture Committee
May 27, 2010

Good morning, Madam Chairman, Senator Chambliss and members of the Committee. I am pleased and honored to appear before you today as President Obama's nominee to the position of Under Secretary for Research, Education and Economics in the U.S. Department of Agriculture.

Since I left government service nine years ago, I have had many opportunities to meet with high school and college students and to talk with them about their career aspirations as well as their worries about their families, communities and their more general concerns about the future of the planet. I have steered them to consider studying the agricultural sciences – from the traditional disciplines like agronomy and animal science to food science and human nutrition to new majors that are being created in Colleges of Agriculture on the cutting edge of molecular biology and climate change. I frequently refer to the day's newspaper and show how the headline stories relate to agriculture – either how agriculture production or food safety are impacted by the story, or how agriculture science can be part of the solution to the problem under discussion. My counsel to students is based on my firm belief in the importance of the agricultural sciences to America's future – our economic, energy and national security, the healthfulness and safety of our food supply, and the quality of our environment – and on recognition that the world looks to America's research as necessary for international food security.

The Food, Conservation and Energy Act of 2008 also recognized the central importance of agriculture research, education and extension programs to America's future and set a new course for USDA's science and education programs. Much has been accomplished since enactment of the law, and much remains to be done to bring the vision established by the Congress to a robust reality. If confirmed, I look forward to working with Secretary Vilsack and with Dr. Roger Beachy, head of the National Institute of Food and Agriculture and a world-renowned expert in plant biology, to fulfill the Congress's vision to advance knowledge for agriculture, the environment, human health and well-being, and communities through integrated research, education and extension programs. I would also look forward to fulfilling the dual responsibilities of the post of Chief Scientist – assuring that Secretary Vilsack and President Obama receive scientific advice to inform policy decisions, and assuring the efficient use of resources, knowledge sharing and cooperation across agencies in the Federal government with interests in agricultural science.

Should I be confirmed, I will bring to this position dedication to scientific excellence, a track record of contribution to science-based policies, focus on science-based solutions, commitment to an efficient infrastructure, and experience in administering large, complex programs. The agencies in the REE mission area – the National Institute of Food and Agriculture, the Agricultural Research Service, the Economic Research Service, and the National Agricultural Statistics Service – are recognized globally as centers of excellence in their respective scientific fields. When compared to other research institutions on the basis of research publications, citations and patents, ARS is ranked as the premiere agricultural research institution in the world. If

confirmed to the position of Under Secretary for REE, my highest priority will be maintaining and enhancing the excellence of the programs these agencies administer.

I would also bring to this position a track record of contributing to science-based policy decisions. As Director, and later Chair, of the Food and Nutrition Board of the Institute of Medicine, I was responsible for a program of studies on human nutrition and food safety conducted at the request of federal agencies and providing research-based recommendations to inform the agency's policy decisions. As the first Under Secretary for Food Safety, I oversaw the implementation of the science- and risk-based HACCP inspection system for meat and poultry. During my tenure there, we introduced the risk assessment paradigm into FSIS's regulatory development process. More recently, I have had the opportunity to serve on the FDA Science Board and to participate in several committees of the National Academy of Sciences and the Institute of Medicine, responding to government agencies' requests for scientific review and providing recommendations to address their current policy issues.

I am committed to obtaining the highest impact we can achieve from the investment that the American people make in agricultural research and to assure that the research infrastructure is efficient and responsive to farmers' needs. That means focusing on our country's highest priorities, leveraging external resources, and providing the oversight to assure that the REE agencies are following through on their plans and commitments. If confirmed, I will continue to place high priority on the crop, livestock and production systems research that farmers rely on, and to enhance the partnerships with universities and federal agencies that will assure future success for America's farmers.

Finally, from my current experience as Global Director for Scientific Affairs at a large, multinational food company and as former Dean of Agriculture at Iowa State University and former Deputy Under Secretary for Research at USDA, I bring extensive experience in administering large, complex research organizations. The agenda for change laid out in the 2008 farm bill has much yet to be done, and should I be confirmed I am committed to seeing its vision for the future accomplished in an efficient and transparent manner.

Madam Chairman, I want to conclude by thanking President Obama and Secretary Vilsack for their confidence in me and by thanking you and the members of this Committee for the opportunity to appear before you today. I look forward to answering any questions you may have.

QUESTIONS AND ANSWERS

MAY 27, 2010

Senate Committee on Agriculture, Nutrition & Forestry
Hearing to Consider the Nominations of Elisabeth A. Hagen, Catherine E. Woteki, Sara L. Faivre-Davis, Lowell L. Junkins, and Myles J. Watts, for Respective Positions with the USDA and Federal Agricultural Mortgage Corporation
Questions for the record
Dr. Sara L. Faivre-Davis
May 27, 2010

Senator Chambliss

1. Farmer Mac was created to provide liquidity to lenders and a secondary market for agricultural mortgage loans, rural utility, rural housing and certain USDA-guaranteed loans. Do you believe Farmer Mac is accomplishing what it was set out to do by Congress?

Farmer Mac is a very important component of the Farm Credit System. FAMC has played a significant role in providing liquidity to Ag lenders. However, I believe that Farmer Mac could (and should) be more mission driven than it currently is. As a relatively young corporation, it was appropriate for FAMC to spend some time developing its financial base, but I believe the time has come for it to become more accountable to its charter mission and to supporting a broader range of agricultural loans.

2. What are your views about the benefits of a secondary market for agriculture mortgages and rural utility loans?

I recently spoke with my local lender at Capital Farm Credit here in Texas about the secondary market for agricultural loans. He told me that his business would be hindered in its ability to make loans without the secondary market. Even though agricultural loans are typically have more favorable debt:asset ratios than traditional urban-based loans, they are underserved by the secondary market. Farmer Mac is a critical secondary market for these typically very sound loans.

As the business of agriculture evolves and the need for American agricultural products grows, it is very important that credit be available to rural America. Agriculture is an incredibly capital intensive endeavor. With our aging farming population, we need to find a way to make agriculture a viable business alternative, especially for beginning and young farmers. Similarly, we face the challenge of providing domestic energy to fuel our economy. Rural utility loans and loans for fiscally sound alternative energy businesses can be an important part of meeting that challenge.

Senate Committee on Agriculture, Nutrition & Forestry
Hearing to Consider the Nominations of Elisabeth A. Hagen, Catherine E. Woteki, Sara L. Faivre-Davis, Lowell L. Junkins, and Myles J. Watts, for Respective Positions with the USDA and Federal Agricultural Mortgage Corporation
Questions for the Record
Dr. Elisabeth A. Hagen
May 27, 2010

Senator Lincoln

1. What are the next steps for the agency regarding performance standards? FSIS and industry should be applauded for the significant improvement in performance standard results over the last 12 years, but where do we go from here? How do we change them in an appropriate fashion to lead toward continuous improvement but that allows necessary flexibility to respond to new scientific information?

- a. Performance standards are one tool that both the Agency and the industry use as measures of how well pathogen control is being implemented at establishments. The system in place has been effective, and we must continue to survey the industry through nationwide baseline studies to ensure that the performance standards are having the intended effect of lowering microbial contamination.

I know that both USDA and industry agree that our food supply must be as safe as it can possibly be. As such, FSIS recently issued updated performance standards for *Salmonella* and new performance standards for *Campylobacter* for the poultry industry. I believe that by revising and setting performance standards, industry will continue to improve upon its past successes, and FSIS will be able to determine whether food safety improvements are being implemented in the products it regulates. If confirmed, I will work with all stakeholders to make sure that we meet the goals of improving the safety of FSIS-regulated products and ensuring that our regulatory system is capable of evolving to meet emerging challenges.

2. Since the existing salmonella performance standards were implemented in 2000, the prevalence of salmonella in chickens has been reduced by 64 percent. The prevalence of salmonella in pork has been reduced by 74 percent. And the prevalence of salmonella in ground beef has been reduced by 75 percent. Yet human illnesses have remained relatively unchanged during this time period. Based on these data, the benefit of the current salmonella performance standards and the recently announced changes to the existing salmonella performance standard and the addition of a campylobacter performance standard for poultry seem questionable. Dr. Hagen, I would be interested in your views on the benefits of microbiological performance standards on raw meat and poultry. Do you think they are fulfilling their intended objective of reducing human illness?

- a. If confirmed, my number one priority as Under Secretary for Food Safety will be to protect the public health. Specifically, I want to reduce human illness rates, drive down percent positive rates in verification samples, and reduce the national prevalence of foodborne pathogens, as estimated by baseline studies. This is why performance standards are so important. They set our goals and we can use our nationwide baseline studies and our sampling programs to measure progress. I believe that by revising current *Salmonella* performance standards and creating new ones for *Campylobacter*, FSIS will more effectively ensure that the percentage of poultry carcasses that are pathogen positive will decrease over time, and that continuing baseline studies will help us to determine our efficacy and appropriateness with those standards.
3. Can you explain why FSIS's efforts to reduce pathogens on raw meat and poultry products have not reduced human illness? If the ultimate goal is to lower the rate of human illness, do you have an alternative plan that you believe will work better? Where does consumer education on proper cooking and handling fit in your plans?
 - a. It is important that FSIS efforts to combat microbial pathogens lead to positive outcomes for public health. I am personally committed to reducing pathogen prevalence, reducing foodborne illness, and enhancing our protection of public health. I take very seriously Secretary Vilsack's directive to review our food safety system from top to bottom and will make that my first priority if confirmed for this position. Overall, since 1996, there have been marked decreases in human illness rates for some pathogens. However, for *Salmonella*, that trend has not been sustained, and the continued high rates of salmonellosis are troubling to all who work in food safety and foodborne disease epidemiology. There could be a number of reasons that explain why rates of human salmonellosis have not decreased in conjunction with the declines in products testing positive for pathogens. If confirmed, I will work with industry, consumer advocacy groups, and the scientific community to ensure that FSIS programs have a measurable impact on public health. While I do think that the responsibility for safe food production lies with the industry and the regulatory community, I also believe that we have a responsibility to educate consumers about all steps they can take to maintain the safety of food in their own kitchens. As a parent and consumer myself, I know that I am always eager for any advice I can follow to help keep my family safe and healthy. FSIS has an ongoing campaign that advises consumers to Clean, Separate, Cook, and Chill, and has a strong food safety education program. If confirmed, I look forward to finding new opportunities to partner on this important issue of safe food handling.
 4. There continues to be a media focus on the safety of our food products, do you feel that our food safety system today is better or worse off than at other points in our history? What changes if any do you foresee in the Agency's future?
 - a. I believe that the systems in place to ensure a safe food supply have come a long way, but that there is ample room for improvement. The fact that an estimated 76 million Americans contract foodborne illness every year tells me that we still have work to do. Prevention must be the core foundation of our food safety system.

While enhancing our efforts to facilitate response and recovery are important goals, we get the biggest bang for the buck when we focus our resources on activities that prevent illness. I believe that the existing program at FSIS is implemented in a way that is designed to prevent illness – in-plant personnel monitor plant performance and are trained to prevent problems from occurring and the regulations in place clearly require industry to produce a safe product. This being said, there are altogether too many recalls of contaminated food and too many outbreaks of foodborne illness for us to be comfortable that the current system achieves its goal of preventing foodborne illness. If confirmed, I will be fully committed to working toward solutions that prevent illness from occurring and that protect public health.

5. With regard to setting performance standards, don't we need to be sure the performance standards lead to clear improvements in public health? What is the agency doing to work with CDC and other appropriate agencies to better correlate pathogen reduction with reductions in foodborne illness? This attribution data conceivably could help FSIS and industry better target their activities and resources toward programs that will have the maximum public health impact. What are the challenges that stand in the way of collecting this attribution data, and what are the limitations on the value of the data?
 - a. Food safety policy should be guided by public health outcomes. Attribution data is critical to FSIS' mission because it provides a report card on the effect of food safety policies on public health. As you point out, there are challenges to gathering accurate attribution data. Our food safety system must be based on solid and robust data to help us make the right public health decisions. It is helpful that CDC works to constantly update and improve the methodologies used to collect this important data in order for the regulatory agencies to have a clear picture of what our foodborne illness rates are and what we need to do to lower those rates. In my previous role at FSIS, I worked closely with both CDC and FDA on food safety issues. If confirmed, I will focus on strengthening this collaboration, especially in the important area of collecting and reporting attribution data.
6. Can you tell me why FSIS does not put more emphasis on finding preventive solutions to our food safety problems? Would it not be better for the agency to identify the root cause of foodborne illness outbreaks so future problems can be prevented? Why does the agency not want to engage as an active participant in finding solutions?
 - a. If I am confirmed, finding preventive solutions to food safety problems will be my priority. Principle 1 from the Food Safety Working Group is "preventing harm to consumers is our first priority," and I am in complete agreement with that. A key piece of a prevention strategy is to learn from adverse events and apply that knowledge to improvements in the existing system. If I am confirmed, I will foster a culture of learning and continuous improvement.
7. Farmers and ranchers in Arkansas and around the country have seen critical markets close to our products for reasons that are not science-based. Our farmers need trade doors opened, not closed by countries protecting their domestic producers. Our farmers

employ some of the strictest standards for producing food and fiber and should be able to compete in the global market place. We need FSIS to be more proactive in facilitating trade rather than a roadblock to international trade. Do you agree with me on this topic and how will you address it as Under Secretary?

- a. The Department of Agriculture is a multi-faceted department that houses a mix of mission areas that work together in close concert, both internally and externally with other Departments. Trade promotion is an important part of the overall mission for both Secretary Vilsack and President Obama, who just this year announced the National Export Initiative.

While FSIS is not involved in trade promotion activities, the work that is performed by the Agency can have an impact on market access in several ways. First, FSIS is the Agency responsible for making country by country determinations of equivalency, which govern whether exporters of FSIS-regulated products gain access to the U.S. market. This process is designed to ensure that FSIS-regulated products entered into commerce are safe, wholesome, and properly labeled. FSIS also plays a critical role in certifying that U.S. meat and poultry products meet the requirements of other countries to enable their export. Lastly, FSIS is responsible for implementing and enforcing domestic food safety requirements, including issuing the mark of inspection. The credibility and integrity of our standards, inspection, and enforcement is critically important to the confidence of consumers, both here and around the world, in our mark of inspection.

Because of my public health orientation and commitment to science, I believe strongly that we need to apply standards consistently and base our policy on the best available science. I believe that we should provide international leadership in this area and set an example, in order to reduce the incentive for regulatory agencies around the world to establish non-science based policies that may harm American businesses and workers. In my view, FSIS should be neither a proactive trade facilitator nor a roadblock to trade, but rather an honest broker that consistently applies science to food safety policymaking.

Senator Chambliss

1. FSIS continues to move towards a risk-based inspection system, which relies partly on microbiological testing to gauge efficacy of food safety plans. Industry has responded and reduced pathogen levels significantly over the last decade. However, detecting the presence of pathogens at very low levels is difficult. Given the technical limits to testing, is zero tolerance for pathogens a realistic goal for FSIS to pursue?

- a. Currently, FSIS has a zero tolerance policy for *E. coli* O157:H7. This policy has spurred important industry innovations to effectively combat this pathogen, and we have seen decreased contamination and foodborne illness rates since that policy was instituted. While testing does have its technical limits, it is one critical tool that both industry and FSIS use to monitor the safety of our food supply. If confirmed, I will use the best science and technology available to build upon past successes to ensure the safety of the food supply.
2. FSIS is currently evaluating a petition for rulemaking requesting the Agency recognize low-penetration electron beam irradiation as a processing aid for beef carcasses. This petition was filed in July 2005. FSIS is also evaluating a petition requesting the definition of “natural” be codified, and circumstances under which it may be used on the label of a meat or poultry product clarified. This petition was filed with FSIS in October 2006. What is the current status of these petitions, and what has caused FSIS to delay action on each?
 - a. I understand the frustration associated with the delayed responses to the beef carcass irradiation petition. If confirmed, I will immediately review the current status and concerns associated with this petition.
 - b. I will also review the status of the petition seeking to codify the definition of “natural”. I do know that last year, FSIS issued an Advance Notice of Proposed Rulemaking (ANPR) to assist the Agency in defining the voluntary claim “natural” to be used in the labeling of meat and poultry products. If confirmed as Under Secretary, I will make every effort to address stakeholders’ divergent views about how the word “natural” should be defined, including seeking a discrete set of alternatives.

Senator Harkin

1. *Potential Conflicts Between USDA and FDA on Produce Food Safety Regulations*

FDA is in the process of seeking comments from the public on critical questions regarding produce food safety regulations and has announced its intention to issue proposed rules on produce food safety in 2011.

Typically, FDA is the lead federal agency in charge of produce food safety. However, USDA held extensive hearings around the country last year on a proposal to create a National Leafy Greens Marketing Agreement (NLGMA), which, if adopted, would result in USDA issuing food safety regulations concerning leafy greens.

In California, growers of various types have objected to that state’s leafy greens marketing agreement, in particularly raising concerns about the environmental impact of

the standards and the failure of the state level agreement to stop the proliferation of differing food safety requirements issued by private buyers. I understand that representatives of leafy greens producers, consumers, environmental organizations, and cooperative food retailers expressed similar concerns at the NLGMA hearings.

Will you examine, if confirmed, whether it is appropriate and makes sense for both USDA and FDA to move forward independently with their own versions of produce food safety regulations, what their respective roles and actions should be?

- a. It is my understanding that USDA's Agricultural Marketing Service (AMS) proposed the National Leafy Greens Marketing Agreement primarily as a marketing tool for leafy green producers. Consequently, this would not be an area of direct responsibility if I am confirmed. However, I will work with AMS on its role in food safety, recognizing that FDA is the public health Agency with responsibility and regulatory authority for ensuring the safety of fresh produce.

2. *E. coli Rapid Testing*

I understand that USDA has done a good deal of work in recent years to develop rapid test methods in the beef supply for E.coli, including strains that produce Shiga Toxin E. coli (STECs), and that in fact these strains are more commonly associated with produce.

Will you in your role at USDA work with FDA to explore further work on STEC testing in produce?

- a. STECs as a group have the ability to cause severe disease, including organ damage and even death. Preventing these pathogens from reaching consumers through the food supply must be a top priority for food safety regulators, and if I am confirmed, will be very important to me. Part of preventing contamination is the ability to accurately detect pathogens in food products. Improved detection for *E. coli* O157, and new detection tools for non-O157 STECS is an area of active research partnering for FSIS and the Agricultural Research Service. If I am confirmed, I look forward to working with FDA on any methods development so that together, we can continue to protect public health.

Senator Stabenow

1. Late last year, I introduced a bill called the Growing Safe Food Act. This legislation would allow FDA regulated farmers, processors, and wholesalers to receive training and technical assistance to help them comply with new food safety regulations that could come as a result of the proposed FDA food safety reform bill. I have been working closely with my colleagues, Senator Durbin and Chairman Harkin, to ensure this concept is incorporated into food safety reform legislation.

Do you believe USDA should play a *role* in administering food safety training programs for farmers, given the fact that the agency has the most expertise with farming practices?

- a. I am aware of your legislation and agree that the establishment of food safety training programs is an important component in empowering new and emerging food safety partners as we all strive to provide consumers safe food. I will look forward to working with you on this important issue, if confirmed.
2. In Michigan there is a newly established International Food Protection Training Institute, designed to train food inspectors at the local, State and Federal level. What do you believe the federal government's commitment should be to food safety training for FDA and USDA officials? How would you help extend that to state and local officials? Do you believe that local and state inspectors should have access to the same training as federal inspectors, if they are doing the same work? Is there support for a connection and coordination with the Institute in Michigan, as well as coordination with university research and extension?
 - a. In the fight against foodborne illness, one of our most important defenses is well-trained inspection personnel. If confirmed, I will look forward to immediately identifying key opportunities for partnerships and ways that we can build upon the skills of an already talented Federal and State workforce, and to further discussing this important issue with you.
3. FSIS has a responsibility to verify that exports of meat and poultry meet the requirements of foreign countries. Most countries require a veterinarian employed by FSIS to sign the export certificate prior to shipment. Increasingly, AMS is assuming more of this responsibility. What can I tell my constituents about how FSIS is working with AMS to facilitate international trade?
 - a. I believe that USDA agencies must work together to ensure that the export certification process is expedient, meets our producers' needs, and our trading partners' requirements. If confirmed, I will work to improve FSIS' role in the current export certification process.
4. Hazard Analysis and Critical Control Point (HACCP) is mandated by the USDA. Currently, HACCP systems are utilized for pathogen reduction in over 6,500 raw meat and poultry plants. What do you see as the strengths and weaknesses of HACCP? What would you change? What are some of the lessons learned that can help the FDA as they consider the use of HACCP-like plans?
 - a. HACCP was a very important step forward for food safety when the final rule was published in 1996. For the first time, it placed industry in a position to work with the Agency to achieve the food safety results we all were striving for and moved us away from the previous command-and-control system. I believe that HACCP has brought us to the point that we are at today, having achieved great and measurable success in reducing the prevalence of foodborne pathogens. It was

the first truly preventive system. However, we are also at a point now where we have the potential to move forward and modernize. If confirmed, this will be my focus – how to modernize our food safety system and its components using what we have learned, building upon the strengths of the systems that have worked, and learning from the weaknesses of the systems that did not. If confirmed, I will look forward to working with our partner Agencies and other stakeholders to bring our food safety system forward.

5. The establishment of strong standards for meat label claims for sustainable livestock production is central to protecting and promoting value-added markets. After public notice and comment rulemaking, AMS issued a grass-fed meat label claim standard in 2007. However, since that time, FSIS has continued to approve grass-fed labels that are inconsistent with the AMS standard. While each agency and each program has different objectives, the dueling rules and standards have a negative effect on this market. More broadly, labeling for animal raising claims cannot be fair and transparent for producers and consumers if they are determined on a case-by-case basis.

It appears that an immediate review of labels is needed. The Department should also be concerned about the lack of consistency between the two agencies. If confirmed, can you give me assurances that this matter will receive attention?

- a. FSIS is responsible for ensuring not only the safety of the product but also that it is labeled properly. In recent years, consumers have become increasingly aware of and interested in where their food comes from and how it was produced. I believe that food labels ought to include accurate information that helps consumers make informed decisions. If confirmed, I will look forward to reviewing this issue and to taking steps to enhance coordination amongst the relevant Agencies that will result in improvements in the integrity of the label.
6. What can the USDA do to work with CDC and other appropriate agencies to better correlate pathogen reduction with reductions in foodborne illness? This attribution data conceivably could help FSIS and industry better target their activities and resources toward programs that will have the maximum public health impact. What are the challenges that stand in the way of collecting this attribution data, and what are the limitations on the value of the data?
 - a. Food safety policy should be guided by public health outcomes. Attribution data is critical to FSIS' mission because it gives us a report card on the effect our policies are having in public health. As you point out, there are challenges to gathering accurate attribution data, and this affects how FSIS can use the data to set its policies. Our food safety system must be based on solid and robust data to help us make the right decisions to make the greatest impact on public health. It is helpful that CDC works to constantly update and improve the methodologies used to collect this important data in order for the regulatory agencies to have a clear picture of what our foodborne illness rates are and what we need to do to lower those rates. In my previous role at FSIS, I worked closely with both CDC and FDA on food safety issues. If confirmed, I will focus on strengthening this

collaboration, especially in the important area of collecting and reporting attribution data.

7. You have worked for the USDA for several years now. Given your previous experience, what gaps can you identify in the food safety system that would later become priorities for you if your nomination is confirmed?
 - a. I believe there are many opportunities for improvement in our current food safety system. USDA has recently taken several key steps to increase coordination among agencies responsible for food safety, as seen in the recent announcement regarding the National School Lunch Program, but there is still room for growth. USDA, the Department of Health and Human Services (HHS), and other Federal agencies have a responsibility to coordinate and communicate in a way that serves the public with a seamless, effective food safety system. Second, we have a growing at-risk population and changes in consumption practices that will require our food safety system to evolve to continue and improve its delivery of safe products. These are the challenges that remind us that we need to remain vigilant as we move our modern food safety system forward, and if confirmed, I commit to you to immediately begin work on these important areas.

Senator Gillibrand

1. I am concerned that when it comes to the government's response to E. coli, we may be suffering from a bad case of tunnel vision by only treating O157:H7 as an adulterant. E. coli O26, O111, O103, O121, O45, and O145 have all been identified by the Centers for Disease Control and Prevention (CDC) as strains that are associated with illness and death just like O157:H7 yet only O157:H7 is considered an adulterant and that did not occur until hundreds of people were injured and four children lost their lives in the "Jack in the Box" outbreak in the early 90's. In 2009, the CDC stated that non-O157 STEC causes an estimated 36,700 illnesses, 1,100 hospitalizations, and 30 deaths annually. What would you do as Under-Secretary of Food Safety to address the six additional strains of E. coli? Do you agree we are too narrowly focused on one strain of E. coli? Would you move to label these additional strains as adulterants?
 - a. STECs, as they are known, are a group of pathogens, including *E. coli* O157:H7, that share many characteristics, including the ability to produce shiga toxin. In addition to O157, there are many other STEC strains that can cause equally severe disease, and even death. STECs can cause Hemolytic Uremic Syndrome, a serious complication that can cause kidney failure and can cause serious lifelong health effects, especially in children. I have worked on this issue of Shiga toxin-producing *E. coli* during my tenure at FSIS and know that STECs other than O157 can contaminate meat products and are a cause of foodborne illness. I believe it is critical to understand their

prevalence in our food supply and to have an appropriate test to identify the presence of these pathogens. I am looking forward to working on this issue to ensure we are preventing these dangerous pathogens from reaching consumers, if confirmed.

2. Do you support current FSIS traceback policies pertaining to *E. coli* O157:H7-contaminated beef? FSIS has a bifurcated policy pertaining to the recall of *E. coli* O157:H7-contaminated beef, depending on whether consumer illness or a positive from FSIS' *E. coli* O157:H7 testing program is evidence that contaminated beef is in commerce. If consumer illness has been linked to the product, FSIS makes every effort to identify the actual slaughterhouse that was the source of contamination; then FSIS traces forward from that point, so that *all* beef products made with the original source product, and used by subsequent processors, can be identified and recalled. However, when FSIS' own *E. coli* O157:H7 testing program reveals contaminated ground beef at a processing establishment, it is FSIS policy only to trace back and conduct review activities at all slaughterhouses that supplied raw materials used by the processor. These slaughterhouses are all *possible* sources of contamination but FSIS does not attempt to determine which source actually introduced the contamination. Most importantly, whether there are multiple sources, or just one, FSIS does not pursue a recall of all originally contaminated beef from the original contaminated lot. FSIS conducts most testing at the smaller grinders that do not use the full original lot of product. Therefore, most positive *E. coli* findings are indications that other contaminated beef is being used by other grinders who are unaware of the contamination. As Undersecretary, would you make it a priority to identify the source of *E. coli*-contaminated beef so that *all* of it could be removed or recalled?
 - a. I believe that product tracing is critical to any modern food safety system. During a foodborne illness outbreak, full product traceability protects consumers and limits economic damage to producers. Reliable traceability in non-outbreak settings is also very important, and is one area that must be improved to achieve the Food Safety Working Group's goal of a preventative food safety system. I am committed to reviewing all potential actions that could reduce foodborne illness. FSIS, as part of the Food Safety Working Group (FSWG) is currently working to improve tracing of contaminated product. Both FSIS and FDA have ongoing work in this area as the agencies are building on existing efforts by seeking public input from stakeholders that would help identify elements of effective food product tracing systems, identify current gaps in food product tracing, and suggest specific mechanisms for improvements. If confirmed, I will look forward to considering steps needed to improve traceability of our food and I will make sure that you know about current and future efforts in this area.
3. There have been a couple of recent high-profile incidents that have exposed deficiencies in the enforcement of the Humane Methods of Slaughter Act by the Agency. The Government Accountability Office recently testified before the Domestic Policy Subcommittee for House Committee on Oversight and Government Reform and the GAO found: 1) There was inconsistency in the enforcement of the Act; 2) There was lack of

guidance provided by Agency management to its line inspectors on how to enforce the Act; 3) There was lack of training provided by the Agency on the Act; 4) The Agency does not have strategic work plan to enforce the Act. Congress has allocated resources to the Agency to enforce the Humane Methods of Slaughter Act, yet there still seem to be problems with enforcing it. How will you ensure that this Act is properly enforced?

- a. As you noted, a number of GAO, OIG, and other independent reports have shown there to be gaps and shortfalls in implementation of the requirements of the Humane Methods of Slaughter Act. I support Secretary Vilsack's commitment to ensuring that violations of the Humane Methods of Slaughter Act (HMSA) are handled appropriately. FSIS has a program in place to train inspection personnel in verifying humane handling and slaughter at establishments. When an FSIS employee observes behaviors that are not in compliance with the HMSA, they are required to take immediate action. Enforcement of humane handling and slaughter laws and regulations is part of FSIS' core mission, and if confirmed, I will look forward to working with you on this important issue.
4. There is currently a Memorandum of Understanding between FSIS and OSHA that is intended to prepare food safety inspectors to identify threats to the safety of the workers in slaughterhouses and then act to negate these threats. How important do you think this MOU is? Do you think that it is effective in its present-form or should it be updated? If so, how should it be updated?
 - a. While ensuring the safety of the food products is FSIS' number one priority, FSIS' inspection program workforce is in a unique position to also help with Occupational Safety and Health Administration's (OSHA) important mission of protecting the safety of workers in the slaughterhouse environment. If confirmed, I will look forward to enhancing collaboration with other Federal partners and to reviewing this important issue.
 5. Current HACCP requirements allow for expanded food safety roles to be filled by plant-workers who are not inspectors. For instance, in many poultry plants, workers are now sorting the chickens – a job that previously was done by inspectors. Do you anticipate an increasing role for workers in the food safety system? If so, do you see a need for increased food safety training of line workers, so that they can augment the service provided by the inspectors?
 - a. The production of poultry and other FSIS-regulated products involves both plant employees who perform processing tasks and FSIS inspectors who oversee the performance of these tasks and the proper implementation of the establishment's food safety plan. FSIS in-plant personnel monitor plant performance and are trained to prevent problems from occurring. Meanwhile, the regulations in place

clearly require industry to produce a safe product. If confirmed, I will work with you and industry to review whether plant employees need additional training.

6. The Agricultural Marketing Service announced new food safety measures for ground beef and ground beef products purchased for our federal nutrition programs. What role will FSIS have in enforcing these new measures? What role is FSIS playing the National Academy of Sciences review of food safety in the National School Lunch Program?
 - a. It is important to me to ensure that the policies and practices we have in place lead to a safe product for the tens of millions of school children served by the National School Lunch Program (NSLP). As a parent, I expect the government to do everything it can to ensure the safety of meals served at school. I support Secretary Vilsack's recent announcement on actions that USDA is taking to improve the quality and safety of the food served in the NSLP. I believe that it is critically important that FSIS work with other USDA agencies and other Federal agencies to ensure that knowledge and expertise across the government is used to support the safety of the food served in the school lunch program. I understand that FSIS is providing both technical assistance to the Agriculture Marketing Service (AMS) for the National School Lunch program and other Federal nutrition assistance programs, as well as working with AMS to review and evaluate meat, poultry, and processed egg vendors as part of the AMS vendor eligibility process.
7. On May 20, 2010, FSIS released the results of a study the agency conducted as part of the "Know Your Farmer, Know Your Food" initiative that showed the dearth of small slaughter facilities in rural areas that can cater to small livestock and poultry producers. What is the Agency doing to promote the development of meat and poultry processing capacity in rural areas? Are there regulatory barriers to the development of such facilities? How will the Agency deal with the inspection staffing needs if there is strong demand for the development of these facilities?
 - a. The Know Your Farmer, Know Your Food initiative is designed to reconnect consumers with the farmers that produce their food and revitalize rural America, two goals that I strongly support. Food safety is my number one priority, and I have seen Know Your Farmer make important steps forward in helping small livestock producers manufacture safe, wholesome meat products. The Know Your Farmer initiative has helped support the development of mobile slaughter units, which provide services to regional producers at convenient host farms. If confirmed, I will look forward to continuing this innovative thinking and looking for ways to help the industry produce safe, wholesome food for consumers. The Agency has important resources available to small facilities, including the Small Plant Help Desk, new compliance guides for mobile slaughter units, and

workshops, among other things, to help small facilities deliver safe product to their customers and meet FSIS' regulatory requirements.

8. On April 9, 2010, the USDA Office of Inspector General issued a scathing audit report in which it revealed that FSIS has an inadequate program to monitor the residue levels of pesticides, antibiotics, heavy metals and veterinary drugs in our beef supply. The OIG not only faulted FSIS, but also found that FDA and EPA were guilty of not providing guidance to FSIS on enforceable standards. What is being done to address the deficiencies identified by the USDA OIG audit report?
 - a. Protecting consumers from harm is my top priority—this means preventing not only microbial, but chemical hazards from reaching their tables through meat and poultry. This report brings to light issues that have challenged the National Residue Program (NRP) for some time, and the time to fix them is now. What the report underscores is that interagency coordination is in need of dramatic improvement. An interagency approach to the control of residues is a good idea, and establishing strong underlying ground rules and operating procedures is essential to moving forward with an effective program. Strong leadership on these issues and accountability are needed to improving the NRP. If confirmed, implementing the recommendations of the OIG Audit will be a very high priority for me.
9. What is your opinion of the Preservation of Antibiotics for Medical Treatment Act that has been introduced in the Senate and the House? Do you think that antibiotic resistance is a major public health threat?
 - a. Antibiotics are an important class of drugs that have been widely used in human and veterinary medicine for more than 50 years, with tremendous benefits to both human and animal health. Over time, as we all know, bacteria can develop resistance to antibiotics. Resistance develops when antibiotics are used frequently and inappropriately, such as when they are used to treat viral infections. The inability to use antibiotics to effectively combat bacterial diseases poses a serious public health threat. Further compounding the public health issue of antibiotic resistance is the fact that the development of new antimicrobial drugs is not keeping pace with newly emerging drug-resistant pathogens. Because of the challenges presented by resistant pathogens and the dwindling choices of drugs to combat them, the use of antimicrobial drugs in human and veterinary medicine has come under greater scrutiny in order to preserve their effectiveness. If confirmed, I will immediately undertake a review of this issue.

Senator Cochran

1. "While the Catfish provisions are still under review by the Office of Management and Budget, I am hopeful we will see a resolution of this issue soon. ---Dr. Hagen, what will you be doing to help my catfish farmers when you begin implementing the catfish inspection provisions of the 2008 Farm Bill?"
 - a. I understand that this is an important area for many stakeholders and that USDA has not met the expectations of Congress in terms of the publication of a rule. If I am confirmed, I will immediately undertake a review of this issue and work to move this process forward.

Senator Roberts

Since the existing salmonella performance standards were implemented in 2000, the prevalence of salmonella in chickens has been reduced by 64 percent. The prevalence of salmonella in pork has been reduced by 74 percent. And the prevalence of salmonella in ground beef has been reduced by 75 percent. Yet human illnesses have remained relatively unchanged during this time period. Dr. Hagen, I would be interested in your views on the benefits of microbiological performance standards on raw meat and poultry. Do you think they are fulfilling their intended objective of reducing human illness?

- a. If confirmed, my number one priority as Under Secretary for Food Safety will be to protect the public health. Specifically, I want to reduce human illness rates, drive down percent positive rates in verification samples, and reduce the national prevalence of foodborne pathogens, as estimated by baseline studies. This is why performance standards are so important. They set our goals and we can use our nationwide baseline studies and our sampling programs to measure progress. I believe that by revising current *Salmonella* performance standards and creating new ones for *Campylobacter*, FSIS will more effectively ensure that the percentage of poultry carcasses that are pathogen positive will decrease over time, and that continuing baseline studies will help us to determine our efficacy and appropriateness with those standards.
1. It appears FSIS is headed in a direction to regulate pathogens on raw meat and poultry out of existence. As you know, the agency can set standards that are great goals but the ability of the industry to consistently meet the standards may be lacking. I know of no technology other than cooking or irradiation that can make raw meat and poultry sterile. So how would you propose the industry meet the objectives the agency sets? In your opinion, would this movement to achieve a sterile meat and poultry supply put some small processors out of business? How will added cost to consumers and increased regulatory burden on industry factor into your decision making?

- a. Given the devastating effects of foodborne illness, particularly in the young and the elderly, I think that it is appropriate to work to reduce *Salmonella* and *Campylobacter* to the lowest levels possible, and to produce beef products in which O157 is at non-detectable levels. It is also important that ready-to-eat foods do not have detectable levels of pathogens. If confirmed, I will work with FSIS, consumer advocates, and the industry to combat foodborne pathogens. Until there are no instances of foodborne illness, there is still work to be done and improvements to be pursued.
2. What are your thoughts on HACCP? The meat and poultry industry approached USDA in 1996 proposing to implement HACCP. What can the federal government do to inform the media and others about the efforts of the second most regulated industry and the fact that they self imposed these regulations? Would you say the meat and poultry industry is doing their job and that other industries should look to them as a model?
 - a. HACCP was a very important step forward for food safety when it was first implemented in 1996. For the first time, it placed industry in a position to work with the Agency to achieve the food safety results we all were striving for and moved us away from the previous command-and-control system. I believe that HACCP has brought us to the point that we are at today, having achieved great and measurable success in reducing the prevalence of foodborne pathogens, largely thanks to the innovative and progressive thinking that took place within industry and USDA at the time. HACCP was the first truly preventive system. Now, we are at point where we have the potential to move forward and modernize. If confirmed, this will be my focus – how to modernize our food safety system and its components using what we have learned, building upon the strengths of the systems that have worked, and learning from the weaknesses of the systems that did not. If confirmed, I will look forward to working and sharing with our partner Agencies, industry, and other stakeholders to bring our food safety system into this new generation of science and capability, using that same innovative and progressive thinking that has helped us make the progress we have had so far. As far as my opinion on the meat and poultry industry, if confirmed, I will very much look forward to continuing work with this dynamic, innovative industry to make progress toward our shared goal – providing consumers a safe, wholesome product.
 3. Groups like the Beef Industry Food Safety Council are working to improve food safety and have been partners with USDA in the past. How do you intend to work with industry as partners in food safety?
 - a. It is my belief that improved communication and collaboration between all food safety stakeholders will strengthen our overall effort to reduce foodborne illness. If confirmed, I commit to you that my door will always be open to discussion of ways to improve food safety.

4. Do you intend to address the issue of pre-harvest interventions to help control issues such as E. Coli?
- a. For decades, we have all recognized that the safety of meat products is significantly linked to the health of the animals from which they are derived. That is why we have standards in place for the use of healthy animals in meat production. Specifically, FSIS uses veterinarians to review the health of animals before slaughter, and excludes animals that are not healthy. As we work to improve the safety of products regulated by FSIS, I think it is important that we consider options to build on these steps. Ultimately, the health of animals is linked to the safety of the product that we consume. We must ensure that all appropriate steps are being taken to ensure that animals being used for processing are healthy and fit for human consumption. If we can significantly decrease the pathogen loads coming into an establishment, then we decrease the level of pathogens that need to be managed throughout the food production system. Steps that achieve this goal could ultimately decrease the number of foodborne illnesses that affect consumers. Pre-harvest food safety is an area of active research, and if confirmed, I will work with all food safety stakeholders to consider the range of activities that could reduce the prevalence of pathogens in our food supply.

Senator Grassley

1. Over the Easter recess, small and medium sized meat processors came to my town hall meetings and shared their concerns with a March 19, 2010 letter and draft guidance from Administrator Alfred Almanza to nine trade associations regarding Hazard Analysis Critical Control Point (HACCP) plans.

While I fully support efforts to improve food safety rules based on sound science, I share the concerns that Iowa processors have raised with me that this guidance could add additional requirements and substantial new costs to their businesses that serve our rural areas without adding to food safety improvements.

Many of the small plants in our state slaughter multiple types of livestock and process a large assortment of unique and niche products. This requires them to have many HACCP plans in place. If they are required to use additional expensive validation methods on all of these plans for which they may already be in compliance on, the costs could be extremely burdensome to these small businesses.

May I have your assurance that the impact this proposed guidance will have on small locally owned processors is fully considered?

- a. I understand that the recently announced draft HACCP validation guidance is intended to clarify the existing HACCP regulations and to make it simpler for all

facilities to ensure that they are meeting food safety requirements. If confirmed, I commit to you to not only ensure that the needs of small businesses are considered as we work to ensure food safety, but that we do a better job of outreach and communications, so that our expectations and intentions are clear.

Senate Committee on Agriculture, Nutrition & Forestry
Hearing to Consider the Nominations of Elisabeth A. Hagen, Catherine E. Woteki, Sara L. Faivre-Davis, Lowell L. Junkins, and Myles J. Watts, for Respective Positions with the USDA and Federal Agricultural Mortgage Corporation
Questions for the record
Mr. Lowell L. Junkins
May 27, 2010

Senator Chambliss

1. There are several significant issues in the financial reform legislation currently being considered by Congress, including issues that would affect GSEs such as Farmer Mac. What are your thoughts about the importance of Farmer Mac's GSE status? How do you see Farmer Mac fulfilling its public policy mission?
 - a. **GSE status remains critically important to the long term ability for Farmer Mac to accomplish its mission. That was most recently evidenced by the upheaval of the financial markets in late 2008 and early 2009. Credit became difficult to find in most segments of our economy and rural America was no exception. With GSE status however, Farmer Mac was able to continue to provide funding for rural America during those times. Our doors remained open and we were able to purchase loans every day during that crisis. Without GSE status, at best funding costs would have been dramatically higher during that period, or more likely it simply would have been impossible to find purchasers of enough of our debt to ensure that we could meet the needs of our customers. Farmer Mac has continued to make progress in expanding its presence and role among banks, insurance companies, and FCS institutions. To date, Farmer Mac has funded, either directly or through a standby product, loans to over 55,000 farmers and ranchers, rural homeowners, rural electric cooperatives and rural businesses.**

The continuing challenges faced by financial institutions highlights the value that Farmer Mac brings to rural America. With our recent capital raise and other changes made at Farmer Mac, I believe we are well positioned to take an even larger role in providing capital and liquidity to rural America.
2. Corporate governance is important in any organization and the Chairman of a Board sets the tone. Please share your thoughts on issues of corporate governance at Farmer Mac, including your perspective on the challenges that may come in this area with the unique structure of the Farmer Mac Board.
 - a. **Congress, when creating Farmer Mac, saw the wisdom of a board structure that would bring together important constituencies to Farmer Mac; Banks and other financial institutions (A shareholders), the Farm Credit System (B**

shareholders) and Public Policy (Presidential Appointees). This unique structure has allowed for an important dialogue about the tension between a public policy mission and the financial needs of investors. In addition, Farmer Mac is unique in that it is one of the few places that the banking sector and Farm Credit come together to work for the betterment of farmers and ranchers and rural utilities cooperatives. These distinct views and complicated relationships continue to create a wide range of views and perspectives about solutions to real business challenges in the company. In my view, this has made the Farmer Mac stronger and better positioned to meet the needs of all of its constituencies while remaining focused on the task for which it was created. In addition to the general responsibilities that any board has to its shareholders, this task of balancing mission and shareholder value is the primary role of the board as created.

3. Farmer Mac has come through some significant financial challenges during the past couple of years. What has changed to better prepare Farmer Mac for the future?
 - a. **The company has made significant changes in both its approach and philosophy over the last couple of years. Most notably, the hiring of a new management team has brought a fresh exciting new direction to the company. We have also strengthened our financial position, reduced risk on our balance sheet by reducing the size of our hold positions, and reconfigured our controls and reporting to allow for a more informed and active Board of Directors. In addition, we have established stronger independence and conflict of interest standards to reduce the risk of undue influence by board members on management activities, and through aggressive management initiatives re-focused Farmer Mac on the core business, namely providing capital and liquidity to rural America. This new focus combined with a much stronger and less risky balance sheet positions Farmer Mac well to meet the challenges ahead.**

4. As acting chairman of Farmer Mac, you have presided over a board composed of directors elected by class A and class B stockholders along with presidentially appointed directors. Please describe the advantages and disadvantages of this board composition.
 - a. **As I described in response to Question 2, the multiple perspectives represented on the board have made Farmer Mac a stronger institution. The most significant disadvantage of how the Farmer Mac Board of Directors is currently composed, in my opinion, is that it places a significant level of control over the selection of the board in the hands of a limited number of financial institutions in the United States. Based on current stock ownership percentages, it is even possible that these institutions could elect a majority of the whole board. Without strong rules of independence, conflict of interest and regulatory oversight, those institutions – through their elected directors – could influence board and company policy without consideration for Farmer Mac’s public purpose. With that public purpose in mind, I think it is extremely important that Farmer Mac maintain the multiple perspectives that I mentioned previously in order to represent the needs of all Farmer**

Mac's constituencies while remaining focused on the task for which it was created. Fortunately, the members appointed by the President and confirmed by the Senate provide a level of independence on behalf of the general public and Farmer Mac's public mission. Furthermore, the board has taken these concerns seriously, and in the last six months we have taken steps to attempt to deal with this challenge by strengthening the independence and conflict of interest rules of the corporation. However, I believe that this is a challenge that must continue to be monitored to avoid the potential negative outcomes that I have shared.

May 31, 2010

A handwritten signature in black ink, reading "Lowell G. Jenkins". The signature is written in a cursive style with a large, looping initial "L".

Response of Myles Watts

Senate Committee on Agriculture, Nutrition & Forestry
Hearing to Consider the Nominations of Elisabeth A. Hagen, Catherine E. Woteki, Sara L. Faivre-Davis, Lowell L. Junkins, and Myles J. Watts, for Respective Positions with the USDA and Federal Agricultural Mortgage Corporation

Questions for the record

Dr. Myles J. Watts

May 27, 2010

Senator Chambliss

1. Farmer Mac was created to provide liquidity to lenders and a secondary market for agricultural mortgage loans, rural utility, rural housing and certain USDA-guaranteed loans. Do you believe Farmer Mac is accomplishing what it was set out to do by Congress?

Answer:

The recent SEC filing indicates the current Farmer Mac volume is about 10.7 billion. Since I am a new nominee to the Board, I do not have access to internal Farmer Mac data. I believe that it is unlikely that this credit is easily available through other mechanisms. A few years ago, credit was difficult for the REAs and that seems to be resolved with the 2008 amendment that provides Farmer Mac the opportunity to facilitate funding for rural utilities. If confirmed I should be in a better position to evaluate how well the mission specified by Congress is being fulfilled.

2. What are your views about the benefits of a secondary market for agriculture mortgages and rural utility loans?

Answer:

Modern financial markets are heavily dependent on secondary markets. While secondary financial markets have recently been criticized (and for the most part rightly so,) their intermediation role contributes much to the functioning of capital markets and providing liquidity. Admittedly some banks retain loans, but retention of long term real estate loans is becoming less common. Furthermore the special lending practices for agriculture are necessary, because the seasonal biological process does not fit well into the usual secondary financial markets. However Farmer Mac seems to be able to meld the lending practices necessary for agriculture and the secondary markets. To provide competitive credit for agriculture, use of secondary markets will be important so that risks of agricultural lending can be diversified spatially and across economic sectors while maintaining the agricultural focus of Farmer Mac.

Senate Committee on Agriculture, Nutrition & Forestry
Hearing to Consider the Nominations of Elisabeth A. Hagen, Catherine E. Woteki, Sara L. Faivre-Davis, Lowell L. Junkins, and Myles J. Watts, for Respective Positions with the USDA and Federal Agricultural Mortgage Corporation
Questions for the record
Dr. Catherine E. Woteki
May 27, 2010

Senator Lincoln

1. I understand that both sugar producers and sugar user groups have complained to the Department of Agriculture about some confusion concerning U.S. sugar consumption estimates, and an apparent lack of cooperation among USDA agencies in developing these estimates and reconciling differences. The agencies involved in this dispute include the Economic Research Service and the National Agricultural Statistics Service, both in the REE mission area. Can you assure us that the Department is taking steps to address this problem?
 - a. My understanding is the Department is taking positive steps to address this problem. The key to resolving this issue lies in improving the Department's ability to collect data on sugar imports.

As you know, sugar imports from Mexico have grown substantially since full implementation of the North American Free Trade Agreement (NAFTA) in January 2008. A significant portion of these imports now goes to entities that have not traditionally reported how they use imports to the U.S. Department of Agriculture through the Farm Service Agency (FSA). As a result, it has become increasingly difficult to determine how much of this sugar was directly delivered to sugar end users and how much entered the food supply through further processing by cane refiners. This ambiguity has raised questions about the interpretation of data presented in the USDA's official sugar reporting system.

Since 2009, economists from the Economic Research Service (ERS) have been meeting with personnel from USDA's FSA, Foreign Agricultural Service (FAS), and other members of the USDA's Inter-Agency Commodity Estimates Committee to improve the methodology used for estimating the effect of the NAFTA imports on sugar deliveries. Also, ERS economists, in close cooperation with FAS and FSA analysts, have met with U.S. sugar producers and end users representatives to learn more about their concerns and possible data solutions.

I understand that a solution to the problem is near and there is agreement among the agencies about how to proceed once we are able to collect the data needed to more accurately account for sugar import transactions.

Senator Chambliss

1. Relationships between individual land grant universities and the Agricultural Research Service vary from marginal up to excellent. What is your level of concern about this challenge? Do you have a vision of how to bring greater harmony to the system? Do you plan further integration between intramural and extramural research activities?
 - a. The relationship between ARS and the land grant universities has been productive and I see a mutual and complementary partnership as essential for supporting production agriculture in the U.S. If confirmed, I will use my position as Under Secretary and Chief Scientist to ensure that research utilizes the comparative advantage of each system whether it is the long term research in ARS that is linked to special resources such as the germplasm system or the investigator driven proposals from the universities that are the source for much of the basic knowledge in agriculture. Linking the comparative advantages of the two systems through strategic planning and coordination through REE will harmonize the systems and enhance their overall productivity.

2. The land grant system is rapidly expanding its sphere of partnerships with other federal departments and agencies. What role do you see the Undersecretary for Research, Education and Economics (REE) playing in this process? How do you think this leadership position can be used to enhance the effectiveness of REE? What is your vision for increasing the leadership and prominence of REE in USDA and among other departments and agencies?
 - a. Science, education, and analysis underpin program and policy decisions across not only the Department of Agriculture, but also the broad food and agricultural system. If confirmed as Under Secretary for REE and Chief Scientist of the Department, I will work with both internal and external stakeholders to assure that our science is relevant to the programs, policies and practices of the Department, and to the many decisions that producers, processors and consumers in the food system face daily. In addition, there are a growing number of government and nongovernment partners who have both an interest and stake in assuring the long-term productivity and sustainability of our agricultural and natural resources systems. Should I be confirmed, I am committed to expanding our partnerships with other scientific organizations, including NIH, NSF, the Departments of Energy and Defense, and independent agencies such as EPA, as well as those serving worldwide audiences through U.S. AID programs, foundations, and international interests. If confirmed, I would continue efforts to utilize the nationwide Cooperative Extension System supported through American's land-grant universities, to meet a growing range of needs through collaborations funded by partner agencies such as the U.S. military to support the families and children of our fighting men and women.

3. Farmers are voicing concern that USDA's REE mission area is moving away from production agriculture. Have you heard these concerns? How do you plan to address them? How will REE serve **all farmers** under your leadership?
 - a. The Research, Education, and Extension mission of USDA is very broad and includes assuring a strong agricultural production system, providing the knowledge base to support sustainability of that system, assisting in the viability of rural areas, promoting research-based nutrition guidance and education, studying approaches to continuously improving the safety of food, and helping provide the knowledge and skills to alleviate world hunger. The U.S. agricultural system is also broad and diverse, including hundreds of crops, regional landscapes, and many approaches to production from very broad scale, to small, sometimes organic or specialized operations. If confirmed, I am committed to sustaining our agricultural systems through supporting research, education, and economics which, where possible, are scale-neutral, or support diversity in operations. This includes the Sustainable Agricultural Research and Education Program (SARE), the Agricultural and Food Research Initiative (AFRI), Organic Research and Education, Specialty Crops Research and Education Initiative, and Beginning Farmers and Ranchers Education in NIFA and Animal and Crop Health, Animal and Crop Production, and Environmental Services research in ARS.

Senator Harkin

1. *Research and Education in Rural Entrepreneurship and Rural Development*

President Obama and Secretary Vilsack have made rural development and economic prosperity a top priority of their agricultural agenda and have outlined a multi-pronged strategy for reversing the troubling trends of depopulation and job loss in rural communities. Mirroring these trends has been a loss in the number of mid-sized family farms, further exacerbating the economic decline in rural America.

Specifically, micro-businesses run by rural and farm entrepreneurs are particularly important during economic downturns and a good investment that spurs job creation and economic progress. To survive and thrive, small businesses must have ready access to high quality research, extension, and education programs that support the development of business skills for entrepreneurs, build networks and collaborations, and create supportive policies for entrepreneurs on and off the farm in rural areas. Currently, direct investment in rural research and education activities is a small percentage of the overall USDA REE spending.

Rural entrepreneurship became a new grant category in the Food, Conservation, and Energy Act of 2008 under the Agriculture and Food Research Initiative, yet a focus on

rural entrepreneurship is virtually absent from the revamped 2010 AFRI Requests for Applications, with the exception of bioenergy production.

How will you fulfill the statutory purposes enacted in this new grant category to expand the research and education efforts of USDA on issues related to rural development and entrepreneurship?

- a. The importance of rural development and rural entrepreneurship is primarily recognized in the AFRI Foundational Programs RFA under the Agricultural Economics and Rural Communities section. This section contains a program area called Prosperity of Small and Medium-sized Farms and Rural Communities. One of the long term goals of this program area is to enhance sustainability of small and medium-sized farms and rural communities through appropriate entrepreneurship and small business development. Accordingly, a program area priority in FY 2010 is to “Promote the sustainability of small and medium-sized farms and rural communities, by enhancing knowledge of appropriate entrepreneurship and small business development strategies, including the use of emerging information technology systems, e-commerce, local and regional partnerships, entrepreneurial networks, value-added processing, workforce development, etc.” This program area will be offered regularly to provide funding opportunities to generate new knowledge on rural and farm entrepreneurship. In addition to AFRI, other programs managed by NIFA provide opportunities in education and extension on rural and farm entrepreneurship. Two examples are the Beginning Farmer and Rancher Development program and the Small Business Innovation Research program. NIFA has excellent coordination among all of these programs to enhance the impacts of federal investment. In addition, NIFA will explore opportunities to include rural entrepreneurship and rural development in more AFRI Requests for Applications in FY 2011.

2. *Weed Control Research*

A recent National Academy of Sciences report, as well as stories in the New York Times and national farm press, highlighted growing problems in weed resistance to the leading herbicide glyphosate. The National Academy recommended alternative weed control measures to address glyphosate resistance in weeds.

Will you reconsider reinstating the weed control research program that previously existed but has been eliminated from the new National Institute of Food and Agriculture program?

- a. I understand that in Fiscal Year 2010 the AFRI program was restructured to address societal challenges such as reducing childhood obesity, expanding biofuels, adapting to and mitigating the effects of climate change on agriculture, improving food safety, and addressing global hunger. It also continues to support foundational research across plant, animal, environmental and economic systems to assure sustainability of

agriculture. Support for many areas of science, including weed biology and control, is possible through the inter-disciplinary, outcome-oriented projects requested in the challenge area solicitations. It is through these challenge area solicitations that NIFA is leveraging past investments in fundamental research to solve problems. In Fiscal Year 2011 NIFA will increase its investment in foundational research from 25% to 30% of AFRI funding, thereby expanding the programs supporting discipline-specific basic research.

3. *Classical Plant and Animal Breeding Research*

Given the significant promise in classical plant and animal breeding for finding solutions for many agricultural challenges such as food security and adaptation to changing climate, will you strengthen this type of research and how will you do so?

- a. If confirmed as Under Secretary for REE and Chief Scientist I would work to strengthen the mission area's program in classical plant and animal breeding in both ARS and NIFA. The traditional approaches of genetic recombination, multi-location/multi-year testing, and selection of superior progeny will continue to serve as the backbone of USDA/ARS's efforts to harness the inherent genetic potential of plants and animals. If confirmed I will ensure that these programs be strengthened by taking advantage of new invaluable new information about the genetic control of key agronomic traits resulting from genomic and bioinformatics analyses of crop and animal genomes and by new molecular "short-cuts" that will reduce the number of seasons and generations required to attain priority breeding goals.

In NIFA, the FY 2010 AFRI program offers funding for classical plant and animal breeding through its challenge area solicitations focused on sustainable bioenergy, climate change, and global food security, providing the opportunity to use the same new genetic information and bioinformatics. It is NIFA's hope that plant and animal breeders participate actively in addressing these problem areas through breeding of new and improved feedstocks for the production of bioenergy; through development of new crops and livestock that are better adapted to changing environmental conditions and that show potential to mitigate climate impacts; and through improvements in the efficiency of nutrient utilization by livestock to increase global food availability.

4. *Continuation Funding and Topical Focus of 2010 AFRI Grants*

In the AFRI RFAs for 2020, issue areas are set on a three-year rotational basis. It is my understanding that given this rotation approach, some of the big challenges, such as climate change and biofuels research, may receive an inconsistent pattern of support, which would make it difficult for new, young faculty, if their research areas are not funded in 2010 and are excluded from funding opportunities during a full three years.

It is also my understanding that under a new system of awarding AFRI grants, called "continuation funding", only the first year of a multi-year award is provided but there is a

commitment to provide funds in the second and third years if there is satisfactory progress. This change away from full-term awards means that the research topics and projects chosen by ARFI are largely locked in for a multi-year period, which may interfere with funding emerging priorities and reduce the number of graduate students whose work can be supported with AFRI-sponsored funds.

What will you do to ensure that our young agricultural scientists have ample opportunity to build careers with strong support from AFRI grants?

Will you carefully reexamine this new policy of continuation awards or continuation funding to make sure it is not impairing the ability of the AFRI grants to respond flexibly to emerging research needs or the help that AFRI grants provide to graduate students?

- a. The AFRI Challenge Area RFAs were designed to achieve programmatic goals through the collective outcomes of the grants supported in Fiscal Years 2010, 2011, and 2012. Although very specific high priority topics were articulated in the FY 2010 RFAs (and have been proposed for the Fiscal Year 2011 and 2012 RFAs), it is NIFA's intent to remain flexible in the out-years to ensure that the AFRI program can effectively address emerging needs and be responsive to its stakeholders. With regard to the very large coordinated agricultural project (CAP) awards being offered in the Climate Change and Sustainable Bioenergy RFAs, NIFA will reoffer the current year's priorities in FY 2011, if a sufficient number of high quality proposals are not received this year.

In FY 2009 AFRI supported 342 undergraduate students and 526 graduate students. I understand that with the increase in AFRI funding in FY 2010, and the larger number of integrated grants (i.e. those that integrate research, education, and/or extension) and focused education grants being offered, it is anticipated that AFRI will support increased numbers of undergraduate and graduate students this year. Many of the students supported in FY 2010 will be part of large interdisciplinary projects that cover a wide range of disciplines. This will train a new generation of scientists to work in an interdisciplinary environment, which NIFA believes will benefit agricultural science and contribute to the professional success of young scientists. In addition, a substantial number of students will be supported through grants made from the Foundational Programs, allowing for continued training of students in more narrow, disciplinary-based environments. Also, I understand that AFRI will support pre-doctoral student fellowships for the first time in FY 2010. These, in combination with post-doctoral fellowships, will total \$6 million. These fellowships will not be restricted to any particular field and will seek to support the best young people working in agriculturally-relevant areas.

Making awards as continuation grants is standard practice in Federal granting agencies, including the National Institutes of Health and the National Science Foundation. This allows for a much higher level of post-award oversight and quality control since funds are allocated on a year-by-year basis. Because NIFA is making significantly larger awards in FY 2010 than in past years, it makes sense to utilize this

important management option. In addition, because NIFA wishes to accelerate progress in addressing the identified Challenge Areas, launching a significant effort in 2010 is essential.

Senator Stabenow

1. I understand that NIFA has cut federal research funding for weed control research and livestock research. Can you speak about the importance of funding for basic agronomic and livestock research? If confirmed, would these funding cuts be a long-term trend?
 - a. With regard to plant and animal sciences, NIFA estimates that funding in Fiscal Year 2010 will be nearly equal to that provided in Fiscal Year 2009. In fact, as AFRI has restructured to be more responsive to important national issues such as climate change, bioenergy, food safety, childhood obesity, and global food security, the opportunities for many areas of science have grown through funding focused on solving problems. To accelerate progress in these societal challenge areas NIFA is looking to fund interdisciplinary teams to work together to achieve measurable outcomes. This is a departure from the single investigator model of the past, but is an approach supported by the National Research Council. Grants to support discipline-specific work will advance knowledge, but do not provide a path to quickly synthesize new knowledge and solve problems.

This new approach has meant that fewer dollars are being offered in Fiscal Year 2010 through small, discipline-specific programs. Although this change is perceived negatively by some in the scientific communities who have in the past enjoyed the certainty of a minimal level of funding through discipline-specific programs, I believe that offering funding through inter-disciplinary, issue-based programs is the most effective way to use public dollars to create public value. NIFA believes the scientific community is resilient enough to adjust to this change in format.

It should also be noted that in Fiscal Year 2010 about 25% of AFRI funding is being used to support discipline-based research through its Foundational Programs. These programs support work that helps to build the foundation of knowledge needed to solve both current and future problems. It is NIFA's intent to increase support of Foundational Programs to 30% of funding in future years, allowing for greater investment in discipline-based work over time.

Senator Casey

1. Agriculture research is a critical part of USDA's mission and very important to Pennsylvania. Increasing available agricultural data is an important part of strengthening

American agriculture. For organic agriculture the need for data has never been greater. The Farm Bill considerably strengthened the Department's authority and funding for organic data collection. Would you commit to adding data collection for organic agriculture to your list of priorities as Under Secretary?

- a. I assure you that if confirmed, I will work closely with the National Agricultural Statistics Service (NASS) to ensure the implementation of an on-going organic agriculture data series.

The 2008 Farm Bill provided NASS with one time funding of \$1.0 million to conduct the first ever USDA survey of organic agricultural producers. Appropriations in the FY 2010 budget allowed for completion and publication of these baseline statistics in February 2010. The FY 2011 President's Budget requests additional base funding to establish an on-going organic data series that builds upon the recently published Organic Production Survey. If confirmed, I will work closely with NASS management to leverage all available resources and develop an on-going organic data series that meets the needs of this growing sector of agriculture.

2. Penn State and other land-grant universities have research operations through their extension program. A lot of Penn State's research is focused on ways to increase agriculture profitability, troubleshooting production problems, water & soil management, nutrient management, and animal diseases. One of their leading projects is on Colony Collapse Disorder in honey bee hives. Will you continue to pursue research on pollinator issues as Under Secretary?
 - a. I recognize the critical role pollinators play in helping produce the foods that we eat and the ongoing crisis the beekeeping industry continues to face because of Colony Collapse Disorder (CCD). The Agricultural Research Service and the National Institute of Food and Agriculture continue to co-chair the Federal CCD Steering Committee which coordinates all Federal work with that of industry, university, and private researches. Contributions from universities such as Penn State play a vital role in understanding the impacts of pathogens and pesticides on bee health. If confirmed, I will certainly continue to pursue issues that threaten the pollination of our Nation's fruits, nuts, berries and vegetables.
3. Ending hunger remains one of my top priorities as it cuts across all of the major challenges we are facing, including preventive health care, quality of life for families, and the ability of children to take full advantage of educational opportunities. I am greatly concerned about to increasing children's access to food, as well as nutrition education, so that we can help some of the most vulnerable members of our society. As Under Secretary, would you prioritize research on nutrition issues to ensure that we have healthy communities, families, and youth?
 - a. I share your concern regarding hunger in our nation and assure you that nutrition, both research and education, would be high on my list of priorities if I am confirmed as Under Secretary of REE and the Chief Scientist of USDA. Access to healthy food

is critical for the well being of all families and the healthy development of children. The Department, and specifically Secretary Vilsack, has a very strong interest and commitment to improve access to wholesome food, particularly for children.

If confirmed I look forward to working with the strong nutrition research and education programs in REE and to partnering with the other organization, both in and out of government, including the Department's Food and Consumer Services and the National Collaborative on Childhood Obesity Research, a recently launched USDA, NIH, CDC, and Robert Wood Johnson partnership. REE has much to contribute in addressing the nutrition challenges facing the country, including both hunger and the unhealthy eating habits of Americans that has led to high incidence of obesity. I look forward to the opportunity of leading REE in making that contribution as effective as possible.

Senator Cochran

1. "Dr. Woteki, what role do you believe the research mission area should have in international agricultural development?"
 - a. I believe that REE mission area will have an important role in supporting and conducting agricultural research and development work that have a dual function; a clear benefit to the U.S. as well as to the developing countries. Working jointly with partners in U.S. universities, these activities will involve basic research as well as activities to deploy research output to the fields and capacity building on agricultural data and market information systems.

Research collaborations on projects of mutual interest will allow USDA scientists to benefit from the knowledge and resources available to their foreign counterparts, including field testing under a different environment than what is available at home. Assisting agricultural development in lower-income countries is also essential to protect the health and safety of U.S. crops, livestock, and ecosystem from potential future threats of exotic pests and diseases. These countries have poor institutional scientific capacities, which need to be built up, so they can detect and prevent transmission of pests. For example, about 6 years ago, a new and virulent strain of wheat stem rust was found in Uganda—UG99. If unchecked, this has the potential to not only devastate the wheat crop in Africa, but in all major wheat growing regions including that of the US. Working together with U.S. universities and international partners, USDA has actively engaged in researching wheat rust and US scientists are incorporating durable sources of rust resistance from wild relatives of wheat.

The ability to detect and study pathogens, insects and weeds before they reach our borders not only protects our crops and livestock from potential foreign threats but they can also provide insights about new approaches, methods, tactics, and solutions

used overseas that REE and other U.S. researchers or practitioners may be unfamiliar with.

I believe that efforts to build agricultural and market information systems in developing countries will help develop a global public good in the form of critical market information which will prove important to our agricultural producers, exporters and the agribusiness sector as well as to policy makers and producers in the developing countries.

Finally, by engaging the U.S. university system internationally on agricultural development issues, we prepare our students for the future world of agriculture in which they will work. We make them more globally competent and savvy. In the long run, this may be the most positive back-home benefit of all.

Senator Roberts

1. Funding for the USDA specifically CSREES has not keep pace with other federal research funding and certainly has not met needs. A recent example was the increased funding from the stimulus package where the National Science Foundation and the National Institute of Health received significant funding increases while CSREES received zero funds. As Undersecretary/Chief Scientist what will you do to increase the federal investment in the food system, youth development and our natural resources research?
 - a. If confirmed there are three strategies I will pursue to increase investment in agricultural science and education: First, REE will continue to expand partnerships with other agencies and organizations which share our mission to advance knowledge for food and agriculture. This will maximize the effectiveness of our investments, as well as that of other public and private entities. Second, REE will continuously review our current spending to assure that it is focused on the highest priority issues where science-based solution can make a meaningful—and ideally, relatively quick—difference. This may mean concentrating our efforts on fewer issues to increase impact. Third, REE will seek expanded funding where investment is critical to the long-term economic, environmental and health consequences of the Nation. We have learned that science is a driver of well-being across many sectors. After initial extraordinary returns to investment from agricultural research, we cannot afford to let this sector lag as we seek to feed a growing world population, use natural products for energy and growing number of other products, sustain—and ameliorate damage—to our environment, and have healthy agricultural producers and consumers.
2. Knowing that agriculture research dollars are so limited, how will you prioritize USDA's work in this field?

- a. Stakeholder input underlies the priority setting process of the REE agencies at USDA. This includes formal advisory groups for NASS (the AG Statistics Board) and the research programs (the National Agricultural Research, Education, Education, and Economics Advisory Board) and interagency advisors (the Forestry Research Advisory Council); public comment opportunities through Federal Register Notices and public meetings; and countless listening sessions, joint meetings, and solicitation of comments and recommendations. If confirmed, I am committed to seeking guidance from those who do—or could—benefit from agricultural research and education, as well as those who perform such activities through or with support of USDA.
3. Manhattan, Kansas and Kansas State University were named last year by the Department of Homeland Security as the final site location for the new National Bio and AgroDefense Facility (NBAF). This facility will be built and owned by DHS. However, virtually all the research will be conducted by USDA researchers under your authority, should you be confirmed. This is a national security priority and a Kansas priority. Can you provide your thoughts on the importance of the work that NBAF will perform? In addition, do I have your commitment that you will work with DHS to coordinate on these efforts? Do you also commit to beginning to move USDA researchers to Manhattan as soon as possible? Finally, do you commit that you, or a member of your staff, will provide updates to me on USDA activities related to NBAF on at least a bi-monthly basis?
- a. The NBAF in Manhattan, Kansas, will continue to implement the USDA/ARS's biodefense research program for foreign animal diseases which is currently located at Orient Point (Plum Island), New York. As such, the NBAF will be a critical component of USDA/ARS's foreign animal disease research program, vital for USDA/ARS to attain its paramount mission of successfully countering biological threats.

To date, USDA/ARS has played a key role in supporting DHS during every step of this project. You have my commitment that, if confirmed, USDA/ARS will continue to coordinate its efforts closely with DHS in the future to successfully attain the goals of this project.

You have my commitment that if I am confirmed, USDA/ARS will relocate researchers currently assigned to the Plum Island laboratory to Manhattan as soon as the NBAF is completed and operational. In addition, one of USDA/ARS's top priorities is to transfer a robust foreign animal disease research program from Orient Point to Manhattan. Consequently, 1) USDA/ARS will ensure that the current foreign animal disease research program is maintained at its current strength and relevance; 2) USDA/ARS is beginning now to train the next generation of foreign animal disease researchers, in collaboration with Kansas State University; 3) USDA/ARS is currently recruiting two new scientists, an epidemiologist and a virologist, to work cooperatively with the USDA/ARS Orient Point research program and with Kansas State University scientists; and 4) Collaborations have begun

between USDA/ARS, Kansas State University and the Kansas Bioscience Authority to build the initial foundations for public-private partnerships to support the NBAF mission. If confirmed I also commit to providing you and your staff regular briefings, and working closely with you to address your concerns as work on the NBAF progresses.

Senator Grassley

1. The world's population is expected to reach nine billion by 2050. To feed this growing population, agricultural output must double and food production must increase by 70 percent. Increased investment by both the government and the private sector will be needed for additional research and innovation in agriculture that will be critical to meet this challenge. One important area of research and innovation has been the introduction of biotechnology traits into high-quality germplasm of the U.S.'s three main cash crops: corn, soybeans, and cotton but more advances in biotechnology are needed. To date, the private sector has led much of the investments in research in biotechnologies. Do you think that will continue to be the case? To that end, in your view, what is the role of competition among seed-trait developers in ensuring the kind of private sector investment in research we need if we are to be able to meet the world's growing need for food?

- a. There is indeed an incipient crisis in the growing gap between food production and food needs in both the developing and developed world. Against this backdrop, we desperately need not only to increase our investment in agricultural research but to ensure that it is directed toward critical areas with great potential to provide real progress in addressing global food security.

In meeting these food security goals, I believe we cannot afford to ignore any of the tools at our disposal to develop new crop lines, not just for the important cash crops of corn, cotton, and soybeans but for the host of other cereal and food crops on which the people of the world depend. Federal investment – led by USDA and its university research partners but also at NSF and other agencies with a role in basic plant research – will be critical in the development of new cultivars and new crop lines with the potential to withstand drought, demonstrate exception tolerance to salinity, and thrive in an environment where weather and climate extremes become the norm. The commercial seed industry also has a very important role to play in bringing these news crops out of the laboratory and field trial to market, and market-driven competition can be a valuable incentive in this enterprise as long as we understand that public good must also flow from private sector investments in agricultural research.

2. The 2008 Farm Bill placed a real priority on agricultural research. However, the farm bill laid out a large undertaking. The updates to the Biobased products program were intended to make the program run more smoothly. I know that Senator Harkin asked

Secretary Vilsack at his confirmation hearing about this program's progress. But since that time, I've heard from Iowa companies who struggle to get their biobased products into federal procurement with other agencies outside USDA. I wrote to Secretary Vilsack on this issue. What is your plan to ensure that other agencies, particularly those that purchase extensive amounts of supplies like the Department of Defense, follow the Biobased products statute that requires their purchase if feasible? Dept Management office of procurement.

- a. I understand that absent direct enforcement authority in the Farm Bill, USDA is undertaking a multi-pronged approach to encourage other Federal agencies to comply with Section 9002 of the Farm Bill. The key elements of this approach are Federal agency outreach and making available a series of education and training tools. Last month Secretary Vilsack sent out a second letter to all Cabinet members encouraging them to comply with the biobased product provisions of the Farm Bill. More specifically, the letter urged them to contact their Chief Acquisition Officers and have those Officers reach out to procurement officials throughout their departments and agencies.

In addition, USDA staff meet with procurement and environmental officials from other Federal agencies on a regular basis. Generally these meetings are part of on-going agency training, which provides technical assistance focused on acquisition planning, model language for contracts, and source-selection factors for emphasizing biobased products. Educational tools include electronic broadcast messages, news releases, publications, case studies, and the use of social media tools like Twitter. USDA staff recently completed a biobased training track at the General Services Administration (GSA) EXPO that thousands of Federal procurement officials attended.

USDA maintains a BioPreferred Web site (see <http://www.biopreferred.gov>) with model contract language and an online catalog of biobased products. The new catalog allows users to easily find the products they are looking to purchase. Live links to the web sites of manufacturers and vendors are included as well as drop down menus, fly-outs, and mouse-overs to ease site navigation.

USDA is also working to integrate biobased purchasing practices and products into existing Federal programs and initiatives. Specifically, we are working with Federal supply sources such as the GSA Advantage, the Defense Logistics Agency (DLA) EMALL, AbilityOne, and Federal and strategic sources and make them easily identifiable. They are also in the process of creating direct web links with GSA and DLA and the BioPreferred catalog.

DOCUMENTS SUBMITTED FOR THE RECORD

MAY 27, 2010

May 24, 2010

Honorable Blanche Lincoln
Chairman
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, D.C. 20510

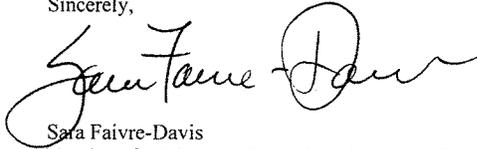
Dear Madam Chairman,

On October 4, 2009, a copy of my SF 278, Executive Branch Public Financial Disclosure Report, prepared in connection with my nomination to serve as Director of the Federal Agricultural Mortgage Corporation (Farmer Mac) was submitted to the U.S. Office of Government Ethics. That report contained all required financial information for the calendar year 2008 and for the calendar year 2009 up to that date.

In accordance with the Ethics in Government Act of 1978, as amended, I am writing to update certain information reported on the SF 278 (in accordance with section 102(a)(1)(A) of the Act) with respect to income (other than dividends, interest, rents and capital gains) and honoraria, to a date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. The hearing to be held on my nomination is scheduled for Wednesday, May 26, 2010. Between the point at which I filed my Financial Disclosure Report on October 4, 2009 and today's date, I have not received any additional income (other than rents or dividends). Wild Type Ranch, LP has received gross income since October 2009 in the amount of \$76,000, which has not been distributed.

I trust that this letter satisfies any additional applicable reporting requirements in accordance with the Ethics in Government Act.

Sincerely,



Sara Faivre-Davis
Nominee for Director, Federal Agricultural Mortgage Corporation

BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used):

Sara Louise Faivre-Davis
Aka Sara Davis, Sara Faivre, Sara Sunden
2. Date and place of birth:

DeKalb, IL 18 August, 1964
3. Marital Status: If married, list spouse's name (include any former names used), occupation, employer's name, and business address(es).

Married to Ralph Bruce Mitchell, Operations Manager of Wild Type Ranch, LP 2039 County Road 140, Cameron, TX 76520
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.

1982- 1986 B.S. (Honors) Iowa State University, 1986
Majors: Agricultural Business and Animal Science
Undergraduate Honors Thesis: Wild Ungulates as a Meat Production Alternative

1987-1991 Ph.D. Texas A&M University, 1991
Major: Genetics
Dissertation: Population Structures, Evolutionary Relationships and Genetic Effects of Domestication in American Penaeid Shrimp
5. Employment and Self-Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms or ranches, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college. Please include a title and brief job description for each.

2005-pres Wild Type Ranch, Cameron, TX
Managing Partner: Own and manage a purebred Angus and Red Angus cattle ranch and direct-sale Natural Angus Beef program. Designed and implemented an innovative genetics program utilizing EPDs, cloning, ET, and genetic testing to produce high quality, high yielding Angus and Red Angus broodstock. Developed branded beef program for Natural, Pasture-raised Angus beef, including all marketing and sales.

2007-2009 Ranch Genetic Consulting:
Clients included; Donnell Cattle Company, Graham TX, Cheshier Angus Farms, Cameron, TX
Advise on genetic strategies, serve as expert speaker at sales, determine defect risk.

- 2007-2008 Turner Strategies, Washington, DC
Blog Editor: Blog editor for www.downtoearthblog.com, a food/ag blog aimed at bringing balanced and accurate information about ag biotechnology, farm policy and production to cooks, parents and consumers. Write and edit posts, outreach to readers and other ag professionals.
- 2007-2008 BioArts International, Mill Valley, CA
Consultant: Scientific and business advisor for embryo transfer, genetics, cattle production and cattle industry matters. Review and advise on business model. Coordinate procurement of genetics for Chinese embryo production facility.
- 2001-2006 ViaGen, Inc., Austin, TX (Founder)
2001-2002 **General Manager:** Responsible for daily operations, budget review and overall direction of start-up livestock genetic improvement company.
2003 **Chief Scientific Officer:** Scientific direction and R&D for livestock genetics improvement company. Primary budgetary responsibility for research and operations
2004 **President:** Managed integration of somatic cell nuclear transfer (cloning) into total genetics improvement research and business plan. Pursued business development opportunities in cloning and genetic services for multiple species. Public relations and lobbying efforts for cloning and animal ID.
2005 **VP, Genetic Services:** Responsible for business development, marketing and oversight of research and development for all genetic testing products and services. Implemented a unique integrated RFID/data management program with genetic tests. Achieved FSIS label approval for independent testing for Angus genetics; led effort for USDA recognition of DNA testing for pedigree equivalence for USDA beef program certifications.
2006 **Consultant:** Continued development of AnguSure genetic validation programs. Served as industry liaison at meetings and conventions. Scientific review of new technologies. General advisory capacity to ViaGen executives.
- 2001-2005 Exeter Life Sciences, Phoenix, AZ
Scientific Review Board: Scientific review and evaluation of potential new technologies and acquisition targets for human, plant and animal biotech investment holding company. Committee decided research priorities and approved funding for research projects in all Exeter Biotech endeavors.
- 2001 Genetic Savings and Clone/Hermes Investments, College Station, TX/Phoenix AZ:
Consultant: Evaluate opportunities and develop genomics research and business plans for animal cloning, shrimp mariculture and human nutritional diagnostics businesses.
- 2000-2001 GenomicFX, Austin, TX (Founder):
Vice President of Bioinformatics/VP Swine Business Development: Design, development and implementation of an integrated database and analysis platform for comparative genomics, gene discovery and diagnostics for a livestock genomics company. Group projects included customized and proprietary software development for automated sequence processing, SNP identification and scoring and human-livestock comparative mapping. Budgetary and management

responsibilities for IT, bioinformatics and statistical analysis. Evaluate business development opportunities for swine genomics program, domestic and international

- 1998-2000 **Associate Professor:** Texas A&M University, Department of Animal Science, College Station, TX
Positional cloning of bovine and porcine genes affecting economic trait loci. Human-livestock comparative mapping.
- 1996-1997 **Assistant Professor:** University of Illinois, Department of Animal Sciences, Urbana, IL
Porcine comparative gene mapping. Identification and mapping of genes related to meat quality in swine. Porcine models of human ocular disease.
- 1993-1996 **Assistant Research Scientist:** University of Iowa College of Medicine, Department of Pediatrics, Iowa City, IA Cooperative Human Linkage Center
genome mapping; genetic and physical mapping of human genetic diseases, positional cloning and candidate gene evaluation of Juvenile Open Angle Glaucoma.
- 1991-1993 **Research Geneticist:** USDA-ARS US Meat Animal Research Center Clay Center, NE: Start-up group of scientists for the USDA effort in bovine gene mapping. Developed microsatellite markers and linkage maps for cattle. Member of design team for genome mapping database.

6. **Military Service:** Have you served in the military? If so, please give particulars, including the dates, branch of service, rank or rate, and type of discharge received.

No

7. **Government Service:** State (chronologically) your government service or public offices you have held, including the terms of service, grade levels, and whether such positions were elected or appointed.

1991-1993: GS 11-13. USDA-ARS Meat Animal Research Center, Research Geneticist, appointed

8. **Honors and Awards:** List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.

1986 Graduated with Honors, Iowa State University
1987 Dean's Assistantship, Texas A&M University
1988 Honorable Mention, National Science Foundation Graduate Fellowship competition
1991 Second place student paper, Southern Section American Society of Animal Science
1995 National Eye Institute NRSA Postdoctoral Fellowship (awarded and declined)

1997 Presidential Early Career Award for Scientists and Engineers
 1998 Lewis Rudin Glaucoma Prize

9. Other Memberships: If not covered above, list all organizations in which during the past 10 years you held a position as official, board member, or other leadership position and describe the position. Exclude religious organizations

Board Member 2006-2009: Texas Red Angus Association; Show committee, Sale committee, Web manager

Beef Improvement Federation Genetic Prediction subcommittee on Clones (2007)
 Member: International Embryo Transfer Society, International Society of Animal Genetics, American Angus Association, Red Angus Association of America, Texas Angus Association, North American Farmers' Direct Marketing Association, National Cattleman's Beef Association, Slow Food

Vice-Chair Biotechnology Industry Organization Animal Subcommittee: 2004-2005

Editorial board: *Genome Research* (2000-2003)

Editor: National Animal Genome Research Project (NAGRP) Newsletter (1997-1999)

Editorial board: Journal of Animal Science (1997-1999)

10. Political Affiliation: The statute creating the Board of the Federal Agricultural Mortgage Corporation requires that no more than three public members of the Board be from the same political party. Please list your current political party registration or affiliation.

Democrat.

11. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include in this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you would provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry, agricultural credit, or other matters within the jurisdiction of this Committee or the Federal Agricultural Mortgage Corporation.

Editor and primary contributor: DownToEarthBlog.com www.downtoearthblog.com

DNA TESTS OF ANGUS GENETICS FOR QUALIFICATION OF SHOW STEERS

A report to the Texas Red Angus and Texas Angus Associations
 (presented July, 2007, published Aug 2007, Texas Angus Journal) **See Appendix 1**

Approximately 30 peer-reviewed scientific publications in the field of human and livestock genetics, published between 1991 and 2004. **See Appendix 2 for citations.**

FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, partnerships, associations, or other organizations? (If no, provide full details.)

Because of the nature of this nomination, I am not required sever business relationships.

2. List sources, amounts and dates of all expected receipts from deferred income arrangements, stock options, uncompleted contracts, and other future benefits that you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.

None.

3. Do you, or any partnership or closely held corporation or other entity in which you have an interest, own or operate a farm or ranch? (If yes, provide a brief description including location, size, and type of operation.)

- Wild Type Ranch, LP: 333 acre cattle ranch in Milam County, Texas. Raising registered Angus and Red Angus breeding stock and selling private-label beef in Austin and surrounding areas.
- JP Faivre, LLC: Family Farm Trust in DeKalb County, IL. Serving as landlord to inherited family of origin farmland. Approximately 40 acres equivalent share. (note: On 12/21/09, I liquidated my fiduciary interest in JP Faivre, LLC. Since the sale of my interest, I have no role in managing JP Faivre, however the company continues to lease farmland that I own).

4. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever participated in federal commodity income and price support, disaster, conservation, or related programs? (If yes, provide full details, including descriptions and amounts of payments and loans received or forfeited relating to each commodity, crop, farm, and ranch involved during the past five years.)

J.P. Faivre, LLC has received direct and counter-cyclical payments under USDA farm programs. The following are the total annual payments to the LLC, not just my personal share;

- In 2005, J.P. Faivre LLC received \$66,015.25 and paid \$115 from/to USDA.
- In 2006, J.P. Faivre, LLC received \$29,791 from USDA.
- In 2007, J.P. Faivre, LLC received \$16,993 from USDA.

(note: As referenced above, on 12/21/09, I liquidated my fiduciary interest in JP Faivre, LLC. Since the sale of my interest, I have no role in managing JP Faivre, however the company continues to lease farmland that I own).

2006, Wild Type Ranch received \$719 from the State of Texas Drought Relief program

5. Have you, or any partnership or closely held corporation or other entity in which you have an interest, received payments for crop or livestock losses from the federal crop insurance program in the past five years? (If yes, provide full details and amounts.)

No

6. Have you ever received a student loan or loans? If so, has all indebtedness been fully repaid? (If no, provide full details.)

No

7. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from or guaranteed by any department or agency of the federal government (other than a student loan), including, for example, through the farm or rural development lending programs of the Department of Agriculture or through the Small Business Administration? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

No

8. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from, involving, or handled by any current or previously existing institution regulated, overseen, or doing business with either the Farm Credit Administration or the Federal Agricultural Mortgage Corporation? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

For Wild Type Ranch from Capital Farm Credit, Heidenheimer, TX

- land mortgage: Originated August 2005, matures August 2035. Remaining principle \$489,000; status: current
- Ranch operating loan: Originated Sep 2005, paid off Sep 2009. Max credit \$205,000

For J.P. Faivre, LLC from First Farm Credit in DeKalb, IL

- o Originated 5/11/09
 - o Original note amount \$600,000
 - o Interest rate 3.75%
 - o Annual payments due 5/1
 - o Current principal = \$600,000
 - o 3/5/10 payoff amount = \$604,360
9. If confirmed, do you have any plans, commitments, or agreements to pursue or continue outside employment or engage in or continue any business or vocation, with or without compensation, during your service with the government? (If so, explain fully.)
- Yes, I plan to continue my ranching business in Texas and will continue to own farmland in Illinois.
10. Do you have any plans to resume employment, affiliation, or practice with any of your previous employers, business firms, partnerships, associations, or other organizations after completing government service? (If yes, provide full details.)
- No
11. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, provide full details.)
- No
12. Describe fully all matters and all employers, clients, organizations, or interests you represented over the past five years before the Federal Agricultural Mortgage Corporation or the Farm Credit Administration, or before Congress involving matters within the jurisdiction of this Committee, the Department of Agriculture, the Federal Agricultural Mortgage Corporation, or the Farm Credit Administration.
- Ag loans (see previous questions)
 - As officer of ViaGen, Inc., I dealt with USDA-AMS on a labeling program for DNA verification of Angus genetics in retail beef. I also met with them several times to discuss implementation of DNA verification as an alternative to the general classification of breed-based beef certification programs.
 - As an officer of ViaGen, Inc. I was involved with the FDA's evaluation and ruling on cloned livestock in the food supply.
13. Explain in detail how you will resolve and avoid any actual or potential conflicts of interest, including any that may be disclosed by your responses to the above questions. In particular, identify all investments, obligations, liabilities, or other relationships that involve actual or potential conflicts of interest relating to the position for which you have been nominated and what actions you will take to resolve and avoid these actual or potential conflicts of interest.

I do not anticipate any conflicts of interest. Should they arise, they will be discussed with the appropriate authorities and resolved as appropriate.

14. Fully describe and explain all divestitures or arrangements of any nature with respect to any type of interest that you have made or will make to resolve and avoid actual or potential conflicts of interest relating to the position for which you have been nominated.

I don't expect any to be needed.

APPENDIX 1:

DNA TESTS OF ANGUS GENETICS FOR QUALIFICATION OF SHOW STEERS
A report to the Texas Red Angus and Texas Angus Associations
(presented July, 2007, published Aug 2007)

Junior Angus and Red Angus steer classes at most livestock shows are theoretically purebred classes. Determination of breed is made by a panel of three individuals who visually evaluate (sift) each steer immediately prior to the show. There are numerous problems with this system:

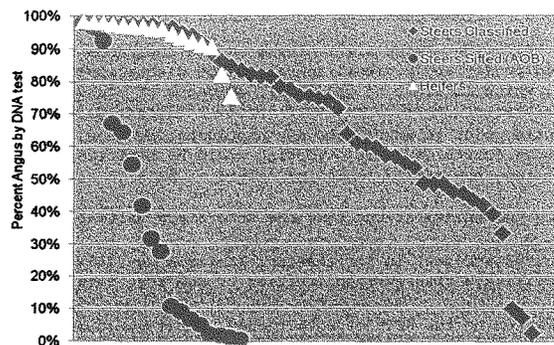
- Inconsistent qualification of animals between shows; a steer can qualify at one show and be sifted in the next
- Inaccurate classification; purebred steers may be sifted and steers with no Angus genetics are allowed to show
- Unfair competition: True purebreds competing against crossbred animals are at a competitive disadvantage.
- Wrong message sent to kids showing: This system teaches our kids it is OK (and even necessary) to 'cheat' by entering crossbred animals. It also condones cheating by making it something that is known and accepted.

Short of requiring registration certificates for market steers, there has been no better way to classify steers than the current system.

Desiring to develop a more fair and objective method of qualify steers for entry into purebred Angus shows, the Texas Angus Association and Texas Red Angus Association evaluated a DNA test to replace visual evaluation of show animals and provide an objective measure of the purebred status of show cattle candidates. The test is a modification of the commercial Angu\$ure® DNA test for breed purity provided by ViaGen, an Austin-based ag animal biotech company.

A total of 89 samples were collected from at the San Antonio Livestock Exposition (SALE) and the Houston Livestock show. Samples were taken from all steers entered as Red Angus (both classified and sifted) at Houston and from Red Angus and other breed class steers and Red Angus heifers at San Antonio. Samples were blinded as to source and sifting status and sent to ViaGen's lab for analysis.

Distribution of Angus Percentage in Red Angus Show Cattle



The chart above shows the distribution of animals tested at SALE and Houston by their percent Angus genetics, as measured by the DNA test, in qualified (non-sifted) Red Angus steers, sifted steers and in (registered) heifers. The BreedSure test does not discriminate between Red and Black Angus, because the genetic history of the breeds is intertwined.

By mutual agreement of TRAA and TAA, a nominal Angus percentage which qualifies an animal as "purebred" was set at 80%. This errs on the side of protecting the statistical outliers, but still eliminates the vast majority of purposeful crossbred. As shown above, of all tested steers entered as Red Angus, only 32.8% passed the DNA test. Three of the steers shown in the Red Angus class in Houston were tested to have virtually no (<10%) Angus genetics. Of steers that were sifted (eliminated from showing in the Red Angus class), 21% were actually purebred by the DNA test. As hypothesized, visual sifting is not an accurate method for qualifying animals and results in barring purebreds from showing and allowing crossbreds to show in purebred classes.

Positive controls were the registered Red Angus heifers. Steers shown in breed classes other than Angus served as negative controls. There were no low percentage Angus in the heifer class at Houston, although one heifer appeared, by the DNA test, to be 75% Angus and 25% Limousin. No steers that shown in other breed classes (Hereford, Shorthorn, Charolais, Limousin) passed the DNA test for being purebred Angus.

Because the DNA test is a statistical test, there are tradeoffs between making sure every animal that passes is truly purebred and making sure that no purebred animal fails. Balancing the need to maintain breed integrity (a higher cutoff) with minimizing the chance of falsely disqualifying a purebred animal, the cutoff for the test has been set at 80%. Using this value, a truly purebred animal has a >99.5% chance of passing, a 7/8th Angus has a 84% chance of passing and a 1/2 Angus has only a 25% chance of passing. Below 1/2 Angus, there is virtually no chance that an animal will pass.

The boards of both Associations have voted to recommend this testing be used to qualify steers at the major state shows beginning with the 2008-2009 show season. Final implementation will depend on approval by the management of each major show.

Proposed Program for DNA Qualification for Angus Show Steers

- The requirements for entry into Angus steer classes would include a 'pass' of the DNA test for breed purity and a visual appraisal for disqualifying characteristics i.e., white in front of the nasal, evidence of scurs or dehorning. Visual determination of 'breed type' would no longer be necessary.
- Calves need to be tested prior to entry into any participating show. A calf need only be tested once in its lifetime. Testing would be performed by
 - o the breeder selling show cattle (enabling calves to be sold as pre-qualified) OR
 - o the youth owning the animal at the time the steers are validated with the county
- Tail hair would be pulled and sent in for testing. Animals tested would also receive an RFID to facilitate transfer/confirmation of DNA test results at enrollment.
- A paper certificate linked to the RFID of each tested animal would be issued to each animal that passes. The certificate would serve as the proof of breed purity at sifting. Results will also be maintained electronically to enable replacement of lost certificates.
- DNA/tail hair would be archived. Show winners would be re-tested to confirm they are the same animals and guard against switching animals or RFID tags. (similar to the DNA testing for validation that has been used previously).
- Cost of the test:
 - o Steers tested in bulk (\$45.00 each
 - o 1-10 Steers tested by breeders/owners \$100.00 each
 - o 11-20 Steers tested by breeders/owners \$ 70.00 each
 - o 21-50 Steers tested by breeders/owners \$ 50.00 each

APPENDIX 2

Scientific Papers and Publication List

PATENTS

- Issued Patent: "Method for assigning an individual to a population of origin based on multi-locus genotypes" (Patent # US 6,770,437 B1). J.F. Taylor, S.L.F. Davis, L.Lind, S.K. Davis
- Author on additional pending patents relating to utilization of genetic technologies in livestock, technical improvements in molecular biology procedures and gene identification.

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**Federal Agricultural Mortgage Corporation**

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March 12, 2010

The Honorable Blanche Lincoln
Chairman
U.S. Senate Committee on Agriculture, Nutrition and Forestry
Room 328A Russell Senate Office Building
Washington, DC 20510

Dear Chairman Lincoln:

Enclosed is the Senate questionnaire for Dr. Sara Faivre-Davis, nominee to serve on the board of Directors of the Federal Agricultural Mortgage Corporation (Farmer Mac). I have reviewed this document and her SF-278 form at the request of the Office of Counsel to the President at the White House. Farmer Mac, a federally chartered corporation, is a Government Sponsored Enterprises (GSE) but is not a federal agency as such. Employees of Farmer Mac are not employees of the federal government and Farmer Mac does not have an agency ethics official designated as such under the Ethics in Government Act of 1978. Nevertheless, to facilitate the ethics review of nominees to the Board of Directors of Farmer Mac, the General Counsel of Farmer Mac, with the concurrence of the President of Farmer Mac, has requested that I perform the requested ethics review of reports submitted to Farmer Mac on such nominees or potential nominees.

It is relevant to note that, while the nominee may not be subject to conflict of interest laws applicable to officers of the United States, because of the nature of Farmer Mac as a GSE, the nominee would nevertheless be subject to conflict of interest and disclosure regulations issued by the Farm Credit Administration (12 CFR 650) and Farmer Mac's own conflict of interest requirements (copy attached). Further, member of the Board of Farmer Mac serve in part-time positions which are likely to involve less than 60 working days annually.

In the opinion of the undersigned, the information contained in these reports for Dr. Sara Faivre-Davis along with the additional information acquired during the review process discloses no conflict of interest or potential conflict of interest with respect to any laws or requirements applicable to service on the Board of the Federal Agricultural Mortgage Corporation.

Sincerely,

Mary K. Waters
Vice President - Corporate Relations

Enclosures:

Senate Questionnaire
Financial Disclosure Form
Itemized Financial Disclosure Form
Farmer Mac's Conflict of Interest Policy

Farmer Mac

Federal Agricultural Mortgage Corporation

CODE OF BUSINESS CONDUCT AND ETHICS

Originally Adopted on August 11, 1994

Amended as of March 13, 1997

Reaffirmed as of February 3, 2000, February 1, 2001 and February 7, 2002

Amended and Reaffirmed as of June 5, 2003

Amended and Reaffirmed as of March 12, 2004

Amended and Reaffirmed as of October 7, 2004

Amended and Reaffirmed as of August 4, 2005

Amended and Reaffirmed as of October 4, 2006

Amended and Reaffirmed as of June 7, 2007

Amended and Reaffirmed as of October 4, 2007

Amended and Reaffirmed as of June 5, 2008

Federal Agricultural Mortgage Corporation CODE OF BUSINESS CONDUCT AND ETHICS

I. Introduction—FCA and FCA Regulation

Pursuant to section 514 of the Farm Credit Banks and Associations Safety and Soundness Act of 1992 (Pub. L. 102-552, 106 Stat. 4102 (1992)), the Farm Credit Administration (the “FCA”) promulgated a regulation (the “FCA Regulation”) requiring the Federal Agricultural Mortgage Corporation (“Farmer Mac” or the “Corporation”) to adopt a conflict of interest policy that defines the types of relationships, transactions or activities that might reasonably be expected to give rise to potential conflicts of interest involving its directors, officers, employees or agents. The FCA Regulation also requires the reporting of sufficient information about transactions, relationships and activities to inform Farmer Mac about potential conflicts of interest and the disclosure of unresolved conflicts of interest involving its directors, officers and employees. This disclosure is in addition to the disclosures already required under the U.S. federal securities laws.

The Code of Business Conduct and Ethics (the “Code”) set forth herein have been developed in accordance with the framework established by the FCA Regulation and, where applicable, the U.S. federal securities laws.

II. Background

Farmer Mac is an instrumentality of the United States that was formed by Congress to accomplish the public purpose of creating and maintaining a secondary market for agricultural real estate and rural housing loans for the benefit of the farmers, ranchers and rural homeowners of America. The statute creating Farmer Mac (12 U.S.C. Section 2279aa et seq.) requires that Farmer Mac’s Board of Directors (the “Board of Directors”) consist of 15 members, with five directors (the “Class A Directors”) elected by holders of voting common stock that are banks, insurance companies or other financial institutions; five directors (the “Class B Directors”) elected by holders of voting common stock that are Farm Credit System institutions; and five directors appointed by the President of the United States. Throughout this Code, the phrase “elected directors” is used to refer to the Class A Directors and Class B Directors collectively.

The obligation of Farmer Mac directors to act in the best interest of Farmer Mac and all of its stockholders (mindful of its statutory mission) is not altered by the representative character of the directors on the Board of Directors. Indeed, the legislative history of the Farmer Mac statute states that “[t]here is to be no distinction between the three categories of directors in terms of their duties and responsibilities as corporate directors to [Farmer Mac] and all stockholders.” (Senate Report, No. 230, 100th Congress, 1st Session, p. 52). While certain references in the legislative history indicate that the elected directors are to “represent” the interests of their respective constituencies, the corporate structure created by Congress for Farmer Mac affirms the applicability of general principles of corporate law to Farmer Mac. Congress structured Farmer Mac like any business corporation, with a board of directors and public stockholders. It is reasonable to conclude that Congress intended Farmer Mac to operate at a profit, if for no other

reason than to avoid having to draw on its Treasury line of credit. If directors were free to act as mere representatives, without any fiduciary responsibility to consider the best interests of Farmer Mac, this would inhibit, rather than foster, accomplishment of the public purposes for which Farmer Mac was created.

The notion of Farmer Mac's elected directors serving in a "representative" capacity is not inconsistent with the fiduciary duties of directors to act in the best interests of Farmer Mac and all of its stockholders. As directors of a business corporation with public stockholders, Farmer Mac directors are expected to exercise independent business judgment with respect to the affairs of Farmer Mac. The "representative" character of the Farmer Mac Board provides directors with the opportunity to present and advocate the views of their respective constituencies. This flow of information enables directors to hear the perspectives of different stockholders and make informed decisions in fulfillment of their fiduciary duties.

The obligation of Farmer Mac directors to exercise independent business judgment does not carry with it an unrestrained right to consult with, or disclose information obtained from Farmer Mac to, members of the director's constituency or third parties. While directors generally are entitled to discuss matters involving Farmer Mac with their constituents, they must avoid the possibility that non-public or confidential information, be it written or oral, could be used to further the interests of their constituencies to the detriment of Farmer Mac. That result would violate the director's fiduciary duties to Farmer Mac.

Just as directors must balance their right to consult with Farmer Mac's need for confidentiality, so too must they balance their fiduciary duties to Farmer Mac against their fiduciary duties to any other entity on whose board they sit or by which they are employed. Farmer Mac directors, like directors of any public company, may owe fiduciary duties to other entities, some of which could be considered to be in competition with Farmer Mac. Basic principles of corporate law obligate directors in those circumstances to balance the interests of both entities to avoid harming either entity. The FCA Regulation provides that:

[w]here directors have fiduciary duties to competing institutions, they must balance these duties to avoid harming either institution. To advance the interest of one corporation to which a director owes duties in a manner that injures another corporation to which he also owes fiduciary duties could heighten shareholder concern about the good faith and fair dealing of the director.

The Code of Business Conduct and Ethics has been developed to comply with the foregoing principles as expressed in the FCA Regulation, many of which have their foundation in corporate and common law. The FCA Regulation established the framework within which Farmer Mac was to develop a policy to guide directors, officers and employees in the performance of their duties to Farmer Mac. The Code of Business Conduct and Ethics are premised on the expectation that directors, officers, employees and agents will adhere to high standards of honesty, integrity, impartiality, loyalty and care consistent with applicable law and regulations in furtherance of Farmer Mac's public purposes. In many respects, however, the Code is general in nature since it deals with issues of ethical conduct. The Code may not address

every specific circumstance because it is not possible to anticipate all forms of conflict of interest that may arise in a business as complex as Farmer Mac's.

To increase the likelihood of determining the existence of potential conflicts, the FCA Regulation mandates, and the Code sets forth, a requirement that each director, officer and employee report in writing annually, and at such other times as conflicts may arise, sufficient information about financial interests, transactions, relationships and activities to inform Farmer Mac of potential conflicts. If no such interest, transaction, relationship or activity is required to be reported, the director, officer or employee is required to sign a statement to that effect. The Code also establishes procedures for resolving material conflicts of interest and, as required by the FCA Regulation, disclosing such unresolved conflicts in Farmer Mac disclosure materials. Other specific provisions and features of the Code of Business Conduct and Ethics are discussed in the relevant sections below.

As provided in the FCA Regulation, any violations of the Code will subject the person to the penalties of Part C of Title V of the Farm Credit Act of 1971, as amended.

III. Purpose and Scope of the Code

The Code applies to all directors, officers, employees and agents of Farmer Mac. Unless otherwise indicated, all references in this Code to "employees" shall be read to mean "directors, officers, employees and agents." "Agents" shall not be read to mean sellers or field servicers for purposes of the Code.

Capitalized terms used in this Code that are not otherwise defined shall have the meanings set forth in Annex A.

This Code reflects Farmer Mac's vision and values. No code of conduct can replace the thoughtful behavior of an ethical employee, but this Code serves to help us focus on key areas of ethical risk, provide guidance on appropriate behavior, and continue to foster the culture of honesty and accountability which is evident throughout Farmer Mac. In adopting this Code, Farmer Mac seeks to deter wrongdoing and to promote:

- (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents that the Corporation files with, or submits to, the U.S. Securities and Exchange Commission or the Farm Credit Administration and in other public communications made by the Corporation;
- (iii) compliance with applicable governmental laws, rules and regulations;
- (iv) the prompt internal reporting to an appropriate person or persons identified below of violations of this Code; and
- (v) accountability for adherence to this Code.

Farmer Mac's Corporate Governance Committee (the "Committee") shall be responsible for assisting oversight by the Board of Directors of the operation of this Code. The Committee shall assess the adequacy of this Code annually and recommend any changes to the Board of Directors.

Those who violate the standards in this Code will be subject to disciplinary action as described in Section XIII below. No waivers of this Code will be granted except in accordance with the procedures set out in Section XV below. If you are in a situation that you believe may violate or lead to a violation of this Code, or if you know of a violation of this Code by another employee, follow the guidelines described in Section XIII below.

IV. General Responsibilities—Honest and Ethical Conduct

Each employee and agent of Farmer Mac must conduct the business of Farmer Mac following high standards of honesty, integrity, impartiality, loyalty and care, consistent with applicable law and regulation, in furtherance of Farmer Mac's public purposes. In addition, employees must always be sensitive to the appearance of impropriety. When engaging in any Farmer activity, employees and agents should judge a proposed course of action by reference to these principles.

V. No Conflicts of Interest

Directors

No director shall participate in any vote of the Board Directors, or any committee of the Board of Directors, on any question, issue, decision or transaction in which it has been determined (either by the director himself or otherwise) that the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest. In the event of such a determination, the director shall recuse himself from voting on the related question, issue, decision or transaction.

No director shall participate in the deliberation by the Board Directors, or any committee of the Board of Directors, of any question, issue, decision or transaction in which it has been determined (either by the director himself or otherwise) that the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest without having revealed such conflict prior to the commencement of the deliberation.

In structuring Farmer Mac, Congress established a Board of Directors with elective classes of directors who may have Conflicts of Interest as such term is defined in this Code of Business Conduct and Ethics. Because of this unusual inherent characteristic, Farmer Mac directors must be particularly sensitive to those instances when a Conflict of Interest becomes Material.

If a director is unsure whether he/she, a Business Affiliate or a Family Member has a Conflict of Interest that is Material, the director shall promptly disclose the same to the Chairman who shall consult with the President, the General Counsel and such other advisors as the Chairman shall deem appropriate or refer the matter to the Corporate Governance Committee. It

shall be the responsibility of the Chairman or the Corporate Governance Committee, as the case may be, to determine whether the Conflict of Interest is Material and to report such determination to the Board of Directors. In making the determination, the Chairman or the Corporate Governance Committee, as the case may be, shall consider whether the transaction, activity or proposal that is the subject of the Conflict of Interest would affect all similarly situated Participants in the same manner or whether it would be considered self-dealing by the director or his Business Affiliate or Family Member.

In the event that a director and the Chairman of the Board or the Corporate Governance Committee, as the case may be, disagree with respect to the existence, appearance or resolution of a Material Conflict of Interest, Farmer Mac shall disclose the relevant facts to shareholders and investors as required by the FCA Regulation.

The following are examples of types of transactions, relationships or activities that could give rise to Material Conflicts of Interest for directors:

- A Presidential Appointee is in the process of applying for a Farmer Mac loan, knowing that the loan-to-value ratio (LTV) of his loan would exceed Farmer Mac's underwriting standards. The appointee initiates a change in the underwriting standards to increase the maximum LTV, doing so on the premise that the change is in the best interests of Farmer Mac.
- A Class A Director or Class B Director is also an officer, director or employee of a Pooler and urges Farmer Mac to reduce the guarantee fee that would be charged to certain, but not all, institutions—including his own—in connection with guarantee transactions.
- A Class A Director who is also an officer, director or employee of a bank urges Farmer Mac to adopt a requirement that all borrowers maintain depository accounts with their lenders and that the bank may use those accounts as additional security (a right of set-off) for payments due on the loan.
- A Class B Director who is also an officer, director or employee of a Farm Credit System institution urges Farmer Mac to adopt a requirement that all borrowers own stock in their lenders and to pledge that stock as additional security for the loan.

Notwithstanding the restriction on voting, a director, after fully disclosing to the Board of Directors all facts material to his interest, may participate in any discussion or deliberation of any question, issue, decision or transaction in which the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest.

Whenever there is the slightest doubt, directors should disclose all facts material to their interests, unless disclosure would violate the confidence of the person from whom the information that would be the subject of the disclosure was obtained. If disclosure would breach

such confidence, the director shall recuse himself from the discussion or deliberation and need not disclose the confidence.

In the event that one or more directors are disqualified from voting on a question, issue, decision or transaction before the Board of Directors, and the remaining number of directors is insufficient to form the quorum necessary to enable the Board to validly act, the directors who are not so disqualified shall automatically be constituted into an ad hoc committee of the Board with the power to act for Farmer Mac in the matter under consideration.

Employees (Other than Directors)

No "employee" (which, for purposes of this provision, excludes directors) of Farmer Mac shall participate in any decision or transaction in which the employee has or appears to have a Material Conflict of Interest.

The following are examples of types of transactions, relationships or activities that could give rise to Material Conflicts of Interest for employees:

- Service by the employee or a Family Member as a director, officer or employee of, or an ownership interest by the employee or Family Member of 5% or more in, a Participant or other entity that has a business or prospective business relationship with Farmer Mac; or
- Indebtedness by the employee or a Family Member under an outstanding agricultural, rural housing or business loan or personal loan of \$100,000 or more (other than a purchase money loan for the employee's residence) owed to a Participant or other entity that has a business or prospective business relationship with Farmer Mac.

If an employee or Family Member has such service, ownership or indebtedness, the employee shall promptly report the relevant facts to the General Counsel of the Corporation. An employee who is in any doubt as to whether a Conflict of Interest exists or would exist in a particular situation should check in advance with the General Counsel of the Corporation. The General Counsel shall report periodically to the Board of Directors or the Audit Committee of Farmer Mac any such potential conflict that is brought to his attention. The General Counsel shall then determine whether a Material Conflict of Interest exists and, if so, what the appropriate resolution thereof shall be.

Each employee must avoid any outside activity, financial interest or relationship that may present a possible Material Conflict of Interest or the appearance of a Material Conflict of Interest. No employee may engage in an activity that involves any such conflict except with the specific prior approval in writing of the General Counsel of the Corporation in accordance with the procedures set out in the Corporation's *Employee Benefits and Policy Manual* and *Code of Business Conduct and Ethics*. If the General Counsel of the Corporation to whom disclosure is made of such conflict is himself or herself involved in the matter giving rise to such conflict,

disclosure must be made to (and approval obtained from) an appropriate officer of the Corporation who is not involved in the matter giving rise to such conflict.

Agents

Potential Conflicts of Interest involving any Agent will be dealt with, to the extent not incorporated in the Agent's professional code of ethics, through contractual agreements between Farmer Mac and such Agent. Agents whose potential conflicts of interest are not dealt with in the Agent's professional code of ethics will be advised of the applicability of the FCA regulation and this Code of Business Conduct and Ethics annually.

VI. Public Disclosure and Other Communications

Fair and Timely Disclosure in Public Reporting and Communications

Farmer Mac's principal executive officer, principal financial officer, principal accounting officer or controller, and any other officer involved in the preparation of the Corporation's financial statements, public reports or communications (collectively, the "Senior Financial Officers"), are responsible for ensuring that such financial statements, public reports or communications contain disclosure that is full, fair, accurate, timely and understandable. In that regard, the Senior Financial Officers are responsible for establishing and maintaining effective disclosure controls and procedures and internal controls and procedures for financial reporting.

Personal Contacts with Public Officials

An employee shall not contact or communicate with Public Officials on behalf of Farmer Mac except at the specific request of: (i) the Board of Directors, acting as a whole; (ii) the Chairman of the Board; or (iii) the President. Employees shall, in dealings with Public Officials, make clear whether the contact is or is not on behalf of Farmer Mac, a Business Affiliate or other Person.

An employee who contacts or communicates with Public Officials on behalf of Farmer Mac must be familiar with and obey the lobbying laws and public disclosure requirements and is encouraged to consult the General Counsel of the Corporation thereon.

An employee who intends to take public positions or to communicate with Public Officials on issues that relate to Farmer Mac in any way, should disclose such intentions to the Chairman of the Board or the President, who, in the case of a director, shall report the matter to the Board at its next meeting or, if the Chairman so decides, a special meeting called for such purpose.

If a director takes a position, or engages in a communication the subject of which is, inconsistent with a position previously adopted by the Board, the director shall disclose to the person to whom his position or communication is directed that he is not acting in his capacity as a director of Farmer Mac but rather in another unrelated capacity and that his position does not reflect the position of Farmer Mac on the issue that is the subject of the discussion.

Personal Contacts with Participants

All contacts (other than loan negotiations or job applications) between employees (other than directors) or any Family Member and Participants initiated for the purpose of conducting business unrelated to Farmer Mac must be reported to the General Counsel of the Corporation by the employee. If the employee is seeking or is being offered special treatment, approval must be obtained from the General Counsel in advance.

VII. Corporate Opportunities

Farmer Mac employees may not use corporate property, information or position for personal gain. Farmer Mac's employees are prohibited from (a) taking for themselves personally opportunities that are properly within the scope of the Corporation's activities, (b) using corporate property, information or position for personal gain, and (c) competing with the Corporation. Employees owe a duty to the Corporation to advance its legitimate interests to the best of their abilities.

An employee who, in the course of his activities as an employee or by reason of his position as an employee, becomes aware of a Corporate Opportunity, shall not use such Corporate Opportunity or seek to block Farmer Mac's use of that Corporate Opportunity for his own benefit or the benefit of a Business Affiliate or Family Member.

An employee who becomes aware of a Corporate Opportunity other than as described in the previous paragraph shall promptly disclose such Corporate Opportunity to the Chairman or the President of Farmer Mac who, if appropriate, shall report the matter to the Board at its next meeting or, if the Chairman so decides, a special meeting called for such purpose.

Nothing contained herein shall operate to obligate any employee, Business Affiliate or Family Member to transact any specific business with Farmer Mac.

VIII. Confidentiality

Farmer Mac's employees and agents must respect and maintain the confidentiality of information entrusted to them by the Corporation or customers of the Corporation, except when disclosure is authorized or legally mandated. No employee shall divulge to anyone not also an employee of Farmer Mac or use for his own benefit or the benefit of a Business Affiliate or Family Member any information not available to the general public that he acquires in his capacity as an employee.

Notwithstanding the foregoing, a director may divulge information not available to the general public which he acquires in his capacity as a director after fully disclosing to the Chairman of the Board his justification for the need to do so and receiving the Chairman's prior permission. After receiving a request from a director respecting the divulgence of confidential information, the Chairman of the Board shall at the next Board meeting inform the Board of the request and his response thereto.

Confidential information includes all non-public information that might be of use to competitors, or harmful to the Corporation or its customers, if disclosed. The obligation to safeguard confidential information continues after employment with the Corporation ends. The obligation to maintain the confidentiality of information may be subject to legal or regulatory requirements to disclose that information. In such cases, Farmer Mac's Legal Department will assist in determining what disclosure is required.

IX. Fair Dealing; Gifts

Each employee of Farmer Mac must deal fairly with customers, suppliers, competitors and employees. No person may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Directors

No director (or Family Member) shall accept any Substantial Gift from any Participant or from any other Person who has a present or prospective business relationship with Farmer Mac. A director who is offered a Substantial Gift for himself or for any of his Family Members by any Participant or other Person who has a present or prospective business relationship with Farmer Mac shall promptly disclose such offer to the Chairman or to the Corporate Governance Committee. Nothing herein shall be construed to prohibit the receipt of bona fide compensation or other benefits incident to the director's or Family Member's employment or business.

Employees (other than directors)

With respect to employees other than directors, no employee or Family Member shall accept any Substantial Gifts from any Participant or other Person who has a present or prospective business relationship with Farmer Mac.

X. Protection and Proper Use of Corporation Assets

Farmer Mac's employees must protect the Corporation's assets and ensure they are used for legitimate business purposes. Theft, carelessness and waste have a direct impact on the Corporation's profitability. All of the Corporation's assets should be used for legitimate business purposes.

XI. Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)

Farmer Mac employees and agents must abide by and comply with all applicable laws, rules and regulations. All employees are expected to comply with the laws of the state or jurisdiction in which they operate, as well as United States statutes and the Corporation's policies governing business activities. These laws and policies include compliance with the Foreign Corrupt Practices Act, U.S. anti-boycott laws, U.S. sanctions and embargoes against certain countries, competition laws and money laundering laws.

The Corporation actively promotes compliance with all laws, rules and regulations, including insider trading laws, in each jurisdiction in which it does business. Noncompliance is unethical, illegal and in conflict with the Corporation's values and commitment to integrity. Violations will be dealt with decisively. Insider trading is both unethical and illegal, and will be dealt with severely.

Insider Trading

No employee shall trade in the stock of Farmer Mac (or any publicly traded company) while in possession of material, non-public information about Farmer Mac (or such publicly traded company).

The Corporation's Policy Statement on Insider Trading defines insider trading, sets forth the specific policies against insider trading and discusses the procedures for clearing trades under the policy. Employees should carefully review the Policy Statement, compliance with which must be certified to by employees at least annually.

XII. Accountability for Adherence to this Code; Violations of this Code

Each employee has a personal responsibility to ensure that his or her actions abide by this Code and comply not only with the letter but the spirit of this Code. Management has the additional responsibility of fostering a culture in which compliance with the Corporation's policies and all applicable laws is at the core of all the Corporation's business activities. Concerns about appropriate conduct must be promptly addressed with care and respect.

The policies set forth in this Code are supported by the specific and detailed practices and procedures contained in the Corporation's Employee Benefits and Policy Manual. You should consult such materials for further details regarding the policies set forth herein.

The values and responsibilities set forth in this Code are important to the Corporation and must be taken seriously by all of us. Accordingly, violations of these values and responsibilities will lead to disciplinary action in accordance with the Corporation's policies. Such disciplinary action may include reprimand, reimbursement of any loss or damage suffered by the Corporation or termination of employment. Under certain circumstances, violation of this Code may also result in referral for civil action or criminal prosecution, or any other disciplinary action deemed appropriate by the Corporation.

XIII. Reporting of Any Illegal or Unethical Behavior

The Corporation actively promotes ethical behavior in all its business activities. Employees are encouraged to speak to their managers, the Legal Department or other appropriate personnel at any time if there is any doubt about the best course of action in a particular situation.

Farmer Mac's employees who have knowledge that an applicable law, regulation, policy or ethical guideline has been, or may be, violated must promptly report such information to an appropriate person within the Corporation. Employees are required to report violations of law,

rules, regulations and this Code to their managers, the Legal Department or senior management, as appropriate. Violations may also be reported in confidence to the General Counsel of the Corporation. Every effort will be made to protect the confidentiality of those furnishing information. Employees also are encouraged to speak to their supervisors or other appropriate personnel at any time if there is any doubt about the best course of action in a particular situation. No employee will suffer any penalty or retribution for reporting suspected misconduct or noncompliance or will be subject to adverse consequences as a result of making the report. The Corporation will not tolerate retaliation in any form against any person for complaints or reports made in good faith.

With regard to violations or potential violations of this Code by the Corporation's Senior Financial Officers, employees are encouraged to report such violations to the General Counsel of the Corporation or a member of the Board of Directors of the Corporation.

Please refer to the Corporation's separate *Internal Reporting Whistle Blower Protection Policy* for more information about an employee's ability to report a violation to an independent party who is not an officer, director or employee of the Corporation.

XIV. Recordkeeping; Notice, Compliance and Enforcement

Each employee must sign the Statement of Acknowledgment and Agreement (the "Statement") accompanying this Code, which acknowledges receipt of the Code, or the appropriate Global Annual Acknowledgement that covers the Code as well as several other Corporate Policies. The Acknowledgements also acknowledge the responsibility of employees to review and become familiar with the Code and constitute an agreement to comply with their requirements. In the event of any changes to the Code subsequent to their adoption by the Board, Farmer Mac shall provide sufficient notification thereof to the employees and allow a reasonable period of time to require conformance with the Code, as modified.

In addition to the Statement, Conflict of Interest Questionnaires (the "Questionnaires") substantially in the form attached to this Code as Annex B will be sent annually to employees for the purpose of eliciting sufficient information about financial interests, transactions, relationships and activities to inform Farmer Mac whether potential Conflicts of Interest exist. If, during the interval between the submission of annual Questionnaires, a potential Conflict of Interest should arise, the affected employee shall provide Farmer Mac with sufficient information (and complete a Questionnaire) to enable Farmer Mac to make a Conflict of Interest determination.

Each person receiving a Questionnaire must complete and return it within the timeframe stated therein. The General Counsel or his designee shall conduct a review of the completed Questionnaires, except for his own, which shall be reviewed by the President. The General Counsel shall report annually to the Board of Directors on the results of this review.

Copies of the Questionnaires, as well as relevant portions of the Board and Corporate Governance Committee minutes (and any other reports prepared under or with respect to this Code) shall be retained in Farmer Mac's files for a period of at least 6 years.

Each newly appointed director, officer and employee shall certify that he/she has not

been convicted of any criminal offense involving dishonesty or a breach of trust, and shall undertake to resign his/her position in the event of any subsequent disqualifying conviction.

XV. Waivers of this Code

Any waiver of this Code for executive officers (including Senior Financial Officers) or directors may be made only by the Board of Directors or a Board committee and must be disclosed to shareholders as required by applicable law or stock exchange regulations.

ANNEX A
DEFINITIONS

Capitalized terms used (but not otherwise defined) herein shall have the same meanings as in the Glossary of the Farmer Mac Securities Guide. Other terms (capitalized or lower case) shall have the meanings indicated below. The definitions of such terms are applicable to the singular as well as to the plural forms of such terms and to the feminine as well as to the masculine genders of such terms.

“Agent” means any person (other than an employee of Farmer Mac) who represents Farmer Mac in contacts with third parties or who provides professional services such as legal, accounting or appraisal services to Farmer Mac. “Agents” shall not include sellers or field servicers for purposes of the Code.

“Affiliate” means any entity established under authority granted to Farmer Mac under section 8.3(c)(13) of the Farm Credit Act of 1971, as amended.

“Board of Directors” means the board of directors of Farmer Mac.

“Business Affiliate” means any Person with whom a director has (or is negotiating to have) one or more of the following relationships: director, trustee, fiduciary, officer, partner or employee, direct or indirect holder of five percent (5%) or more of the beneficial interest or direct or indirect holder of five percent (5%) or more of the voting common power or control.

“Code” means this Code of Business Conduct and Ethics.

“Committee” means Farmer Mac’s Corporate Governance Committee.

“Conflict of Interest” means an interest of an employee or agent of the Corporation in a transaction, relationship or activity that is, might be, or appears to be, adverse to the furtherance of the best interests of Farmer Mac and the fulfillment of its statutory purposes. A conflict situation can arise when an employee or agent takes actions or has interests that may make it difficult to perform his or her work for the Corporation objectively and effectively. Conflicts of interest also arise when an employee or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation. For the purpose of determining whether a Conflict of Interest exists, interests of a Family Member or Business Affiliate of a person subject to this Code shall be imputed to the person as if they were that person’s own interests.

“Corporate Opportunity” means an actual or potential business activity or enterprise: (i) which is within the general scope of Farmer Mac’s business purpose or authority; (ii) in which Farmer Mac might reasonably engage; and (iii) for which Farmer Mac has the legal and financial capacity or a reasonable prospect of obtaining such capacity. The

term “Corporate Opportunity” shall not be deemed to include the opportunity of any director or Business Affiliate to transact business with Farmer Mac.

“Corporation” or “Farmer Mac” means the Federal Agricultural Mortgage Corporation and its Affiliates.

“Director” means a member of the Board of Directors of Farmer Mac.

“Employee” means any salaried individual working part-time, full-time or temporarily for Farmer Mac and, unless otherwise indicated, all references in this Code to “employees” shall be read to mean “directors, officers and employees.”

“Entity” means a corporation, company, association, firm, joint venture, partnership (general or limited), society, joint stock company, trust (business or otherwise), fund or other organization or institution.

“Family Member” means spouse, child, grandchild, parent, grandparent, stepchild, stepparent, sibling, stepsibling, half sibling, aunt, uncle, first cousin, niece, nephew by marriage or by blood and any other natural person sharing the same residence.

“FCA” means the Farm Credit Administration.

“FCA Regulation” means the rules and regulations promulgated by the FCA.

“Material,” when applied to a conflict or potential conflict of interest, means the conflicting interest is of sufficient magnitude or significance that a reasonable observer with knowledge of the relevant facts would question the ability of the person having such interest to discharge his official duties in an objective and impartial manner in furtherance of the interests and statutory purposes of Farmer Mac.

“Officer” means the salaried president, vice presidents, secretary, treasurer and general counsel or other person, however designated, who holds a position of similar authority in Farmer Mac.

“Participant” means a person who is an actual or potential Originator, Pooler, Borrower, Servicer, Trustee or Custodian, including a Person who holds enough Farmer Mac stock to be eligible to become a Pooler or Originator.

“Person” means an individual or entity.

“Public Official” means an elected or appointed official or an employee of the legislative, executive or judicial branch of the federal or state government.

“Questionnaires” means the Conflict of Interest Questionnaires substantially in the form attached to this Code.

“Recuse.” when applied to a material conflict of interest involving a director, means the process by which the director disqualifies himself from participating in voting on, and possibly the discussion and deliberation of, the question, issue, decision or transaction in which the director, or any Business Affiliate or Family Member of such director, has or appears to have a material conflict of interest. Any director who so recuses himself shall inform the Chairman, the President or the Corporate Secretary of such recusal but need not disclose the reason(s) for such recusal and may, in the Chairman’s sole discretion, remain in the Board room during the related discussion, deliberation or vote.

“Resolved.” when applied to a potential conflict of interest that Farmer Mac has determined is material, means that circumstances have been altered so that a reasonable observer with knowledge of the relevant facts would conclude that the conflicting interest would not adversely affect the person’s performance of official duties in an objective and impartial manner in furtherance of the interests and statutory purposes of Farmer Mac.

“Senior Financial Officers” means Farmer Mac’s principal executive officer, principal financial officer, principal accounting officer or controller, and any other officer involved in the preparation of the Corporation’s financial statements, public reports or communications.

“Statement” means the Statement of Acknowledgment and Agreement accompanying this Code, pursuant to which the employees acknowledge receipt of the Code.

“Substantial Gift” means, but is not limited to, (i) goods or services that are given or offered to an employee and that have a fair market value of more than \$100 (without regard to the cost to the donor); and (ii) a loan made on preferential terms.

**Statement of Acknowledgement and Agreement
(Director)**

I hereby acknowledge that I have received a copy of Farmer Mac's Code of Business Conduct and Ethics (the "Code"). I have reviewed the Code and agree to comply with all the provisions of the Code. I also understand and acknowledge my personal responsibility to ensure that my actions abide by the Code, and comply not only with the letter but the spirit of the Code. I understand that my failure to comply with those requirements could result in my removal from the Board and subject me to the penalties of Part C of Title V of the Farm Credit Act of 1971, as amended. I certify that I have not been convicted of any criminal offense involving dishonesty or a breach of trust and undertake to resign my position at Farmer Mac in the event I am subsequently convicted of any such offense.

I further acknowledge that I have received copies of, read and understood the following Farmer Mac corporate policies: (1) Policy on Equal Opportunity and Sexual Harassment; (2) Statement of Policy on Insider Trading; and (3) Investor Communications Policy (Regulation FD). I understand my responsibility to review and become familiar with the requirements contained in those policies. I certify that I am in compliance with, and agree to continue to comply with, the policies and procedures set forth in the above-listed policies. I understand that my failure to comply with those requirements could result in my removal from Farmer Mac's Board for cause or the imposition of such other penalties as may be voted by the Board of Directors of Farmer Mac.



Signature

Sara Louise Faivre-Davis
Printed Name

September 23, 2010
Date

U.S. E.S. Part 1524

U.S. Office of Government Ethics

Reporting Status (Check appropriate boxes) <input type="checkbox"/> New Entrant <input checked="" type="checkbox"/> Former Candidate <input type="checkbox"/> Former Candidate		Termination Date (Month, Day, Year) <input type="checkbox"/> None <input type="checkbox"/> Other	
Reporting Individual's Name Fahre-Davis		Department or Agency (If Applicable) Federal Ag Mortgage Corporation	
Position for Which Filing Board Appointee		Telephone No. (Include Area Code) 512-826-2218	
Location of Present Office (or forwarding address) 2038 County Road 140, Cameron, TX 76629		Do You Intend to Create a Qualified Diversified Trust? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Position(s) held with the Federal Government during the 12 Months (If Not Same as Above)		Title of Position(s) and District(s) Held	
Presidential Nominees Subject to Senate Confirmation		Name of Congressional Committee Considering Nomination Committee on Agriculture, Nutrition and Forestry	
Certification (CERTIFY that the statements herein are true and correct to the best of your knowledge)		Signature of Reporting Individual <i>Fahre-Davis</i>	
Other Review (Indicated by agency)		Date (Month, Day, Year) Oct 4, 2009	
Agency Ethics Official's Opinion		Signature of Designated Agency Ethics Official/Reviewing Official	
Office of Government Ethics Use Only		Date (Month, Day, Year)	
Comments of Reviewing Official (If additional space is required, use the reverse side of this sheet)			

Fee for Late Filing
 Any individual who is required to file this report and does so more than 30 days after the date on which it is due, or, if an extension is granted, more than 30 days after the last day of the filing extension period, shall be subject to a \$200 fee.

Reporting Periods
 Incumbents: The reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D where you must also include the filing period for the preceding calendar year. Part II of Schedule D is not applicable.

Termination Filers: The reporting period begins at the end of the period of termination and ends at the date of termination. Part II of Schedule D is not applicable.

Nominees, New Entrants and Former Candidates:

Schedule A—The reporting period for income (PART C) is one preceding year up to the date of filing. Value assets as of any date you choose that is within 31 days of the date of filing.

Schedule B—Not applicable.

Schedule C, Part I (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to the date of filing. Value assets as of any date you choose that is within 31 days of the date of filing.

Schedule C, Part II (Agreements or Arrangements)—Show any agreements or arrangements as of the date of filing.

Schedule D—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Supersede Prior Filings, Which Cannot Be Filed.

27812

RSN75901-090-9444

00916466-AnnexA-VerDate 11/07/2009

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Reporting Individual's Name

Faivre-Davis, Sara L.

SCHEDULE A

Page Number

2

Assets and Income
BLOCK A

Valuation of Assets at close of reporting period
BLOCK B

Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.
BLOCK C

Assets and Income	Valuation of Assets at close of reporting period										Income: type and amount										Date (Mo., Day, Yr.) Only if Honoraria
	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	Over \$1,000,000*	Over \$1,000,000*	\$5,000,001 - \$25,000,000	Over \$25,000,000	Over \$50,000,000	None (or less than \$201)	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	Over \$100,000*	Over \$1,000,000*	Over \$5,000,000		
None <input type="checkbox"/>																					
Examples Central Airlines Common Doe Jones & Smith, Hometown, State Kingsman Equity Fund IRA - Hometown 500 Index Fund																					
1 IRA: JP Morgan Chase Bank																					
2 Nationwide Annuity																					
3 Wild Type Ranch, LP managing partner																					
4 Capital Farm Credit (required investment in cooperative lender)																					
5 Personal Savings Accounts: JP Morgan Ch																					
6 JP Faivre, LLC - limited partner, Passive Investor																				\$247,194.00 Liquidation of fund	

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.
Prior Editions Cannot be Used.

Do not Complete Schedule B if you are a new entrant, nominee, Vice Presidential or Presidential Candidate

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Reporting Individual's Name

Page Number 4

SCHEDULE B

Part I: Transactions

Report any purchase, sale, or exchange by you, your spouse, or dependent children during the reporting period of any real property, stocks, bonds, commodity futures, and other securities when the amount of the transaction exceeded \$1,000. Include transactions that resulted in a loss. Do not include transactions that resulted in a loss. Do not include transactions that resulted in a loss. Do not include transactions that resulted in a loss.

Example: Central Airlines Common

None X

Transaction Type (X)	Date (Mo., Day, Yr.)	Amount of Transaction (X)													
		\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	\$1,000,001 - \$250,000,000	\$250,000,001 - \$50,000,000,000	Over \$50,000,000	Certificate of Divestiture of				
Purchase	2/1/99														
Sale															
Exchange															

* This category applies only if the underlying asset is solely that of the filer's spouse or dependent children. If the underlying asset is either held by the filer or jointly held by the filer with the spouse or dependent children, use the other higher categories of value, as appropriate.

Part II: Gifts, Reimbursements, and Travel Expenses

For you, your spouse and dependent children, report the source, a brief description, and the value of: (1) gifts (such as tangible items, transportation, lodging, food, or entertainment) received from one source totaling more than \$260; and (2) travel-related cash reimbursements received from one source totaling more than \$260. For conflicts analysis, it is helpful to indicate a basis for receipt, such as personal friend, agency approval under 5 U.S.C. § 4111 or other statutory authority, etc. For travel-related gifts and reimbursements, include travel itinerary, dates, and the nature of expenses provided. Exclude anything given to you by the U.S. Government, given to your agency in connection with official travel; received from relatives; received by your spouse or dependent child totally independent of their relationship to you; or provided as personal hospitality at the donor's residence. Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$104 or less. See instructions for other exclusions.

Source (Name and Address)

Examples: Nat'l Assn. of Rock Collectors, NY, NY
Frank Jones, San Francisco, CA

Brief Description

Airline ticket, hotel room & meals incident to national conference 6/15/99 (personal activity unrelated to duty)
Lunch breakfast (personal friend)

Value

\$500
\$300

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Reporting Individual's Name
Fairly-Davis, Sara L.

Form Number
5

SCHEDULE C

Part I: Liabilities

Report liabilities over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent children. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to certain relatives listed in instructions. See instructions for revolving charge accounts.

Examples: First Direct Bank, Washington, DC
Loans Dept, 123 1st St., Washington, DC
Capital Farm Credit, P.O. Box 100, Heidenheimer TX, 78533
GNH Capital, 100 Brubaker Ave, New Holland, PA
Capital Farm Credit, P.O. Box 100, Heidenheimer, TX, 78533

Conditions (Name and Address)
Type of Liability
Mortgage on owned property, advance payment of
Ranchland Mortgage
Tractor Loan
Wild Type Ranch Operating Loan (paid off 9/09)

personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to certain relatives listed in instructions. See instructions for revolving charge accounts.

None

Category of Amount or Value (x)

Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (x)
(89) 1999	8%	25 yrs. on demand	
2005	6.55%	30	X
2007	0%	5	X
2005	4.75%		X

* This category applies only if the liability is solely that of the filer's spouse or dependent children. If the liability is that of the filer or a joint liability of the filer with the spouse or dependent children, mark the other higher categories, as appropriate.

Part II: Agreements or Arrangements

Report your agreements or arrangements for: continuing participation in an employee benefit plan (e.g. 401k, deferred compensation); (2) continuation payment by a former employer (including severance payments); (3) leaves

of absence; and (4) future employment. See instructions regarding the reporting of negotiations for any of these arrangements or benefits

None

Example:	Status and Terms of any Agreement or Arrangement	Parties	Date
1	Pursuant to partnership agreement, will receive lump sum payment of capital account & partnership share calculated on service performed through 1/01	Doe Jones & Smith, Hometown, State	7/85
2			
3			
4			
5			
6			

Prior Editions Cannot Be Used

SF 278 (Rev. 10/2009)
 5 C.F.R. Part 2634
 U.S. Office of Government Ethics

Reporting Individual's Name

Faire-Davis, Sara L.

Page Number

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SCHEDULE D

Part I: Positions Held Outside U.S. Government

Report any positions held during the applicable reporting period, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)		To (Mo., Yr.)
				From (Mo., Yr.)	To (Mo., Yr.)	
Examples:	Natl Assn. of Book Collectors, NY, NY	Non-profit education	President	6/92	7/00	Present
	Doc Jones & Smith, Hometown, State	Law firm	Partner	7/85	1/00	present
1	Wild Type Ranch, LP, Cameron, TX	Ranch	Managing partner	9/05		present
2	Texas Red Angus Association, Denton, TX	non-profit breed association	Board of Directors	6/06		5/09
3	Turner Strategies, Washington, D.C.	PR firm	consultant	8/07		12/08
4	BioArts International, Mill Valley, CA	Biotech development firm	consultant	10/07		7/08
5	Ranch Genetic Consulting, Graham, TX	Genetic Consulting Firm	consultant	03/08		present
6						

Part II: Compensation In Excess Of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any

	Source (Name and Address)	Brief Description of Duties	From (Mo., Yr.)		To (Mo., Yr.)
			From (Mo., Yr.)	To (Mo., Yr.)	
Examples:	Doc Jones & Smith, Hometown, State	Legal services			
	Métron Lubin snc (client of Doc Jones & Smith), Monzong, State	Legal services in connection with university construction			
1	BioArts International (paid to Wild Type Ranch)	consulting on biotech business opportunities in agriculture			
2	Turner Strategies (paid to Wild Type Ranch)	Blog Editor			
3					
4					
5					
6					

Do not complete this part if you are an Incumbent, Termination Filer, or Vice Presidential or Presidential Candidate

Prior Editions Cannot Be Used.

May 25, 2010

Honorable Blanche Lincoln
Chairman
Committee on Agriculture, Nutrition, and Forestry
United States Senate
Washington, D.C. 20510-6000

Dear Mr. Chairman:

On February 5, 2010, a copy of my SF-278, Executive Branch Public Financial Disclosure Report, required in connection with my nomination to serve as Under Secretary for Food Safety, U.S. Department of Agriculture, was submitted to the U.S. Office of Government Ethics. That report contained all required financial information for calendar year 2009 and for the current calendar year through February 5, 2010.

The Ethics in Government Act of 1978, as amended, also requires that I update certain of the information reported on the SF-278, i.e., that required by section 102(a)(1)(A) of the Act, respecting income (other than dividends, interest, rents, and capital gains) and honoraria, to date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. In my SF-278, I am not required to report my earned income from the U.S. Government. I have no other covered income to report.

I trust that this letter satisfies the additional applicable reporting requirements contained in the Ethics in Government Act.

Sincerely,



Elisabeth A. Hagen
Nominee for Under Secretary for Food Safety
U.S. Department of Agriculture

BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used):
Elisabeth Ann Hagen
2. Date and place of birth:
7/18/1969 Allentown, PA
3. Marital Status: If married, list spouse's name (include any former names used), occupation, employer's name, and business address(es).
Married.
Spouse: Daniel Sayre Gabbay
Physician; primary employer: US Department of the Army
Work Address: Dewitt Army Medical Center, Ft Belvoir VA
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.
Saint Joseph's University, 1987-1991; B.S. Biology, May 1991
Harvard Medical School, 1992-1996; M.D., June 1996
5. Employment and Self-Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms or ranches, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college. Please include a title and brief job description for each.

United States Department of Agriculture, Washington, DC, 2006 – present

USDA Chief Medical Officer, 2009 – present. Advise USDA mission areas on human health matters, including food safety, nutrition, and zoonotic disease issues

Deputy Assistant Administrator, Food Safety and Inspection Service, Office of Public Health Science, 2008 – 2009. Managed and administered FSIS science agenda. Provided executive oversight to all agency risk assessments, epidemiologic analyses and outbreak investigations, and regulatory testing operations.

Executive Associate for Public Health, Food Safety and Inspection Service, Office of Public Health Science, 2007 -2008. Oversaw scientific programs in microbiology, risk assessment, and applied epidemiology. Led key policy development initiatives for emerging issues and investigative protocols.

Director, Human Health Sciences Division, Food Safety and Inspection Service, Office of Public Health Science, 2006 – 2007. Directed Agency outbreak investigations, health hazard and epidemiologic analyses.

Physician (Associate), Drs Kane and Davis Associates, Washington, DC, 2003 -2005. Provided infectious disease and internal medicine care and consult services in a combined inpatient/outpatient practice.

Faculty Physician, North Shore University Hospital, Division of Infectious Diseases, Manhasset, NY, 2002 -2003. Provided infectious disease care and consultation in a NYU School of Medicine teaching hospital. Mentored and supervised infectious disease fellows and internal medicine residents.

Part time consulting physician, Drs. DiGirolamo and Huang, Sellersville, PA, 2001 -2003. Provided inpatient infectious disease care and consultation for a private practice group on weekends and after hours.

Physician Fellow, University of Pennsylvania Hospital System, Division of Infectious Diseases, Philadelphia, PA 2000 – 2002. Provided infectious disease care and consultation as a subspecialty trainee, and conducted clinical research on infections in the stem cell and organ transplant population.

Parkland Health and Hospital System/University of Texas Southwestern, Dallas TX, 1996-2000.

Staff Physician, Community Oriented Primary Care System, DeHaro Saldivar Health Center, 1999-2000. Provided primary medical care, to uninsured/underinsured residents of Dallas County. Conducted my practice in Spanish for the majority of patients.

Resident Physician, Department of Medicine, 1996 – 1999. Provided medical care in a high volume tertiary care hospital and outpatient clinics, as a medical trainee to innumerable Dallas county residents and visitors.

Self Employment, 1997 – 1999. Provided medical services via contract in various capacities and locations, as a means of supplementing my primary income while completing specialty medical training.

6. **Military Service:** Have you served in the military? If so, please give particulars, including the dates, branch of service, rank or rate, and type of discharge received.
No military service
7. **Government Service:** State (chronologically) your government service or public offices you have held, including the terms of service, grade levels, and whether such positions were elected or appointed.

Director, Human Health Sciences Division, Food Safety and Inspection Service, Office of Public Health Science, 2006 – 2007. Grade = GS 15/5. Career position-not elected or appointed.

Executive Associate for Public Health, Food Safety and Inspection Service, Office of Public Health Science, 2007-2008. Grade = Senior Executive (SES). Career position-not elected or appointed.

Deputy Assistant Administrator, Food Safety and Inspection Service, Office of Public Health Science, 2008 – 2009. Grade = Senior Executive (SES). Career position-not elected or appointed.

USDA Chief Medical Officer, 2009 – present. Grade level = Senior Level Scientific/Professional (SL). Career position-not elected or appointed.

8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.
 Graduated *Summa Cum Laude* from St. Joseph's University, 1991.
 University and General Honors
 Attended St. Joseph's University on a four-year, full tuition academic scholarship
 Member of Alpha Sigma Nu, Jesuit National Honor Society
9. Other Memberships: If not covered above, list all organizations in which during the past 10 years you held a position as official, board member, or other leadership position and describe the position. Exclude religious organizations.
 None.
10. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include in this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you would provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry, or any other matters within the jurisdiction of this Committee or the Department of Agriculture.

Academic Publications and Abstracts:

- Hagen E, Stern H, et al. *High rate of invasive fungal infections following nonmyeloablative allogeneic transplantation.* Clin Infect Dis 2003; 36: 9-15.
- Hagen E, Stern H, et al. *Response to: Importance of antifungal prophylaxis in patients receiving nonmyeloablative peripheral blood stem cell transplantation (editorial response).* Clin Infect Dis 2003; 36: 1504.
- Hagen EA, Lautenbach E, et al. *Low prevalence of vancomycin-resistant enterococcus (VRE) colonization among patients awaiting liver transplantation.* Am J Transplant 2003; 3: 902-5.
- Hagen E, Pini D, et al. *The impact of pre-transplant multi-drug resistant bacteria on early lung transplantation outcomes in patients with cystic fibrosis.* American Transplant Congress 2002.
- Hagen E and Sheffield M. *Recurrent hand infection with Nocardia asteroides.* Society for General Internal Medicine annual meeting, 1999.

Presentations at National and Public Meetings, last 5 years:

(*can attach power point slide handouts, if needed)

- *FSIS and Local Public Health*. Invited presenter, National Association of City and County Health Officials (NACCHO) Annual Meeting. Orlando, FL. July, 2009.
- *FSIS Annual Partner Update to FoodNet*. Invited Presenter, FoodNet Vision Meeting 2009. Atlanta, GA. March, 2009.
- *FSIS: A Public Health Partner*. Invited presenter, Association of State and Territorial Health Officers (ASTHO)/NACCHO Joint Biannual Meeting. Sacramento, CA. September, 2008.
- *Better Communications, Better Public Health Outcomes: Strategies for Improved Coordination During Foodborne Outbreaks*. Meeting moderator. Transcribed event. St. Louis, MO. May, 2008.
- *Progress on non-O157:H7 Shiga Toxin Producing E.coli*. Presenter. Transcribed Event. FSIS hosted public meeting on strategies to reduce *E.coli* O157:H7. April, 2008.

FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, partnerships, associations, or other organizations? (If no, provide full details.)
Yes.
2. List sources, amounts and dates of all expected receipts from deferred income arrangements, stock options, uncompleted contracts, and other future benefits that you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.
None.
3. Do you, or any partnership or closely held corporation or other entity in which you have an interest, own or operate a farm or ranch? (If yes, provide a brief description including location, size, and type of operation.)
No.
4. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever participated in federal commodity income and price support, disaster, conservation, or related programs? (If yes, provide full details, including descriptions and amounts of payments and loans received or forfeited relating to each commodity, crop, farm, and ranch involved during the past five years.)
No.
5. Have you, or any partnership or closely held corporation or other entity in which you have an interest, received payments for crop or livestock losses from the federal crop insurance program in the past five years? (If yes, provide full details and amounts.)
No.
6. Have you ever received a student loan or loans? If so, has all indebtedness been fully repaid? (If no, provide full details.)
Yes, and all indebtedness has been paid.
7. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from or guaranteed by any department or agency of the federal government (other than a student loan), including, for example, through the farm or rural development lending programs of the Department of Agriculture or through the Small Business Administration? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)
No.

8. If confirmed, do you have any plans, commitments, or agreements to pursue or continue outside employment or engage in or continue any business or vocation, with or without compensation, during your service with the government? (If so, explain fully.)
No.
9. Do you have any plans to resume employment, affiliation, or practice with any of your previous employers, business firms, partnerships, associations, or other organizations after completing government service? (If yes, provide full details.)
No.
10. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, provide full details.)
No.
11. Describe fully all matters and all employers, clients, organizations, or interests you represented over the past five years before the Department of Agriculture or any of its agencies, or before Congress involving matters within the jurisdiction of this Committee or the Department of Agriculture.
None.
12. Explain in detail how you will resolve and avoid any actual or potential conflicts of interest, including any that may be disclosed by your responses to the above questions. In particular, identify all investments, obligations, liabilities, or other relationships that involve actual or potential conflicts of interest relating to the position for which you have been nominated and what actions you will take to resolve and avoid these actual or potential conflicts of interest.
No conflicts of interest have been identified. I have met with USDA ethics officials and reviewed my ethics responsibilities, including how to avoid potential conflicts of interest in the future.
13. Fully describe and explain all divestitures or arrangements of any nature with respect to any type of interest that you have made or will make to resolve and avoid actual or potential conflicts of interest relating to the position for which you have been nominated.
Nothing to describe.



United States
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

FEB 26 2010

The Honorable Blanche L. Lincoln
Chairman
Committee on Agriculture, Nutrition,
and Forestry
United States Senate
Washington, DC 20510

Dear Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Elisabeth A. Hagen, who has been nominated by President Obama for the position of Undersecretary for Food Safety, Department of Agriculture.

We have reviewed the report and have also obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick
Director

Enclosures

February 5, 2010

Mr. Mike Edwards
Acting Director, Office of Ethics
Office of Human Resource Management
U.S. Department of Agriculture
Washington, DC 20250-0122

Dear Mr. Edwards:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Undersecretary for Food Safety, U.S. Department of Agriculture (USDA). The steps detailed below take into account any potential conflicts or appearances thereof associated with this position.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any other person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to section 208(b)(1), or qualify for a regulatory exemption, pursuant to section 208(b)(2). I further understand that the interests of the following persons are imputed to me: any spouse or minor child of mine, any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner, or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

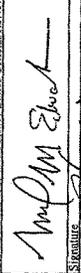
Through his Professional Limited Liability Corporation, my husband provides medical review services to both Montgomery County and Prince George's County. Additionally, he performs medical exams for Concentra Health. Pursuant to 5 C.F.R. § 2635.502, I will not participate personally and substantially in any particular matter involving specific parties in which any of my husband's clients is a party or represents a party, unless I am first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

Finally, I understand that as an appointee I am required to sign the Ethics Pledge (Exec. Order No. 13490) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this and any other ethics agreement.

Sincerely,


Elisabeth A. Hagen

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Date of Appointment, Confirmation, Election or Nomination (Month, Day, Year)		Reporting Status (Check appropriate box)		Calendar Year Covered by Report		Termination Date (If Any)	
		<input type="checkbox"/> Incumbent <input checked="" type="checkbox"/> New Entrant, Nominee, or Candidate					
Reporting Individual's Name		Last Name and Middle Initial		Department or Agency (If Applicable)		Termination Filer	
Hagen		Elisabeth A		USDA			
Position for Which Filing		Title of Position		Telephone No. (Include Area Code)		Reporting Periods	
Under Secretary for Food Safety		Under Secretary for Food Safety		202-690-1276		The reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D. If the reporting period is more than 30 days after the date the report is prepared, more than 30 days after the date the reporting period shall be subject to a \$200 fee.	
Location of Present Office (or forwarding address)		Address (Number, Street, City, State, and ZIP Code)		Termination Date (If Any)		Reporting Periods	
1400 Independence Ave, SW Washington DC 20250		1400 Independence Ave, SW Washington DC 20250				If the reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D, the reporting period shall include the filing year up to the date you file. Part II of Schedule D is not applicable.	
Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above)		Title of Position(s) and Dates Held		Termination Date (If Any)		Reporting Periods	
USDA Chief Medical Officer, 10/2009 - present; Deputy Asst. Administrator, Office of Public Health Science, FSIS, USDA, 4/2009 - 10/2009; Exec. Associate for Public Health, FSIS, USDA, 7/2007 - 4/2009		USDA Chief Medical Officer, 10/2009 - present; Deputy Asst. Administrator, Office of Public Health Science, FSIS, USDA, 4/2009 - 10/2009; Exec. Associate for Public Health, FSIS, USDA, 7/2007 - 4/2009				If the reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D, the reporting period shall include the filing year up to the date you file. Part II of Schedule D is not applicable.	
Presidential Nominee Subject to Senate Confirmation		Name of Congressional Committee Considering Nomination		Do You Intend to Create a Qualified Disqualified Trust?		Termination Filer	
		Committee on Agriculture, Nutrition and Forestry		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Termination Filer: The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination. Part II of Schedule D is not applicable.	
Certification		Signature of Reporting Individual		Date (Month, Day, Year)		Reporting Periods	
I CERTIFY that the statements I have made on this form and all attached forms are true and correct to the best of my knowledge.				2/5/2010		If the reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D, the reporting period shall include the filing year up to the date you file. Part II of Schedule D is not applicable.	
Other Review (If desired by Agency)		Signature of Designated Agency Ethics Official (Reviewing Official)		Date (Month, Day, Year)		Reporting Periods	
				2/5/2010		If the reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D, the reporting period shall include the filing year up to the date you file. Part II of Schedule D is not applicable.	
Agency Ethics Official's Question		Signature of Reporting Individual		Date (Month, Day, Year)		Reporting Periods	
On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations with respect to any comments in the box below.				2/26/10		If the reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D, the reporting period shall include the filing year up to the date you file. Part II of Schedule D is not applicable.	
Office of Government Ethics Use Only		Comments of Reviewing Official (If additional space is desired, use the reverse side of this report)		Date (Month, Day, Year)		Reporting Periods	
						If the reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D, the reporting period shall include the filing year up to the date you file. Part II of Schedule D is not applicable.	

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 5 C.F.R. Part 2034
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Reporting Individual's Name
 Hagen, Elisabeth A

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SCHEDULE A continued
 (Use only if needed)

Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B		BLOCK C		Type	Amount	Other Income (Type & Actual Amount)	Date (Mo., Day, & Yr.) Only if Honorary
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000				
1 American Funds IRA - Growth Fund of America - A								
2 - SmallCap World Fund - A								
3 - Fundamental Investors - A								
4 American Funds IRA (S) - New World Fund - A								
5 - Growth Fund of America - A								
6 - Small Cap World Fund - A								
7 - Fundamental Investors - A								
8 Daniel Gabbay, PLLC (S) - Prince George's County, MD								
9 - Montgomery County, MD								

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with his spouse or dependent children, mark the other higher categories of value, as appropriate.
 Prior Editions Cannot be Used.

SF 278 (Rev. 05/2000)
5 C.F.R. Part 2634

U.S. Office of Government Ethics
Reporting Individual's Name

Hagen, Elisabeth A

Page Number

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SCHEDULE D

Part I: Positions Held Outside U.S. Government

Report any positions held during the applicable reporting period, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with honorary, social, fraternal, or political entities and those solely of an honorary nature.

	Organization (Name and Address)	Type of Organization	Position Held		None	
			From (Mo., Yr.)	To (Mo., Yr.)	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	None	None	None	None	None	None
1	None	None	None	None	None	None
2	None	None	None	None	None	None
3	None	None	None	None	None	None
4	None	None	None	None	None	None
5	None	None	None	None	None	None
6	None	None	None	None	None	None

Part II: Compensation In Excess Of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any other non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source.

	Source (Name and Address)	Brief Description of Duties	None	
			From (Mo., Yr.)	To (Mo., Yr.)
Examples:	None	None	None	None
1	None	None	None	None
2	None	None	None	None
3	None	None	None	None
4	None	None	None	None
5	None	None	None	None
6	None	None	None	None

Prior Editions Cannot Be Used.

May 24, 2010

Honorable Blanche Lincoln
Chairman
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, D.C. 20510

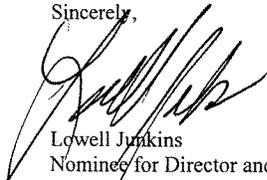
Dear Madam Chairman,

On October 17, 2009, a copy of my SF 278, Executive Branch Public Financial Disclosure Report, prepared in connection with my nomination to serve as Director and Chairman of the Board of Directors of the Federal Agricultural Mortgage Corporation (Farmer Mac) was submitted to the U.S. Office of Government Ethics. That report contained all required financial information for the calendar year 2008 and for the calendar year 2009 up to that date.

In accordance with the Ethics in Government Act of 1978, as amended, I am writing to update certain information reported on the SF 278 (in accordance with section 102(a)(1)(A) of the Act) with respect to income (other than dividends, interest, rents and capital gains) and honoraria, to a date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. The hearing to be held on my nomination is scheduled for Wednesday, May 26, 2010. Between the point at which I filed my Financial Disclosure Report on October 17, 2009 and today's date, I have received the following amounts: \$19,207 from Iowa Public Employees Retirement System Pension Plan; \$2,204 from Social Security; and \$40,500 from Farmer Mac as salary for my role as Director and Acting Chairman. American Management and Consultants Corporation and Lowell Junkins & Associates received combined gross income in an amount of \$26,000, which has not yet been distributed.

I trust that this letter satisfies any additional applicable reporting requirements in accordance with the Ethics in Government Act.

Sincerely,



Lowell Junkins
Nominee for Director and Chairman of the Board of Directors
Federal Agricultural Mortgage Corporation

BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used): **Lowell Lee Junkins**
2. Date and place of birth: **March 9, 1944, Ft. Madison (Lee County), IA**
3. Marital Status: If married, list spouse's name (include any former names used), occupation, employer's name, and business address(es).

Married: Linda Jean Smay Junkins, not employed
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.

Iowa State University, Ames, IA, 1962-1963, no degree
5. Employment and Self-Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms or ranches, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college. Please include a title and brief job description for each.

2007 – Present, Integrated Energy Company, LLC (IEC), owner, IEC is a startup alternative energy and biomass products enterprise

2007- Present, owner/operator of Junkins Properties, LLC –manages Great River Country Mobile Home Park, located in Montrose, Iowa as well as several other rental properties in the area.

2004-present, Commissioner and Secretary/Treasurer Mid-America Port Commission. Appointed by Iowa Governor Tom Vilsak in 2004, reappointed in 2006 for a six year term.

2002-2007 Executive Director for Lee County Economic Development Corporation (LCEDG), Montrose, Iowa. LCEDG is an economic development group that recognizes new business opportunities for economic development in the Lee County area. As LCEDG Executive Director, served in advisory capacities on the Boards of Directors for the Southeast Regional Planning Commission, Region 16 Workforce Investment Board, Fort Madison Economic Development Corporation and Keokuk Economic Development Corporation.

1996 to present, Federal Agricultural Mortgage Corporation (Farmer Mac), member of the Board of Directors since June 13, 1996, Vice-Chairman of the Board since December 5, 2002 and Acting Chairman of the Board since September 15, 2008. Appointed to the Board of Directors by President Clinton and confirmed by the

Senate on May 23, 1997 and was reconfirmed by the Senate on June 3, 2003.

1990-1996 Executive Director and lobbyist for the Iowa Association of Community Colleges Trustees and the Executive Secretary of the Iowa Association of Community College Presidents in 1991.

1986 – Present, Sole proprietor of Lowell Junkins and Associates, a public affairs and lobbying/consulting firm.

1986 – Present, President of American Management and Consultants Corporation, a business and management consulting corporation.

1971 - Present, owner/operator Hillcrest Farms, Montrose, IA.

1967-1990, partner in family businesses including a county health delivery company and an automobile/garage service business, Montrose, IA

6. Military Service: Have you served in the military? **No.** If so, please give particulars, including the dates, branch of service, rank or rate, and type of discharge received.
7. Government Service: State (chronologically) your government service or public offices you have held, including the terms of service, grade levels, and whether such positions were elected or appointed.

Montrose City Council Member, elected, 1969-1971

Mayor of Montrose, elected, 1971-1972

Iowa State Senate, elected, 1973-1985

Board of Directors, Federal Agricultural Mortgage Corporation, appointed, 1996 to present

8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.
None
9. Other Memberships: If not covered above, list all organizations in which during the past 10 years you held a position as official, board member, or other leadership position and describe the position. Exclude religious organizations

Masons

Lions

Eagles

Rotary

10. Political Affiliation: The statute creating the Board of the Federal Agricultural Mortgage

Corporation requires that no more than three public members of the Board be from the same political party. Please list your current political party registration or affiliation.

Democrat.

11. **Published Writings:** List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include in this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you would provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry, agricultural credit, or other matters within the jurisdiction of this Committee or the Federal Agricultural Mortgage Corporation.

I have not written nor had published any books, articles, reports or speeches. During my political career, I made speeches. However, I have not retained copies of these speeches, nor do I have any notes or other text of these speeches in my possession to send to the Committee.

FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, partnerships, associations, or other organizations? (If no, provide full details.)

No – not required for this nomination.

2. List sources, amounts and dates of all expected receipts from deferred income arrangements, stock options, uncompleted contracts, and other future benefits that you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.

None

3. Do you, or any partnership or closely held corporation or other entity in which you have an interest, own or operate a farm or ranch? (If yes, provide a brief description including location, size, and type of operation.)

My wife and I own the farm I owned with my parents -- Hillcrest farms in Lee County, IA. There are three tracts of land (326.12 acres, 152.41 acres, 11.74 acres). It is a grain farming and pasture operation.

4. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever participated in federal commodity income and price support, disaster, conservation, or related programs? (If yes, provide full details, including descriptions and amounts of payments and loans received or forfeited relating to each commodity, crop, farm, and ranch involved during the past five years.) **Yes**

We have annual federal Farm Service Agency (FSA) payments in the following amounts:

2005 CRP rental	\$6,075	direct and countercyclical	\$281	2005 Total:	\$6356.00
2006 CRP rental	\$6,075	direct and countercyclical	\$279	2006 Total:	\$6354.00
2007 CRP rental	\$5760	direct and countercyclical	\$125	2007 Total:	\$5885.00
2008 CRP rental	\$5760	direct and countercyclical	\$0	2008 Total:	\$5760.00
2009 CRP rental	\$5752	direct and countercyclical	\$0	2009 Total:	\$5752.00

5. Have you, or any partnership or closely held corporation or other entity in which you have an interest, received payments for crop or livestock losses from the federal crop insurance program in the past five years? (If yes, provide full details and amounts.)

No

6. Have you ever received a student loan or loans? **No** If so, has all indebtedness been fully repaid? (If no, provide full details.)

7. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from or guaranteed by any department or agency of the federal government (other than a student loan), including, for example, through the farm or rural development lending programs of the Department of Agriculture or through the Small Business Administration? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

No

8. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from, involving, or handled by any current or previously existing institution regulated, overseen, or doing business with either the Farm Credit Administration or the Federal Agricultural Mortgage Corporation? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

No

9. If confirmed, do you have any plans, commitments, or agreements to pursue or continue

outside employment or engage in or continue any business or vocation, with or without compensation, during your service with the government? (If so, explain fully.)

Yes, I will continue to operate my own businesses as I do so presently. They have no relationships with Farmer Mac and no requirement to divest the businesses.

10. Do you have any plans to resume employment, affiliation, or practice with any of your previous employers, business firms, partnerships, associations, or other organizations after completing government service? (If yes, provide full details.)

No – not applicable.

11. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, provide full details.)

No

12. Describe fully all matters and all employers, clients, organizations, or interests you represented over the past five years before the Federal Agricultural Mortgage Corporation or the Farm Credit Administration, or before Congress involving matters within the jurisdiction of this Committee, the Department of Agriculture, the Federal Agricultural Mortgage Corporation, or the Farm Credit Administration.

None

13. Explain in detail how you will resolve and avoid any actual or potential conflicts of interest, including any that may be disclosed by your responses to the above questions. In particular, identify all investments, obligations, liabilities, or other relationships that involve actual or potential conflicts of interest relating to the position for which you have been nominated and what actions you will take to resolve and avoid these actual or potential conflicts of interest.

I have no business or personal activities that present actual or potential conflicts of interest. Should they develop in some way in the future I would solve them in accordance with the ethics agreement I have entered and in consultation with ethics officials.

14. Fully describe and explain all divestitures or arrangements of any nature with respect to any type of interest that you have made or will make to resolve and avoid actual or potential conflicts of interest relating to the position for which you have been nominated.

None necessary.

May 24, 2010

Honorable Blanche Lincoln
Chairman
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, D.C. 20510

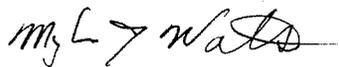
Dear Madam Chairman,

On October 7, 2009, a copy of my SF 278, Executive Branch Public Financial Disclosure Report, prepared in connection with my nomination to serve as Director of the Federal Agricultural Mortgage Corporation (Farmer Mac) was submitted to the U.S. Office of Government Ethics. That report contained all required financial information for the calendar year 2008 and for the calendar year 2009 up to that date.

In accordance with the Ethics in Government Act of 1978, as amended, I am writing to update certain information reported on the SF 278 (in accordance with section 102(a)(1)(A) of the Act) with respect to income (other than dividends, interest, rents and capital gains) and honoraria, to a date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. The hearing to be held on my nomination is scheduled for Wednesday, May 26, 2010. Between the point at which I filed my Financial Disclosure Report on October 7, 2009 and today's date, I have received the following amounts: \$73,159 from Montana State University, as salary for my role as professor; \$65,000 from Watts and Associates, as consulting income; \$17,500 from International Institute for Agriculture Risk Management, as consulting income; \$1,869 from Profitabull, as partnership income; and \$10,473 from HEN, cattle partnership, as partnership income. In addition, my spouse has received \$39,652 from Ligocyte Pharmaceuticals, as salary for her role as lab technician.

I trust that this letter satisfies any additional applicable reporting requirements in accordance with the Ethics in Government Act.

Sincerely,

A handwritten signature in black ink that reads "Myles Watts". The signature is written in a cursive style with a large initial "M" and a stylized "W".

Myles Watts
Nominee for Director, Federal Agricultural Mortgage Corporation

Myles J. Watts
2801 Texas Way, Bozeman, MT 59718

March 22, 2010

The Honorable Blanche Lincoln
Chairman, Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, D.C. 20510

Dear Chairman Lincoln:

Upon further review of the information that I prepared in connection with my nomination to be a member of the Board of the Federal Agricultural Mortgage Corporation, I realized that I failed to include one item on my Senate Questionnaire.

In the biographical (public) section of the questionnaire, question #5 asks for any companies with which I was connected as a director. My list should have included the following entry:

Verified Beef, LLC; Advisory Board of Directors (2007-08)
Verified Beef (VB) is a Beef Source and Age database company.

Please accept this letter as an amendment of my original submission to the committee.

Sincerely,



Myles J. Watts

BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used):
Myles James Watts
2. Date and place of birth:
12/11/1950, Miles City, MT
3. Marital Status: If married, list spouse's name (include any former names used), occupation, employer's name, and business address(es).
**Gayle Watts (Haun), Lab Technician
Ligocyte Pharmaceuticals, 2155 Analysis Drive, Bozeman, MT 59717**
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.
 - **Ph.D., Agricultural Economics, University of Nebraska, Lincoln, 1975-1978**
 - **M.S., Applied Economics, Montana State University, Bozeman, 1973-1975**
 - **B.S., Agricultural Business, Montana State University, Bozeman, 1969-1973**
5. Employment and Self-Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms or ranches, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college. Please include a title and brief job description for each.
 - **Professor of Agricultural Economics, Department of Agricultural Economics and Economics, Montana State University, Bozeman (July 1990–present)**
 - **Department Head, Department of Agricultural Economics and Economics, Montana State University, Bozeman (January 1985–October 1991; September 1995-2002; July 2006–July 2009)**
 - **Associate Professor of Agricultural Economics, Department of Agricultural Economics and Economics, Montana State University, Bozeman (July 1984–July 1990)**
 - **Assistant Professor of Agricultural Economics, Department of Agricultural Economics and Economics, Montana State University, Bozeman (July 1978–July 1984)**
 - **Instructor, Department of Agricultural Economics, University of Nebraska, Lincoln (September 1975–January 1976; September 1976–January 1977; September 1977–July 1978)**
 - **Graduate Research Assistant, Department of Agricultural Economics, University of Nebraska, Lincoln (February 1976–August 1976; February 1977–August 1977)**
 - **Board Member, Montana Council for Economic Education, Promotes economic education in elementary and secondary schools (2004-present)**
 - **Advisory Board Member, School of Business, University of Montana (2007-present)**
 - **Watts and Associates, Economic Consultant/Actuary (2000 – present)**

- Chairman of Board, International Institute for Agricultural Risk Management, Crop Insurance Education (2008-present)
- Minor Partner, HEN, Cattle Partnership (2000-present)
- Rancher, Miles City, Montana — Involved in a family ranch partnership (June 1973-August 1975; 2002-present Mother has life estate, so she receives all income. I am a remainderman.)
- Minor Partner, Rocky Mountain Embroidery Company, small embroidery company (about 1995-present)
- Minor Partner, Profitabull, Cattle Partnership (2000-2009)
- Owner of about 50 head of cattle (1990-2000)
- General Partner, CAMM, Family Land Investment Partnership (1978-2002)
- Partner, Hyghlite Partners, Family Land Investment Partnership (1979-2000)
- Partner, Springhill Partners, Land Investment (1979-1987)
- Partner, Hilline Canal Partners, Land Investment (1982-2000)
- Partner, Bridger Partners, Land Investment (1980-1995)

On February 12, 2007, a house fire destroyed most of our personal and financial records. Therefore, this information is provided from memory.

6. Military Service: Have you served in the military? If so, please give particulars, including the dates, branch of service, rank or rate, and type of discharge received.
No
7. Government Service: State (chronologically) your government service or public offices you have held, including the terms of service, grade levels, and whether such positions were elected or appointed.
No paid federal, state, or local government service.
8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.
 - Outstanding Graduate Student, Department of Agricultural Economics, University of Nebraska (1977)
 - National Science Foundation Fellowship to pursue master's thesis research (September 1973–June 1975)
 - Gamma Sigma Delta
 - Omicron Delta Epsilon
 - American Agricultural Economics Association
 - Western Agricultural Economics Association
 - American Economic Association
 - Editor, *Journal of Agricultural and Resource Economics*, 1991–1995, 2009-present.

- **Outstanding Journal Article Award, American Agricultural Economics Association, 1996 (Honorable mention with J.T. LaFrance)**
 - **Outstanding Masters Thesis Award (with J. Chovosta, Graduate Student), Western Agricultural Economics Association, 1998 (Honorable Mention with R. Rucker)**
 - **Distinguished Scholar, Western Agricultural Economics Association, 2006**
9. Other Memberships: If not covered above, list all organizations in which during the past 10 years you held a position as official, board member, or other leadership position and describe the position. Exclude religious organizations.
See question #5
10. Political Affiliation: The statute creating the Board of the Federal Agricultural Mortgage Corporation requires that no more than three public members of the Board be from the same political party. Please list your current political party registration or affiliation.
In Montana, not required to register a political affiliation. I was nominated to fill a Republican seat on the Board.
11. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include in this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you would provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry, agricultural credit, or other matters within the jurisdiction of this Committee or the Federal Agricultural Mortgage Corporation.
See attachment for publications and presentations.

FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, partnerships, associations, or other organizations? (If no, provide full details.)
No, expect to continue employment at Montana State University, consult with Watts and Associates, and relationship with IARM.
2. List sources, amounts and dates of all expected receipts from deferred income arrangements, stock options, uncompleted contracts, and other future benefits that you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.
None

3. Do you, or any partnership or closely held corporation or other entity in which you have an interest, own or operate a farm or ranch? (If yes, provide a brief description including location, size, and type of operation.)
Yes, one quarter interest in family ranch, Custer County, about 15000 acres. All income goes directly to mother (Life Estate). This ranch is Life Estate, mother is Life Tenant, and I am a remainderman.

4. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever participated in federal commodity income and price support, disaster, conservation, or related programs? (If yes, provide full details, including descriptions and amounts of payments and loans received or forfeited relating to each commodity, crop, farm, and ranch involved during the past five years.)

I have not received any government farm related payments. All ranch income including government payments goes to my mother. (See question 3 above.) The ranch historically received USDA payments below:

Year	2005	2006	2007	2008	2009
Payment	\$13,800	\$8,102	\$7,892	\$7,887	\$7,835

5. Have you, or any partnership or closely held corporation or other entity in which you have an interest, received payments for crop or livestock losses from the federal crop insurance program in the past five years? (If yes, provide full details and amounts.)
No.

6. Have you ever received a student loan or loans? If so, has all indebtedness been fully repaid? (If no, provide full details.)
Never had a student loan.

7. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from or guaranteed by any department or agency of the federal government (other than a student loan), including, for example, through the farm or rural development lending programs of the Department of Agriculture or through the Small Business Administration? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

Yes, an FmHA loan (about 1985) was transferred with my ownership to another party, and eventually paid off several years ago.

8. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from, involving, or handled by any current or previously existing institution regulated, overseen, or doing business with either the Farm Credit Administration or the Federal Agricultural Mortgage Corporation? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

No.

9. If confirmed, do you have any plans, commitments, or agreements to pursue or continue outside employment or engage in or continue any business or vocation, with or without compensation, during your service with the government? (If so, explain fully.)
Yes, see answers to questions #1 and #3.
10. Do you have any plans to resume employment, affiliation, or practice with any of your previous employers, business firms, partnerships, associations, or other organizations after completing government service? (If yes, provide full details.)
Yes, see answers to questions #1 and #3.
11. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, provide full details.)
Yes, see answers to questions #1 and #3.
12. Describe fully all matters and all employers, clients, organizations, or interests you represented over the past five years before the Federal Agricultural Mortgage Corporation or the Farm Credit Administration, or before Congress involving matters within the jurisdiction of this Committee, the Department of Agriculture, the Federal Agricultural Mortgage Corporation, or the Farm Credit Administration.
None.
13. Explain in detail how you will resolve and avoid any actual or potential conflicts of interest, including any that may be disclosed by your responses to the above questions. In particular, identify all investments, obligations, liabilities, or other relationships that involve actual or potential conflicts of interest relating to the position for which you have been nominated and what actions you will take to resolve and avoid these actual or potential conflicts of interest.
I do not believe that any conflicts currently exist. If conflicts arise, they will be discussed with the appropriate authorities and resolved.
14. Fully describe and explain all divestitures or arrangements of any nature with respect to any type of interest that you have made or will make to resolve and avoid actual or potential conflicts of interest relating to the position for which you have been nominated.
Do not believe that any exist.

Myles Watts

Attachment to Questionnaire for the Board of the Federal Agricultural Mortgage Corporation Nominees

BIOGRAPHICAL INFORMATION (PUBLIC)

11. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include in this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you would provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry, agricultural credit, or other matters within the jurisdiction of this Committee or the Federal Agricultural Mortgage Corporation.

PUBLICATIONS:

Refereed Journal Articles and Book:

- < [With J.A. Atwood]. "Risk Premiums in Interest Rates." In process.
- < [With J. LaFrance]. "Federal Grazing Contracts and Environmental Incentives." In process.
- < [With J.A. Atwood, B. Beattie]. "Perverse Incentive for Irrigated Agriculture." *Journal of Agricultural and Resource Economics*. In process.
- < [With V. Smith]. "New Standing Disaster Program: An Invitation to Moral Hazard." *Applied Economic Perspectives and Policies*, Accepted for publication 2010.
- < [With B. Beattie and R. Taylor]. "The Economics of Production." Krieger Publishing Company: FL, 2009.
- < [With J. Vanek and G. Brester]. "Genetic Selection in the Beef Industry: Are Feeder Cattle Producers Compensated for Improving Carcass Quality?" *Journal of Agricultural and Resource Economics* Vol. 3, no. 3 (Dec. 2008): 349-363
- < [With J.A. Atwood, and S. Shaik]. "Are Crop Yields Normally Distributed?: A Reexamination." *American Journal of Agricultural Economics* Vol. 85, no. 4 (Nov. 2003): 888-901.
- < [With B.R. Beattie, and M.T. Holt]. "On the Function Coefficient, Eulers Theorem, and Homogeneity in Production Theory." *Review of Agricultural Economics* Vol. 24, no. 1 (Spring/Summer 2002): 240-249.
- < [With J.A. Atwood and, S. Shaik]. "Can Normality of Yields Be Assumed for Crop Insurance?" *Canadian Journal of Agricultural Economics* Vol. 50, no. 2 (July 2002): 171-184.
- < [With J. Chvosta, and R.R. Rucker]. "Transaction Costs and Cattle Marketing: The Information Content of Seller-Provided Data at Bull Auctions." *American Journal of Agricultural Economics* Vol. 83, no. 2 (May 2001): 286-301.

- < [With D. Buschena]. "(How) Do Prerequisites Matter? Analysis of Intermediate Microeconomics and Agricultural Economics Grades." *Review of Agricultural Economics* Vol. 23, no. 1 (Spring/Summer 2001): 203-213.
- < [With L. Egan]. "Some Costs of Incomplete Property Rights with Regard to Grazing Permits." *Land Economics* Vol. 74, no. 2 (May 1998): 171-185.
- < [With G. Haynes]. "Finance Companies and Small Business Borrowers: Does the Pawn Shop Label Fit?" *Entrepreneurship and Small Business Finance* Vol. 5, no. 1 (February 1996).
- < [With J.A. Atwood and A. E. Baquet]. "An Examination of the Effects of Price Supports and Federal Crop Insurance upon the Economic Growth, Capital Structure, and Financial Survival of Wheat Growers in the Northern High Plains." *American Journal of Agricultural Economics* Vol. 78, no. 1 (February 1996): 212-224.
- < [With C.L. Wambolt]. "Long Term Recovery of Wyoming Big Sagebrush." *Journal of Environmental Management* Vol. 46, no. 1 (February 1996): 95-102.
- < [With J.T. LaFrance] "Public Grazing in the West and 'Rangeland Reform '94.'" *American Journal of Agricultural Economics* Vol. 77, no. 3 (August 1995): 447-461.
- < [With J.T. LaFrance]. "Guidelines for Western Journal of Agricultural Economics Authors." *Western Journal of Agricultural Economics* Vol. 16, no. 2 (December 1991), ("Soft" Review).
- < [With C. Wambolt]. "Economic Evaluation of Wyoming Big Sagebrush (*Artemisia tridentata*) Control Methods." *Weed Technology* Vol. 3, no. 4 (October/December 1989).
- < [With R.N. Johnson]. "Contractual Stipulations, Resource Use and Interest Groups: Implications from Federal Grazing Contracts." *Journal of Environmental Economics and Management* Vol. 16, no. 1 (1989): 87-96.
- < [With J.A. Atwood, G.A. Helmers, and L.J. Held]. "Incorporating Safety-First Constraints in Linear Programming Production Models." *Western Journal of Agricultural Economics* Vol. 13, no. 1 (July 1988): 29-36.
- < [With J.A. Atwood and G.A. Helmers]. "Chance-Constrained Financing as a Response to Financial Risk." *American Journal of Agricultural Economics* Vol. 70, no. 1 (February 1988): 79-89.
- < [With B.R. Beattie]. "The Proper Preeminent Role of Central Disciplines and Learned Societies in Setting the Agenda at Land Grant Universities." *Western Journal of Agricultural Economics* Vol. 12, no. 2 (December 1987): 95-103.

- < [With J.A. Atwood, L.J. Held, and G.A. Helmers]. "Performance of Risk Income Models Outside of the Original Data." *Southern Journal of Agricultural Economics* Vol. 18, no. 2 (December 1986): 113-123.
- < [With J.T. LaFrance]. "The Value of Protein in Feed Barley for Beef, Dairy and Swine Feeding." *Western Journal of Agricultural Economics* Vol. 11, no. 1 (July 1986): 76-81.
- < [With G.A. Helmers and J.A. Atwood]. "Relevancy of Cash Flow in Firm Financial Management." *Agribusiness: An International Journal* (Winter 1985).
- < [With G.A. Helmers, L.J. Held, and J.A. Atwood]. "Deviation Constrained Programming: The Impact on Risk-Income Frontiers." *North Central Journal of Agricultural Economics* Vol. 6, no. 2 (July 1984): 142-150.
- < [With L.J. Held and G.A. Helmers]. "A Comparison of Target MOTAD to MOTAD." *Canadian Journal of Agricultural Economics* Vol. 32 (March 1984): 175-186.
- < [With L.J. Held]. "Comparing Acceleration of New ACRS versus Prior Law Double Declining Balance Depreciation: A Present Value Approach." *North Central Journal of Agricultural Economics* Vol. 5, no. 2 (July 1983): 11-17.
- < "Machinery Repair Functions and Depreciation." *North Central Journal of Agricultural Economics* Vol. 4, no. 1 (January 1982): 69-72.
- < [With G.A. Helmers]. "Machinery Cost and Inflation." *Western Journal of Agricultural Economics* Vol. 6, no. 2 (December 1981): 129-145.
- < [With G.A. Helmers]. "Inflation and Machinery Cost Budgeting." *Southern Journal of Agricultural Economics* Vol. 11, no. 2 (December 1979): 83-88.

Presented Papers:

- < [With Jeff LaFrance]. "Grazing Fees versus Stewardship on Federal Lands". Presented at WEA annual meetings July 2009.
- < [With A. Kellom, J. Peterson, J. Vanek, and M. Harbo]. "The Effects of Age and Source Verification of Calves on Value Received on Superior Livestock Video Auctions." Proceedings of Western Section, American Society of Animal Science, Vol. 59, 2008: 137-139.
- < "Public Land Grazing Contracts." Presented at WAEA, 2006.
- < "Participation in Crop Insurance." Presented at AAEEA meeting, 2000.
- < [With L. Egan]. "Some Costs of Incomplete Property Rights with Regard to Federal Grazing Permits." Presented at the annual meeting of the AAEEA, 1997.
- < [With J. Chovosta and R. Rucker]. "The Information Content of Seller-Provided Data in Cattle Auctions." Presented at the annual meeting of the AAEEA, 1997.
- < "Issues in Developing Revenue Insurance Products." Presented at the annual meeting of the AAEEA, San Antonio, Texas, July 1996.
- < [With J.T. LaFrance]. "Privatizing Land Use Rights on Public Lands." Presented at the annual meeting of the AAEEA, 1996.
- < [With J.A. Atwood, and V.H. Smith]. "Lemons, List Prices, and Other Problems with Measuring Economic Depreciation Rates for Agricultural Machinery." Presented at the annual meeting of the WAEA, Portland, Oregon, July 1991. [Abstract published in the Western Journal of Agricultural Economics, December 1991.]
- < [With J. Goroski, V.H. Smith, and J.A. Atwood]. "Economic Depreciation and Tax Policy: The Case of Combine Harvesters." Presented at the annual meeting of the AAEEA, Vancouver, B.C., Canada, August 1990. [Abstract published in the American Journal of Agricultural Economics, December 1990.]
- < [With J.A. Atwood]. "Safety-First Programming: A Zero-One Approach." Paper presented at the annual meeting of the AAEEA, Baton Rouge, Louisiana, August 1989. [Abstract published in the American Journal of Agricultural Economics, December 1989.]
- < "Comments on Dynamic Programming." Invited paper presented at the annual meeting of the WAEA, Honolulu, Hawaii, July 1988.

- < [With G.A. Helmers, J.A. Atwood, and L.J. Held]. "Financial Performance of Risk-Income Modules." Paper presented at the annual meeting of the WAEA, July 1987. [Abstract published in the *Western Journal of Agricultural Economics*, December 1987.]
- < [With L.J. Held, G.A. Helmers, and J.A. Atwood]. "Effect of Machinery Cost Economies on Diversified Risk-Efficient Plans." Paper presented at the annual meeting of the WAEA, July 1987. [Abstract published in the *Western Journal of Agricultural Economics*, December 1987.]
- < [With L.J. Held, G.A. Helmers, and J.A. Atwood]. "Impact of Business Versus Financial Risk on Risk Income Choices." Paper presented at the annual meeting of the AAEEA. [Abstract published in the *American Journal of Agricultural Economics*, December 1986.]
- < [With J.A. Atwood and G.A. Helmers]. "Reduction of Second Degree Stochastic Efficient Sets Using Safety-First Type Constraints." Paper presented at the annual meeting of the WAEA, July 1985. [Abstract published in the *Western Journal of Agricultural Economics*, December 1985.]
- < [With M.D. Copeland]. "Income Taxes and Distribution of Asset Ownership." Paper presented at the annual meeting of the WEA, 1985.
- < [With B.E. Bravo-Ureta]. "Tax Policy and Invariant Asset Valuations Under Inflation." Paper presented at the annual meeting of the AAEEA, 1984.
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Presentations 2010 through 3/11/2010

Date	Location	Program Title	Audience/Group	Number of Participants	Program Length (hrs)
01/23/10	Bozeman	Economic Education	Teachers	10	0.5
01/27/10	Bozeman	Weather Trends	General Public	15	1.0
01/29/10	Billings	Insurance Rating	Insurance Employees	11	3.0
02/03/10	Bozeman	Economic Outlook	General Public	25	2.0
02/08/10	Billings	Comparative Advantage	High School Teachers	18	3.0
02/09/10	Billings	What Economists Think	High School Teachers	18	1.0
02/19/10	Miles City	Public Land Grazing	Ranchers	12	1.0
02/24/10	Helena	Project 2030	Contractors	11	1.2
03/01/10	Bozeman	Weather Trends	PERC	11	1.0
03/08/10	Bozeman	Brucellosis	Politicians	40	0.4
03/11/10	Billings	Brucellosis	Law Seminar	65	0.4

Presentations 2009

Date	Location	Program Title	Audience/Group	Number of Participants	Program Length (hrs)
01/03/09	Helena	Montana Demographics	MCEE Board	18	1.4
01/13/09	Ukraine	Data Management and Actuarial Crop Insurance Training	Insurance	24	30.0
02/11/09	Bozeman	Public Land Grazing	Wildlife Groups	21	1.6
02/21/09	Miles City	Animal ID	Ranchers	24	1.9
02/25/09	Bozeman	Animal ID	Ranchers	14	1.9
02/27/09	Bozeman	Financial Crisis	MCEE - Teachers	24	1.0
03/09/09	Bozeman	Crop Insurance Alternatives	Plant Breeders	9	1.8
03/20/09	Three Forks	Crop Insurance Alternatives	Farmers	16	1.8
03/27/09	Bozeman	Financial Crisis	Public	16	1.0
04/01/09	Bozeman	Financial Crisis	Public	38	0.4
04/06/09	Missoula	Agriculture Competitiveness	U of M Law School Symposium	130	1.0
04/19/09	Billings	Reinsurance of Indexed Products	Reinsurers	11	1.0
04/20/09	Helena	ELM Overview	Various Educators	15	1.0
04/24/09	Laramie, WY	Animal Disease	Wyoming	18	0.7
04/29/09	Bozeman	Property Rights and Grazing Leases	Public	24	1.0
05/21/09	Bozeman	Wildlife and Grazing Conflicts	World Wildlife Fund	8	1.2
05/27/09	Miles City	Project 2030	Business Reps	24	1.0
05/28/09	Miles City	Project 2030	Chamber of Commerce	32	1.0
05/29/09	Billings	Financial Crisis	Pachydem	51	2.0
06/10/09	Houston, TX (Live Video)	Reinsurance Rating	Reinsurers	12	1.0
06/17/09	Bozeman	Comparative Advantage	MCEE - Teachers	21	1.0
06/18/09	Bozeman	Cow, Cowboys, and Controversy	MCEE - Teachers	21	1.0
06/26/09	Billings	Energy Markets	Billings Economic Group	45	1.0
06/30/09	Vancouver, BC	Grazing Fees Versus Stewardship on Federal Lands	WAEA	30	0.2
07/14/09	Ukraine	Loss Adjustment	Insurance	22	8.0

Presentations 2009 - continued

Date	Location	Program Title	Audience/Group	Number of Participants	Program Length (hrs)
07/15/09	Billings	Great American Group	Insurers	16	1.2
08/02/09	Ennis	Cattle-Wildlife Conflicts	Ranchers	17	1.2
08/11/09	Bozeman	Grazing Right Value	World Wildlife Fund	9	1.0
08/22/09	Seattle, WA	Efficacy of Index Products	Gates Foundation	15	0.4
08/29/09	Houston, TX	Weather Index Rating	Reinsurers	10	1.5
08/31/09	Bozeman (live video)	COP Insurance	Various politicians	10	1.4
09/15/09	Bozeman (live video)	Property Right Issues in Agriculture	Law Conference	8	1.0
09/15/09	Bozeman (live video)	Potential for Indexed Products	Reinsurers	8	0.7
10/15/09	Billings	Project 2030	Billings Educators	25	1.0
10/16/09	Billings	Project 2030	MEA	40	1.0
10/26/09	Bozeman	Thinking About Healthcare	Insurance Reps	15	1.1
10/27/09	Washington DC	Efficacy of Healthcare Insurance	IFC	18	1.2
11/03/09	Billings	Risk Insurance	Insurance Companies	12	2.5
11/06/09	Butte	Economic Education	Public	35	1.0
11/10/09	Bozeman	Grazing Contracts	Private Property Support Group	20	0.7
11/12/09	Bozeman	Financial Crisis	Public	90	0.5
11/13/09	Bozeman	Project 2030	Animal Science Advisory	15	1.0
11/19/09	Helena	Financial Planning	Bankers	12	2.0
12/03/09	Helena	History of Health Reform	Montana Taxpayers	150	0.3

Presentations – 2008

Date	Location	Program Title	Audience/Group	Number of Participants	Program Length
01/03/08	Helena	Crop Insurance Design	Sygenta Video Presentation	21	2 hrs
01/03/08	Helena	Population Changes	Legislative Lobbyist	30	2.50 hrs
01/04/08	Helena	Agricultural Outlook	Legislative Staff & DOR	35	.4 hrs
01/10/08	Helena	Montana Issue	Montana Taxpayers	100	1.4 hrs
01/17/08	Helena	Project 2030	MCEE Board Presentations	18	1 hr
01/20/08	Bozeman-Edmonton	Crop Insurance Alternative	Alberta Wheat Producer (video presentation)	26	1.4 hrs
01/21/08	Bozeman	Weather and Yield	MGGA Members	24	1 hr
01/30/08	Bozeman	Animal Disease Insurance	Livestock Producers	13	1 hr
02/04/08	Bozeman-Edmonton	Crop Insurance Alternative	Alberta Producers	15	.50 hrs
02/06/08	Helena	Climate Change	WETA	40	1 hr
02/12/08	Bozeman-Edmonton	Ag Data Problems and Solutions	Alberta Ag Producers (video conference)	16	1 hr
02/16/08	Billings	Animal Disease Insurance	RMA-Billings	10	1 hr
02/21/08	Helena	Project 2030	Montana Legislative Staffers and other employees	35	1 hr
03/01/08	Bozeman to Many Places	Livestock Related Insurance	Insurance Companies (video presentation)	25	1 hr
03/11/08	Portland, Oregon	Faculty Hiring Challenges	University Administrators	20	.3 hrs
03/25/08	Bozeman-Washington D.C.	NCBA Staff	NCBA Staff	10	1 hr
04/04/08	Kalispell	Northwest Community College	Students and Faculty (video presentation)	30	1 hr
04/16/08	Bozeman	Economic Impact of Big Sky	Big Sky Economic Development Committee	15	1hr
05/01/08	Missoula	BBER Board	BRER Meeting	35	.2 hr
05/08/08	Helena	Fraud and Data Mining	Montana Budget Staff	15	.6 hrs
05/23/08	Billings	Global Warming	General Public	80	1 hr
06/02/08	High River Alberta	Feedlot Financial Model	Western Livestock Feeders	20	1.50 hrs
06/18/08	Bozeman	Project 2030	High School Teachers	25	1 hr

Presentations – 2008 continued

Date	Location	Program Title	Audience/Group	Number of Participants	Program Length
07/02/08	Helena	Animal ID	MSGA	25	1 hr
07/09/08	Bozeman	Feedlot Financial Model	Western Livestock Feeders	10	1 hr
07/14/08	Helena	Brucellosis Meeting	Animal Health Group	8	1 hr
07/16/08	Emigrant	Brucellosis Meeting	Paradise Valley Ranchers	12	1 hr
07/22/08	New York	Alternative Rating Methods	Reinsurance	15	2 hrs
08/07/08	Washington DC	Crop Insurance Issues	USDA Administration	11	1 hr
08/26/08	Helena	Progressive Management Area	General Public	15	1 hr
09/01/08	Bozeman	Feedlot Replacement	MBN Staff	8	1 hr
09/10/08	Ukraine	Executive Crop Insurance Training	Insurance	30	.3 hrs
09/19/08	Missoula	Brucellosis Management	Elk Foundation	12	1.40 hrs
09/29/08	Helena	Financial Crisis	High School Teachers	30	1 hr
10/01/08	Bozeman	Climate Change	High School Teachers	25	1 hr
11/14/08	Bozeman	Ag Outlook	MT Farm Bureau	20	.4 hrs
11/15/08	Cooper	Brucellosis Management	Ranchers	40	1 hr
11/17/08	Helena	Energy Market	Montana Lobbyist	60	1.2 hrs
11/20/08	Helena	Project 2030	and Transportation	30	.6 hrs
11/21/08	Helena	Project 2030	Project 2030 Donors	20	1 hr
12/03/08	Lewistown	Energy Market	Energy Group	40	1 hr
12/04/08	Helena	Financial Crisis	Montana Taxpayers	250	1 hr

Presentations – 2007

Number of Location(s)	Program Title	Program Length	Number of Participants
6	Animal ID	1.73 hrs	99
2	Reinsurance	1.55 hrs	25
1	Insurance Data	3.50 hrs	15
1	Economics	1.40 hrs	35
2	Weather Insurance	2.45 hrs	42
2	Tax Issues	0.50 hrs	70
1	Public Lands	1.40 hrs	35
1	International Beef Markets	2.20 hrs	24
3	Farm Bill Comments	1.03 hrs	180
3	EPD's	2.10 hrs	124
1	Buffalo & Cows	1.60 hrs	45
2	Montana Beef Network	1.60 hrs	45
1	Tax Policy	0.40 hrs	40
4	Teaching Economics	1.77 hrs	205
4	Brucellosis	1.33 hrs	136
1	Animal ID & Brucellosis	1.40 hrs	15
1	Conception to Consumption	0.50 hrs	70
2	Montana Demographics	0.55 hrs	170
1	Weather Reinsurance	2.90 hrs	17
1	PVP Issues	1.50 hrs	20
2	Potential Insurance Expansion	1.15 hrs	32
1	Canadian Insurance Solutions	1.10 hrs	15
1	Public Lands	1.30 hrs	65
1	Canadian Insurance Alternatives	1.30 hrs	30
1	Weather Data Availability	1.40 hrs	20
1	Rating Proxies	2.30 hrs	18

Presentations – 2006

Number of Location(s)	Program Title	Program Length	Number of Participants
5	Montana Demographics	0.25 hrs	445
3	Farm Bill and Crop Insurance Issues	1.4 hrs	120
2	Public Lands Seminar	1.25 hrs	110
1	Pasture Productivity and Value	2 hrs	30
1	Crop Insurance Rating	2.3 hrs	20
1	Value of EPD's	1 hr	140
1	Range Productivity and Value	1 hr	30
1	Water Policy and Pricing	1.8 hrs	25
1	Grazing Fees and Public Lands	1 hr	30
1	Income and Wealth	1 hr	20
1	ELM: Principles of Demand	1 hr	25
1	ELM: Principles of Marketing Behavior	1.5 hrs	25
1	Health and Wealth	1 hr	30
1	Using Satellite-Based and/or Weather Station Information to Construct Smaller than County Sized Area Insurance Instruments	1 hr	20
1	Montana Taxes and Spending	1 hr	35
1	Crop Insurance and Climate Variables	1.4 hrs	20
1	Actuarial Soundness: How Important is it?	1 hr	25
3	Farm Bill Issues	1 hr	70
2	Ag Outlook	0.67 hrs	55
1	Crop Technology Trends	1 hr	50
2	Montana's Basic Industries: Economic Outlook	0.5 hrs	150
1	Crop Insurance Underserved Areas	1 hr	40
1	Animal ID and Participation Incentive	1 hr	15
1	MBBER: Departmental Overview of Research	0.42 hrs	10
1	Reinsurance companies	2 hrs	18
1	Meat Safety and Animal ID	4 hrs	15
1	Crop Insurance Overview and Education Needs: Canada, U.S., and the World	2.5 hrs	14
1	Indexing to Stabilize Crop Insurance Trigger	0.67 hrs	80
1	How Crop Insurance Works	0.33 hrs	50
1	Declining Yield Solutions	1 hr	20
1	Potential Crop Insurance Expansion	1 hr	20
1	Energy and the Farm Bill	0.67 hrs	15
1	Animal ID	0.5 hrs	15

Presentations – 2005

Date	Location	Program Title	Number of Participants	Program Length (hrs)
01/03/05	Bozeman	Range Risk Mgt: Producers & Federal Employees	25	1
01/04/05	Helena	School Funding: General Public & Legislators	35	1
01/04/05	Helena	Ag Land Prop. Taxes: Ag Legislators/Dept of Revenue	20	2
01/04/05	Helena	Comparison of NASS & RMA Data: NASS & DOA	18	1.5
01/04/05	Helena	School Funding: LFS & Taxpayers	25	1
01/07/05	Billings	Range Risk Mgt: Producers	37	2.5
01/10/05	Florida	Risk of Citrus Canker: Producers	42	1.8
01/12/05	Washington DC	Insurance for Non Traded Crops: RMA Board	22	2.3
01/14/05	Calgary, AB	Insurance Rating Challenges: Reinsurance Personnel	15	1.7
01/17/05	Helena	Legislature Orientation-Property Taxes: Legislators	40	0.6
01/22/05	Helena	School Funding-Wheeler Lecture: Public & Legislators	200	1
01/24/05	Billings	Small Value Crop Insurance: Producers	25	1
01/25/05	Bozeman (Distance Conference)	PI Responsibilities: Gov't Personnel	30	1
01/27/05	Helena	Tax Land Appraisal Method: Ag Leaders, BOA, DOR	30	1.4
01/31/05	Bozeman	Public Lands: CHIRO	20	1.3
02/02/05	Helena	Ag Land Property Taxes: Legislators & Lobbyist	25	0.4
02/15/05	Bozeman	RMA Funding Opportunities: Consulting Firms/Ag Co-op	28	1.3
02/25/05	Bozeman	Declining Yields: Producers & RMA	32	1.4
03/05/05	Billings	Value of EPDs: Producers	21	2.3
03/10/05	Minneapolis	GRP Programs: Insurance Personnel	20	1.1
03/18/05	Moscow, ID	Small Value Crop Insurance: Producers	16	2.1
03/20/05	Helena	Tax Structure: Legislature & Lobbyist	25	0.4
03/30/05	Helena	Budget Meeting Presentation: DOR, GBO, Legis. Leaders	18	0.8
04/06/05	Bozeman	Water Rights in Montana: State Employees	15	0.7
04/15/05	Casper, WY	Public Land Policy: Public	100	1
04/20/05	Salt Lake City, UT	WY-UT Land Policy: Public	70	1
04/27/05	Bozeman	Econ Education: Public	35	1

Presentations – 2005 continued

Date	Location	Program Title	Number of Participants	Program Length (hrs)
05/02/05	Bozeman	Gallatin Develop Alternative:Gallatin Valley Development	20	1
05/03/05	Helena	Property Taxes: DOR&Public	15	1.4
05/12/05	Billings	Bean Crop Insurance: Producers	20	1.5
05/17/05	Billings	Range Risk Mgt: Producers	30	2.5
05/25/05	Spokane, WA	Christmas Tree Risk: Producers	20	1.5
05/27/05	Casper, WY	Public Land Policy: Petroleum Institute	80	1.2
06/03/05	Fargo, ND	Malt Barley Quality: ND Malt Barley Producers	20	1.8
06/08/05	GeVoss, NY	Zoonotic Disease Risk: Avian Board	30	1
06/21/05	Bozeman	Taxes in MT: MCEE Teacher Conference	25	1.4
07/05/05	Helena	Mitigating Declining Yields: State Officials	21	1.1
07/11/05	Bozeman	School Funding: Montanans for the Right	15	1.2
07/21/05	Helena	MT School Quality: Various Lobbyist	15	1.2
07/25/05	Billings	Ranching Risk Mgt: Producers	30	2.4
08/23/05	Las Vegas, NV	ReInsurance of Small Crops: Reinsurers	25	1.2
08/24/05	Ellensburg, WA	Technology Uncertainty: Apple Producers	30	1.6
08/26/05	Sandy, UT	Range Productivity: Ranchers	20	2.7
09/12/05	Bozeman	School Funding: Teachers	18	1.6
10/14/05	Kansas City, MO	Declining Yields: RMA Personnel	15	1.2
10/16/05	Helena	Zoonotic Disease: MT Ag Livestock	12	1
10/19/05	Helena	Taxes in MT: MT Taxpayers Board	15	1
10/21/05	Washington DC	Forage Insurance Potential in the East: USDA Officials	10	1
11/07/05	Helena	Animal ID: Pre Farm Bureau Mtg	15	1
11/09/05	Bozeman	School Funding: Pacyderm Club	40	0.6
11/16/05	Billings	Animal ID: MSGA Board	20	0.4
11/21/05	Washington DC	Animal ID: USDA Undersecretaries	5	1.1
11/23/05	Washington DC	International Crop Insurance: World Bank	8	2.7
12/01/05	Helena	MT Demographics & Taxes: MT Taxpayers	100	0.7
12/13/05	Billings	Crop Insurance: Sen. C. Burns & Staff	5	2.3
12/28/05	LeCombe, AB	U.S.-Canada Crop Insurance: Alberta Crop Insurance	15	1.7



Federal Agricultural Mortgage Corporation
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March 12, 2010

The Honorable Blanche Lincoln
Chairman
U.S. Senate Committee on Agriculture, Nutrition and Forestry
Room 328A Russell Senate Office Building
Washington, DC 20510

Dear Chairman Lincoln:

Enclosed is the Senate questionnaire for Dr. Myles Watts, nominee to serve on the board of Directors of the Federal Agricultural Mortgage Corporation (Farmer Mac). I have reviewed this document and his SF-278 form at the request of the Office of Counsel to the President at the White House. Farmer Mac, a federally chartered corporation, is a Government Sponsored Enterprises (GSE) but is not a federal agency as such. Employees of Farmer Mac are not employees of the federal government and Farmer Mac does not have an agency ethics official designated as such under the Ethics in Government Act of 1978. Nevertheless, to facilitate the ethics review of nominees to the Board of Directors of Farmer Mac, the General Counsel of Farmer Mac, with the concurrence of the President of Farmer Mac, has requested that I perform the requested ethics review of reports submitted to Farmer Mac on such nominees or potential nominees.

It is relevant to note that, while the nominee may not be subject to conflict of interest laws applicable to officers of the United States, because of the nature of Farmer Mac as a GSE, the nominee would nevertheless be subject to conflict of interest and disclosure regulations issued by the Farm Credit Administration (12 CFR 650) and Farmer Mac's own conflict of interest requirements (copy attached). Further, member of the Board of Farmer Mac serve in part-time positions which are likely to involve less than 60 working days annually.

In the opinion of the undersigned, the information contained in these reports for Dr. Myles Watts along with the additional information acquired during the review process discloses no conflict of interest or potential conflict of interest with respect to any laws or requirements applicable to service on the Board of the Federal Agricultural Mortgage Corporation.

Sincerely,

Mary K. Waters
Vice President - Corporate Relations

Enclosures:

Senate Questionnaire
Financial Disclosure Form
Itemized Financial Disclosure Form
Farmer Mac's Conflict of Interest Policy

Farmer Mac

Federal Agricultural Mortgage Corporation

CODE OF BUSINESS CONDUCT AND ETHICS

Originally Adopted on August 11, 1994

Amended as of March 13, 1997

Reaffirmed as of February 3, 2000, February 1, 2001 and February 7, 2002

Amended and Reaffirmed as of June 5, 2003

Amended and Reaffirmed as of March 12, 2004

Amended and Reaffirmed as of October 7, 2004

Amended and Reaffirmed as of August 4, 2005

Amended and Reaffirmed as of October 4, 2006

Amended and Reaffirmed as of June 7, 2007

Amended and Reaffirmed as of October 4, 2007

Amended and Reaffirmed as of June 5, 2008

Federal Agricultural Mortgage Corporation CODE OF BUSINESS CONDUCT AND ETHICS

I. Introduction—FCA and FCA Regulation

Pursuant to section 514 of the Farm Credit Banks and Associations Safety and Soundness Act of 1992 (Pub. L. 102-552, 106 Stat. 4102 (1992)), the Farm Credit Administration (the “FCA”) promulgated a regulation (the “FCA Regulation”) requiring the Federal Agricultural Mortgage Corporation (“Farmer Mac” or the “Corporation”) to adopt a conflict of interest policy that defines the types of relationships, transactions or activities that might reasonably be expected to give rise to potential conflicts of interest involving its directors, officers, employees or agents. The FCA Regulation also requires the reporting of sufficient information about transactions, relationships and activities to inform Farmer Mac about potential conflicts of interest and the disclosure of unresolved conflicts of interest involving its directors, officers and employees. This disclosure is in addition to the disclosures already required under the U.S. federal securities laws.

The Code of Business Conduct and Ethics (the “Code”) set forth herein have been developed in accordance with the framework established by the FCA Regulation and, where applicable, the U.S. federal securities laws.

II. Background

Farmer Mac is an instrumentality of the United States that was formed by Congress to accomplish the public purpose of creating and maintaining a secondary market for agricultural real estate and rural housing loans for the benefit of the farmers, ranchers and rural homeowners of America. The statute creating Farmer Mac (12 U.S.C. Section 2279aa et seq.) requires that Farmer Mac’s Board of Directors (the “Board of Directors”) consist of 15 members, with five directors (the “Class A Directors”) elected by holders of voting common stock that are banks, insurance companies or other financial institutions; five directors (the “Class B Directors”) elected by holders of voting common stock that are Farm Credit System institutions; and five directors appointed by the President of the United States. Throughout this Code, the phrase “elected directors” is used to refer to the Class A Directors and Class B Directors collectively.

The obligation of Farmer Mac directors to act in the best interest of Farmer Mac and all of its stockholders (mindful of its statutory mission) is not altered by the representative character of the directors on the Board of Directors. Indeed, the legislative history of the Farmer Mac statute states that “[t]here is to be no distinction between the three categories of directors in terms of their duties and responsibilities as corporate directors to [Farmer Mac] and all stockholders.” (Senate Report, No. 230, 100th Congress, 1st Session, p. 52). While certain references in the legislative history indicate that the elected directors are to “represent” the interests of their respective constituencies, the corporate structure created by Congress for Farmer Mac affirms the applicability of general principles of corporate law to Farmer Mac. Congress structured Farmer Mac like any business corporation, with a board of directors and public stockholders. It is reasonable to conclude that Congress intended Farmer Mac to operate at a profit, if for no other

reason than to avoid having to draw on its Treasury line of credit. If directors were free to act as mere representatives, without any fiduciary responsibility to consider the best interests of Farmer Mac, this would inhibit, rather than foster, accomplishment of the public purposes for which Farmer Mac was created.

The notion of Farmer Mac's elected directors serving in a "representative" capacity is not inconsistent with the fiduciary duties of directors to act in the best interests of Farmer Mac and all of its stockholders. As directors of a business corporation with public stockholders, Farmer Mac directors are expected to exercise independent business judgment with respect to the affairs of Farmer Mac. The "representative" character of the Farmer Mac Board provides directors with the opportunity to present and advocate the views of their respective constituencies. This flow of information enables directors to hear the perspectives of different stockholders and make informed decisions in fulfillment of their fiduciary duties.

The obligation of Farmer Mac directors to exercise independent business judgment does not carry with it an unrestrained right to consult with, or disclose information obtained from Farmer Mac to, members of the director's constituency or third parties. While directors generally are entitled to discuss matters involving Farmer Mac with their constituents, they must avoid the possibility that non-public or confidential information, be it written or oral, could be used to further the interests of their constituencies to the detriment of Farmer Mac. That result would violate the director's fiduciary duties to Farmer Mac.

Just as directors must balance their right to consult with Farmer Mac's need for confidentiality, so too must they balance their fiduciary duties to Farmer Mac against their fiduciary duties to any other entity on whose board they sit or by which they are employed. Farmer Mac directors, like directors of any public company, may owe fiduciary duties to other entities, some of which could be considered to be in competition with Farmer Mac. Basic principles of corporate law obligate directors in those circumstances to balance the interests of both entities to avoid harming either entity. The FCA Regulation provides that:

[w]here directors have fiduciary duties to competing institutions, they must balance these duties to avoid harming either institution. To advance the interest of one corporation to which a director owes duties in a manner that injures another corporation to which he also owes fiduciary duties could heighten shareholder concern about the good faith and fair dealing of the director.

The Code of Business Conduct and Ethics has been developed to comply with the foregoing principles as expressed in the FCA Regulation, many of which have their foundation in corporate and common law. The FCA Regulation established the framework within which Farmer Mac was to develop a policy to guide directors, officers and employees in the performance of their duties to Farmer Mac. The Code of Business Conduct and Ethics are premised on the expectation that directors, officers, employees and agents will adhere to high standards of honesty, integrity, impartiality, loyalty and care consistent with applicable law and regulations in furtherance of Farmer Mac's public purposes. In many respects, however, the Code is general in nature since it deals with issues of ethical conduct. The Code may not address

every specific circumstance because it is not possible to anticipate all forms of conflict of interest that may arise in a business as complex as Farmer Mac's.

To increase the likelihood of determining the existence of potential conflicts, the FCA Regulation mandates, and the Code sets forth, a requirement that each director, officer and employee report in writing annually, and at such other times as conflicts may arise, sufficient information about financial interests, transactions, relationships and activities to inform Farmer Mac of potential conflicts. If no such interest, transaction, relationship or activity is required to be reported, the director, officer or employee is required to sign a statement to that effect. The Code also establishes procedures for resolving material conflicts of interest and, as required by the FCA Regulation, disclosing such unresolved conflicts in Farmer Mac disclosure materials. Other specific provisions and features of the Code of Business Conduct and Ethics are discussed in the relevant sections below.

As provided in the FCA Regulation, any violations of the Code will subject the person to the penalties of Part C of Title V of the Farm Credit Act of 1971, as amended.

III. Purpose and Scope of the Code

The Code applies to all directors, officers, employees and agents of Farmer Mac. Unless otherwise indicated, all references in this Code to "employees" shall be read to mean "directors, officers, employees and agents." "Agents" shall not be read to mean sellers or field servicers for purposes of the Code.

Capitalized terms used in this Code that are not otherwise defined shall have the meanings set forth in Annex A.

This Code reflects Farmer Mac's vision and values. No code of conduct can replace the thoughtful behavior of an ethical employee, but this Code serves to help us focus on key areas of ethical risk, provide guidance on appropriate behavior, and continue to foster the culture of honesty and accountability which is evident throughout Farmer Mac. In adopting this Code, Farmer Mac seeks to deter wrongdoing and to promote:

- (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents that the Corporation files with, or submits to, the U.S. Securities and Exchange Commission or the Farm Credit Administration and in other public communications made by the Corporation;
- (iii) compliance with applicable governmental laws, rules and regulations;
- (iv) the prompt internal reporting to an appropriate person or persons identified below of violations of this Code; and
- (v) accountability for adherence to this Code.

Farmer Mac's Corporate Governance Committee (the "Committee") shall be responsible for assisting oversight by the Board of Directors of the operation of this Code. The Committee shall assess the adequacy of this Code annually and recommend any changes to the Board of Directors.

Those who violate the standards in this Code will be subject to disciplinary action as described in Section XIII below. No waivers of this Code will be granted except in accordance with the procedures set out in Section XV below. If you are in a situation that you believe may violate or lead to a violation of this Code, or if you know of a violation of this Code by another employee, follow the guidelines described in Section XIII below.

IV. General Responsibilities—Honest and Ethical Conduct

Each employee and agent of Farmer Mac must conduct the business of Farmer Mac following high standards of honesty, integrity, impartiality, loyalty and care, consistent with applicable law and regulation, in furtherance of Farmer Mac's public purposes. In addition, employees must always be sensitive to the appearance of impropriety. When engaging in any Farmer activity, employees and agents should judge a proposed course of action by reference to these principles.

V. No Conflicts of Interest

Directors

No director shall participate in any vote of the Board Directors, or any committee of the Board of Directors, on any question, issue, decision or transaction in which it has been determined (either by the director himself or otherwise) that the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest. In the event of such a determination, the director shall recuse himself from voting on the related question, issue, decision or transaction.

No director shall participate in the deliberation by the Board Directors, or any committee of the Board of Directors, of any question, issue, decision or transaction in which it has been determined (either by the director himself or otherwise) that the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest without having revealed such conflict prior to the commencement of the deliberation.

In structuring Farmer Mac, Congress established a Board of Directors with elective classes of directors who may have Conflicts of Interest as such term is defined in this Code of Business Conduct and Ethics. Because of this unusual inherent characteristic, Farmer Mac directors must be particularly sensitive to those instances when a Conflict of Interest becomes Material.

If a director is unsure whether he/she, a Business Affiliate or a Family Member has a Conflict of Interest that is Material, the director shall promptly disclose the same to the Chairman who shall consult with the President, the General Counsel and such other advisors as the Chairman shall deem appropriate or refer the matter to the Corporate Governance Committee. It

shall be the responsibility of the Chairman or the Corporate Governance Committee, as the case may be, to determine whether the Conflict of Interest is Material and to report such determination to the Board of Directors. In making the determination, the Chairman or the Corporate Governance Committee, as the case may be, shall consider whether the transaction, activity or proposal that is the subject of the Conflict of Interest would affect all similarly situated Participants in the same manner or whether it would be considered self-dealing by the director or his Business Affiliate or Family Member.

In the event that a director and the Chairman of the Board or the Corporate Governance Committee, as the case may be, disagree with respect to the existence, appearance or resolution of a Material Conflict of Interest, Farmer Mac shall disclose the relevant facts to shareholders and investors as required by the FCA Regulation.

The following are examples of types of transactions, relationships or activities that could give rise to Material Conflicts of Interest for directors:

- A Presidential Appointee is in the process of applying for a Farmer Mac loan, knowing that the loan-to-value ratio (LTV) of his loan would exceed Farmer Mac's underwriting standards. The appointee initiates a change in the underwriting standards to increase the maximum LTV, doing so on the premise that the change is in the best interests of Farmer Mac.
- A Class A Director or Class B Director is also an officer, director or employee of a Pooler and urges Farmer Mac to reduce the guarantee fee that would be charged to certain, but not all, institutions—including his own—in connection with guarantee transactions.
- A Class A Director who is also an officer, director or employee of a bank urges Farmer Mac to adopt a requirement that all borrowers maintain depository accounts with their lenders and that the bank may use those accounts as additional security (a right of set-off) for payments due on the loan.
- A Class B Director who is also an officer, director or employee of a Farm Credit System institution urges Farmer Mac to adopt a requirement that all borrowers own stock in their lenders and to pledge that stock as additional security for the loan.

Notwithstanding the restriction on voting, a director, after fully disclosing to the Board of Directors all facts material to his interest, may participate in any discussion or deliberation of any question, issue, decision or transaction in which the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest.

Whenever there is the slightest doubt, directors should disclose all facts material to their interests, unless disclosure would violate the confidence of the person from whom the information that would be the subject of the disclosure was obtained. If disclosure would breach

such confidence, the director shall recuse himself from the discussion or deliberation and need not disclose the confidence.

In the event that one or more directors are disqualified from voting on a question, issue, decision or transaction before the Board of Directors, and the remaining number of directors is insufficient to form the quorum necessary to enable the Board to validly act, the directors who are not so disqualified shall automatically be constituted into an ad hoc committee of the Board with the power to act for Farmer Mac in the matter under consideration.

Employees (Other than Directors)

No "employee" (which, for purposes of this provision, excludes directors) of Farmer Mac shall participate in any decision or transaction in which the employee has or appears to have a Material Conflict of Interest.

The following are examples of types of transactions, relationships or activities that could give rise to Material Conflicts of Interest for employees:

- Service by the employee or a Family Member as a director, officer or employee of, or an ownership interest by the employee or Family Member of 5% or more in, a Participant or other entity that has a business or prospective business relationship with Farmer Mac; or
- Indebtedness by the employee or a Family Member under an outstanding agricultural, rural housing or business loan or personal loan of \$100,000 or more (other than a purchase money loan for the employee's residence) owed to a Participant or other entity that has a business or prospective business relationship with Farmer Mac.

If an employee or Family Member has such service, ownership or indebtedness, the employee shall promptly report the relevant facts to the General Counsel of the Corporation. An employee who is in any doubt as to whether a Conflict of Interest exists or would exist in a particular situation should check in advance with the General Counsel of the Corporation. The General Counsel shall report periodically to the Board of Directors or the Audit Committee of Farmer Mac any such potential conflict that is brought to his attention. The General Counsel shall then determine whether a Material Conflict of Interest exists and, if so, what the appropriate resolution thereof shall be.

Each employee must avoid any outside activity, financial interest or relationship that may present a possible Material Conflict of Interest or the appearance of a Material Conflict of Interest. No employee may engage in an activity that involves any such conflict except with the specific prior approval in writing of the General Counsel of the Corporation in accordance with the procedures set out in the Corporation's *Employee Benefits and Policy Manual* and *Code of Business Conduct and Ethics*. If the General Counsel of the Corporation to whom disclosure is made of such conflict is himself or herself involved in the matter giving rise to such conflict,

disclosure must be made to (and approval obtained from) an appropriate officer of the Corporation who is not involved in the matter giving rise to such conflict.

Agents

Potential Conflicts of Interest involving any Agent will be dealt with, to the extent not incorporated in the Agent's professional code of ethics, through contractual agreements between Farmer Mac and such Agent. Agents whose potential conflicts of interest are not dealt with in the Agent's professional code of ethics will be advised of the applicability of the FCA regulation and this Code of Business Conduct and Ethics annually.

VI. Public Disclosure and Other Communications

Fair and Timely Disclosure in Public Reporting and Communications

Farmer Mac's principal executive officer, principal financial officer, principal accounting officer or controller, and any other officer involved in the preparation of the Corporation's financial statements, public reports or communications (collectively, the "Senior Financial Officers"), are responsible for ensuring that such financial statements, public reports or communications contain disclosure that is full, fair, accurate, timely and understandable. In that regard, the Senior Financial Officers are responsible for establishing and maintaining effective disclosure controls and procedures and internal controls and procedures for financial reporting.

Personal Contacts with Public Officials

An employee shall not contact or communicate with Public Officials on behalf of Farmer Mac except at the specific request of: (i) the Board of Directors, acting as a whole; (ii) the Chairman of the Board; or (iii) the President. Employees shall, in dealings with Public Officials, make clear whether the contact is or is not on behalf of Farmer Mac, a Business Affiliate or other Person.

An employee who contacts or communicates with Public Officials on behalf of Farmer Mac must be familiar with and obey the lobbying laws and public disclosure requirements and is encouraged to consult the General Counsel of the Corporation thereon.

An employee who intends to take public positions or to communicate with Public Officials on issues that relate to Farmer Mac in any way, should disclose such intentions to the Chairman of the Board or the President, who, in the case of a director, shall report the matter to the Board at its next meeting or, if the Chairman so decides, a special meeting called for such purpose.

If a director takes a position, or engages in a communication the subject of which is, inconsistent with a position previously adopted by the Board, the director shall disclose to the person to whom his position or communication is directed that he is not acting in his capacity as a director of Farmer Mac but rather in another unrelated capacity and that his position does not reflect the position of Farmer Mac on the issue that is the subject of the discussion.

Personal Contacts with Participants

All contacts (other than loan negotiations or job applications) between employees (other than directors) or any Family Member and Participants initiated for the purpose of conducting business unrelated to Farmer Mac must be reported to the General Counsel of the Corporation by the employee. If the employee is seeking or is being offered special treatment, approval must be obtained from the General Counsel in advance.

VII. Corporate Opportunities

Farmer Mac employees may not use corporate property, information or position for personal gain. Farmer Mac's employees are prohibited from (a) taking for themselves personally opportunities that are properly within the scope of the Corporation's activities, (b) using corporate property, information or position for personal gain, and (c) competing with the Corporation. Employees owe a duty to the Corporation to advance its legitimate interests to the best of their abilities.

An employee who, in the course of his activities as an employee or by reason of his position as an employee, becomes aware of a Corporate Opportunity, shall not use such Corporate Opportunity or seek to block Farmer Mac's use of that Corporate Opportunity for his own benefit or the benefit of a Business Affiliate or Family Member.

An employee who becomes aware of a Corporate Opportunity other than as described in the previous paragraph shall promptly disclose such Corporate Opportunity to the Chairman or the President of Farmer Mac who, if appropriate, shall report the matter to the Board at its next meeting or, if the Chairman so decides, a special meeting called for such purpose.

Nothing contained herein shall operate to obligate any employee, Business Affiliate or Family Member to transact any specific business with Farmer Mac.

VIII. Confidentiality

Farmer Mac's employees and agents must respect and maintain the confidentiality of information entrusted to them by the Corporation or customers of the Corporation, except when disclosure is authorized or legally mandated. No employee shall divulge to anyone not also an employee of Farmer Mac or use for his own benefit or the benefit of a Business Affiliate or Family Member any information not available to the general public that he acquires in his capacity as an employee.

Notwithstanding the foregoing, a director may divulge information not available to the general public which he acquires in his capacity as a director after fully disclosing to the Chairman of the Board his justification for the need to do so and receiving the Chairman's prior permission. After receiving a request from a director respecting the divulgence of confidential information, the Chairman of the Board shall at the next Board meeting inform the Board of the request and his response thereto.

Confidential information includes all non-public information that might be of use to competitors, or harmful to the Corporation or its customers, if disclosed. The obligation to safeguard confidential information continues after employment with the Corporation ends. The obligation to maintain the confidentiality of information may be subject to legal or regulatory requirements to disclose that information. In such cases, Farmer Mac's Legal Department will assist in determining what disclosure is required.

IX. Fair Dealing; Gifts

Each employee of Farmer Mac must deal fairly with customers, suppliers, competitors and employees. No person may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Directors

No director (or Family Member) shall accept any Substantial Gift from any Participant or from any other Person who has a present or prospective business relationship with Farmer Mac. A director who is offered a Substantial Gift for himself or for any of his Family Members by any Participant or other Person who has a present or prospective business relationship with Farmer Mac shall promptly disclose such offer to the Chairman or to the Corporate Governance Committee. Nothing herein shall be construed to prohibit the receipt of bona fide compensation or other benefits incident to the director's or Family Member's employment or business.

Employees (other than directors)

With respect to employees other than directors, no employee or Family Member shall accept any Substantial Gifts from any Participant or other Person who has a present or prospective business relationship with Farmer Mac.

X. Protection and Proper Use of Corporation Assets

Farmer Mac's employees must protect the Corporation's assets and ensure they are used for legitimate business purposes. Theft, carelessness and waste have a direct impact on the Corporation's profitability. All of the Corporation's assets should be used for legitimate business purposes.

XI. Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)

Farmer Mac employees and agents must abide by and comply with all applicable laws, rules and regulations. All employees are expected to comply with the laws of the state or jurisdiction in which they operate, as well as United States statutes and the Corporation's policies governing business activities. These laws and policies include compliance with the Foreign Corrupt Practices Act, U.S. anti-boycott laws, U.S. sanctions and embargoes against certain countries, competition laws and money laundering laws.

The Corporation actively promotes compliance with all laws, rules and regulations, including insider trading laws, in each jurisdiction in which it does business. Noncompliance is unethical, illegal and in conflict with the Corporation's values and commitment to integrity. Violations will be dealt with decisively. Insider trading is both unethical and illegal, and will be dealt with severely.

Insider Trading

No employee shall trade in the stock of Farmer Mac (or any publicly traded company) while in possession of material, non-public information about Farmer Mac (or such publicly traded company).

The Corporation's Policy Statement on Insider Trading defines insider trading, sets forth the specific policies against insider trading and discusses the procedures for clearing trades under the policy. Employees should carefully review the Policy Statement, compliance with which must be certified to by employees at least annually.

XII. Accountability for Adherence to this Code; Violations of this Code

Each employee has a personal responsibility to ensure that his or her actions abide by this Code and comply not only with the letter but the spirit of this Code. Management has the additional responsibility of fostering a culture in which compliance with the Corporation's policies and all applicable laws is at the core of all the Corporation's business activities. Concerns about appropriate conduct must be promptly addressed with care and respect.

The policies set forth in this Code are supported by the specific and detailed practices and procedures contained in the Corporation's Employee Benefits and Policy Manual. You should consult such materials for further details regarding the policies set forth herein.

The values and responsibilities set forth in this Code are important to the Corporation and must be taken seriously by all of us. Accordingly, violations of these values and responsibilities will lead to disciplinary action in accordance with the Corporation's policies. Such disciplinary action may include reprimand, reimbursement of any loss or damage suffered by the Corporation or termination of employment. Under certain circumstances, violation of this Code may also result in referral for civil action or criminal prosecution, or any other disciplinary action deemed appropriate by the Corporation.

XIII. Reporting of Any Illegal or Unethical Behavior

The Corporation actively promotes ethical behavior in all its business activities. Employees are encouraged to speak to their managers, the Legal Department or other appropriate personnel at any time if there is any doubt about the best course of action in a particular situation.

Farmer Mac's employees who have knowledge that an applicable law, regulation, policy or ethical guideline has been, or may be, violated must promptly report such information to an appropriate person within the Corporation. Employees are required to report violations of law,

rules, regulations and this Code to their managers, the Legal Department or senior management, as appropriate. Violations may also be reported in confidence to the General Counsel of the Corporation. Every effort will be made to protect the confidentiality of those furnishing information. Employees also are encouraged to speak to their supervisors or other appropriate personnel at any time if there is any doubt about the best course of action in a particular situation. No employee will suffer any penalty or retribution for reporting suspected misconduct or noncompliance or will be subject to adverse consequences as a result of making the report. The Corporation will not tolerate retaliation in any form against any person for complaints or reports made in good faith.

With regard to violations or potential violations of this Code by the Corporation's Senior Financial Officers, employees are encouraged to report such violations to the General Counsel of the Corporation or a member of the Board of Directors of the Corporation.

Please refer to the Corporation's separate *Internal Reporting Whistle Blower Protection Policy* for more information about an employee's ability to report a violation to an independent party who is not an officer, director or employee of the Corporation.

XIV. Recordkeeping; Notice, Compliance and Enforcement

Each employee must sign the Statement of Acknowledgment and Agreement (the "Statement") accompanying this Code, which acknowledges receipt of the Code, or the appropriate Global Annual Acknowledgement that covers the Code as well as several other Corporate Policies. The Acknowledgements also acknowledge the responsibility of employees to review and become familiar with the Code and constitute an agreement to comply with their requirements. In the event of any changes to the Code subsequent to their adoption by the Board, Farmer Mac shall provide sufficient notification thereof to the employees and allow a reasonable period of time to require conformance with the Code, as modified.

In addition to the Statement, Conflict of Interest Questionnaires (the "Questionnaires") substantially in the form attached to this Code as Annex B will be sent annually to employees for the purpose of eliciting sufficient information about financial interests, transactions, relationships and activities to inform Farmer Mac whether potential Conflicts of Interest exist. If, during the interval between the submission of annual Questionnaires, a potential Conflict of Interest should arise, the affected employee shall provide Farmer Mac with sufficient information (and complete a Questionnaire) to enable Farmer Mac to make a Conflict of Interest determination.

Each person receiving a Questionnaire must complete and return it within the timeframe stated therein. The General Counsel or his designee shall conduct a review of the completed Questionnaires, except for his own, which shall be reviewed by the President. The General Counsel shall report annually to the Board of Directors on the results of this review.

Copies of the Questionnaires, as well as relevant portions of the Board and Corporate Governance Committee minutes (and any other reports prepared under or with respect to this Code) shall be retained in Farmer Mac's files for a period of at least 6 years.

Each newly appointed director, officer and employee shall certify that he/she has not

been convicted of any criminal offense involving dishonesty or a breach of trust, and shall undertake to resign his/her position in the event of any subsequent disqualifying conviction.

XV. Waivers of this Code

Any waiver of this Code for executive officers (including Senior Financial Officers) or directors may be made only by the Board of Directors or a Board committee and must be disclosed to shareholders as required by applicable law or stock exchange regulations.

ANNEX A
DEFINITIONS

Capitalized terms used (but not otherwise defined) herein shall have the same meanings as in the Glossary of the Farmer Mac Securities Guide. Other terms (capitalized or lower case) shall have the meanings indicated below. The definitions of such terms are applicable to the singular as well as to the plural forms of such terms and to the feminine as well as to the masculine genders of such terms.

“Agent” means any person (other than an employee of Farmer Mac) who represents Farmer Mac in contacts with third parties or who provides professional services such as legal, accounting or appraisal services to Farmer Mac. “Agents” shall not include sellers or field servicers for purposes of the Code.

“Affiliate” means any entity established under authority granted to Farmer Mac under section 8.3(c)(13) of the Farm Credit Act of 1971, as amended.

“Board of Directors” means the board of directors of Farmer Mac.

“Business Affiliate” means any Person with whom a director has (or is negotiating to have) one or more of the following relationships: director, trustee, fiduciary, officer, partner or employee, direct or indirect holder of five percent (5%) or more of the beneficial interest or direct or indirect holder of five percent (5%) or more of the voting common power or control.

“Code” means this Code of Business Conduct and Ethics.

“Committee” means Farmer Mac’s Corporate Governance Committee.

“Conflict of Interest” means an interest of an employee or agent of the Corporation in a transaction, relationship or activity that is, might be, or appears to be, adverse to the furtherance of the best interests of Farmer Mac and the fulfillment of its statutory purposes. A conflict situation can arise when an employee or agent takes actions or has interests that may make it difficult to perform his or her work for the Corporation objectively and effectively. Conflicts of interest also arise when an employee or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation. For the purpose of determining whether a Conflict of Interest exists, interests of a Family Member or Business Affiliate of a person subject to this Code shall be imputed to the person as if they were that person’s own interests.

“Corporate Opportunity” means an actual or potential business activity or enterprise: (i) which is within the general scope of Farmer Mac’s business purpose or authority; (ii) in which Farmer Mac might reasonably engage; and (iii) for which Farmer Mac has the legal and financial capacity or a reasonable prospect of obtaining such capacity. The

term “Corporate Opportunity” shall not be deemed to include the opportunity of any director or Business Affiliate to transact business with Farmer Mac.

“Corporation” or “Farmer Mac” means the Federal Agricultural Mortgage Corporation and its Affiliates.

“Director” means a member of the Board of Directors of Farmer Mac.

“Employee” means any salaried individual working part-time, full-time or temporarily for Farmer Mac and, unless otherwise indicated, all references in this Code to “employees” shall be read to mean “directors, officers and employees.”

“Entity” means a corporation, company, association, firm, joint venture, partnership (general or limited), society, joint stock company, trust (business or otherwise), fund or other organization or institution.

“Family Member” means spouse, child, grandchild, parent, grandparent, stepchild, stepparent, sibling, stepsibling, half sibling, aunt, uncle, first cousin, niece, nephew by marriage or by blood and any other natural person sharing the same residence.

“FCA” means the Farm Credit Administration.

“FCA Regulation” means the rules and regulations promulgated by the FCA.

“Material” when applied to a conflict or potential conflict of interest, means the conflicting interest is of sufficient magnitude or significance that a reasonable observer with knowledge of the relevant facts would question the ability of the person having such interest to discharge his official duties in an objective and impartial manner in furtherance of the interests and statutory purposes of Farmer Mac.

“Officer” means the salaried president, vice presidents, secretary, treasurer and general counsel or other person, however designated, who holds a position of similar authority in Farmer Mac.

“Participant” means a person who is an actual or potential Originator, Pooler, Borrower, Servicer, Trustee or Custodian, including a Person who holds enough Farmer Mac stock to be eligible to become a Pooler or Originator.

“Person” means an individual or entity.

“Public Official” means an elected or appointed official or an employee of the legislative, executive or judicial branch of the federal or state government.

“Questionnaires” means the Conflict of Interest Questionnaires substantially in the form attached to this Code.

“Recuse,” when applied to a material conflict of interest involving a director, means the process by which the director disqualifies himself from participating in voting on, and possibly the discussion and deliberation of, the question, issue, decision or transaction in which the director, or any Business Affiliate or Family Member of such director, has or appears to have a material conflict of interest. Any director who so recuses himself shall inform the Chairman, the President or the Corporate Secretary of such recusal but need not disclose the reason(s) for such recusal and may, in the Chairman’s sole discretion, remain in the Board room during the related discussion, deliberation or vote.

“Resolved,” when applied to a potential conflict of interest that Farmer Mac has determined is material, means that circumstances have been altered so that a reasonable observer with knowledge of the relevant facts would conclude that the conflicting interest would not adversely affect the person’s performance of official duties in an objective and impartial manner in furtherance of the interests and statutory purposes of Farmer Mac.

“Senior Financial Officers” means Farmer Mac’s principal executive officer, principal financial officer, principal accounting officer or controller, and any other officer involved in the preparation of the Corporation’s financial statements, public reports or communications.

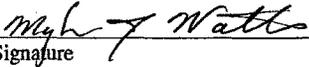
“Statement” means the Statement of Acknowledgment and Agreement accompanying this Code, pursuant to which the employees acknowledge receipt of the Code.

“Substantial Gift” means, but is not limited to, (i) goods or services that are given or offered to an employee and that have a fair market value of more than \$100 (without regard to the cost to the donor); and (ii) a loan made on preferential terms.

**Statement of Acknowledgement and Agreement
(Director)**

I hereby acknowledge that I have received a copy of Farmer Mac's Code of Business Conduct and Ethics (the "Code"). I have reviewed the Code and agree to comply with all the provisions of the Code. I also understand and acknowledge my personal responsibility to ensure that my actions abide by the Code, and comply not only with the letter but the spirit of the Code. I understand that my failure to comply with those requirements could result in my removal from the Board and subject me to the penalties of Part C of Title V of the Farm Credit Act of 1971, as amended. I certify that I have not been convicted of any criminal offense involving dishonesty or a breach of trust and undertake to resign my position at Farmer Mac in the event I am subsequently convicted of any such offense.

I further acknowledge that I have received copies of, read and understood the following Farmer Mac corporate policies: (1) Policy on Equal Opportunity and Sexual Harassment; (2) Statement of Policy on Insider Trading; and (3) Investor Communications Policy (Regulation FD). I understand my responsibility to review and become familiar with the requirements contained in those policies. I certify that I am in compliance with, and agree to continue to comply with, the policies and procedures set forth in the above-listed policies. I understand that my failure to comply with those requirements could result in my removal from Farmer Mac's Board for cause or the imposition of such other penalties as may be voted by the Board of Directors of Farmer Mac.


Signature

Myles J. Watts
Printed Name

September 23, 2010
Date

MASSACHUSETTS COMMISSION FOR PUBLIC FINANCIAL DISCLOSURE REPORT

FORM NO. 1077 (04)

2. THE MAJOR DUTY OF THE REPORTER IS TO REPORT TO THE COMMISSION THE INFORMATION REQUESTED BY THIS FORM. THE REPORTER IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED. THE COMMISSION DOES NOT GUARANTEE THE ACCURACY OF THE INFORMATION PROVIDED.

3. THE MAJOR DUTY OF THE REPORTER IS TO REPORT TO THE COMMISSION THE INFORMATION REQUESTED BY THIS FORM. THE REPORTER IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED. THE COMMISSION DOES NOT GUARANTEE THE ACCURACY OF THE INFORMATION PROVIDED.

<p>Reporting Individual's Name</p> <p>Wells</p>	<p>Reporting Status</p> <p>Incumbent <input type="checkbox"/> Retiree <input type="checkbox"/> Former <input type="checkbox"/> Other <input type="checkbox"/></p>	<p>Reporting Period</p> <p>From: 10/1/07 To: 9/30/08</p>	<p>Reporting Period Extension</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	<p>Reporting Period Extension Reason</p> <p>None</p>	<p>Reporting Period Extension Date</p> <p>None</p>	<p>Reporting Period Extension Reason</p> <p>None</p>	<p>Reporting Period Extension Date</p> <p>None</p>
<p>Position for Which Filing</p> <p>Partner/Member Board Member</p>	<p>Department or Agency (If Applicable)</p> <p>MSGA</p>	<p>Address (Number, Street, City, State, and ZIP Code)</p> <p>2001 Leaseway, Boston, MA 02778</p>	<p>Telephone No. (Include Area Code)</p> <p>617-552-8000 ext</p>	<p>Department of Agency (If Applicable)</p> <p>MSGA</p>			
<p>Location of Present Office (for forwarding address)</p> <p>2001 Leaseway, Boston, MA 02778</p>	<p>Signature of Reporting Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>	<p>Signature of Designated Agency Ethics Officer/Resolving Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>	<p>Signature of Designated Agency Ethics Officer/Resolving Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>	<p>Signature of Designated Agency Ethics Officer/Resolving Official</p> <p><i>[Signature]</i></p>
<p>Signature of Reporting Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>	<p>Signature of Designated Agency Ethics Officer/Resolving Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>	<p>Signature of Designated Agency Ethics Officer/Resolving Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>	<p>Signature of Designated Agency Ethics Officer/Resolving Official</p> <p><i>[Signature]</i></p>	<p>Date of Signature</p> <p>10/7/07</p>

Fee for Late Filing: Any report not filed on or before the date the report is required to be filed, or if an extension is granted, more than 30 days after the last day of the reporting period, shall be subject to a \$200 fee.

Reporting Periods: Incumbents: The reporting period is the preceding calendar year except Part I, which shall be the reporting period for the year up to the date you file. Part II of Schedule B is not applicable.

Termination Filings: The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination. Part II of Schedule B is not applicable.

Nominees, New Entrants and Vice President: Schedule A - The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets are reported as of the date of filing. Schedule B - Not applicable.

Schedule C - Part I (Liability): The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.

Schedule C - Part II (Agreements or Arrangements): Show any agreements or arrangements as of the date of filing.

Schedule D: The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Agency Use Only

Once Use Only

SF 278 (Rev. 03/2000)
5 C.F.R. Part 2634
U.S. Office of Government Ethics

Reporting Individual's Name
Watts, Myles J.

SCHEDULE A continued
(Use only if needed)

Page Number
3 of 9

Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.																
	BLOCK A										BLOCK C																
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	Over \$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	Over \$25,000,001 - \$50,000,000	Over \$50,000,001 - \$50,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,001 - \$5,000,000	Over \$5,000,001 - \$50,000,000	Over \$50,000,001 - \$50,000,000	Other Income (Specify Type & Actual Amount)	Date (Mo., Day, Yr.) Only if Honoraria		
1 Family Ranch, Cluster County, MT Life Estate, M/JV a remainderman						X																					
2 Leverich and Blackwood Land Bozeman, MT								X																			
3 Rocky Mountain Embroidery Bozeman, MT																											
4 American Funds (Fundamental Investors-A, Investment Co. of America)																											
5 Lord Abbott (National Tax-Free Fund-A)																											
6 Pullman (US Government Income-TR-A)																											
7 TIAA CREF Equities (CREF stock fund) (e) 403(b)																											
8 American Funds(e), Wash Mut, Cap World Grw & Inc, Cap the Builder, Invt Bond Fund of Amer)																											
9 ING (Bonds, Global, Specialty, Balanced, Lg Cap Growth)																											

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

SF 2718 (Rev. 03/2000)
5 C.F.R. Part 2634
U.S. Office of Government Ethics

Reporting Individual's Name
Wells, Myles J.

SCHEDULE C

Page Number
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Part I: Liabilities

Report liabilities over \$10,000 owed to any one creditor at any time during the reporting period, including your spouse, or dependent children. Check the highest amount owed during the reporting period. Exclude accounts.

None a mortgage on your personal residence unless it is rented out; loans secured by automobiles, household furniture or appliances; and liabilities owed to credit card issuers. See instructions for revolving charge accounts.

1	2	3	4	5	6	7	8	9	10
Creditors (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (a)	Over	Over	Over	Over
Example: First District Bank, Washington, DC John Jones, 123 1st St., Washington, DC	Mortgage on rental property, Delaware Promissory note	1991 1999	8% 10%	25 yrs. on demand	\$10,001 - \$15,000 \$15,001 - \$50,000 \$50,001 - \$100,000 \$100,001 - \$500,000 \$500,001 - \$1,000,000 Over \$1,000,000				

*This category applies only if the liability is by the filer's spouse or dependent children, if the liability is that of the filer or a joint liability of the filer with the spouse or dependent children, mark the other higher category, as appropriate.

Part II: Agreements or Arrangements

Report your agreements or arrangements for: (1) continuing participation in an employee benefit plan (e.g. pension, 401k, deferred compensation); (2) continuation of payment by a former employer (including severance payments); (3) leaves of absence; and (4) future employment. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

1	2	3	4	5	6
Example	Status and Terms of any Agreement or Arrangement	Parties	Date		
1	Pursuant to partnership agreement, will receive lump sum payment of capital account & partnership share calculated on service performed through 1/90.	Doe Jones & Smith, Hometown, State	7/85		
2	Continued employment (continue with retirement contributions into Teachers Retirement System (TRS) 401(k) and TMA-CREF Equities 403(b))	Montana State University, Bozeman, MT	07/78		
3	Continued employment	Wells and Associates, Billings, MT	1/00		
4					
5					
6					

Prior Editions Cannot Be Used.

OS/Model Number version 1.02 (1/01/2004)

May 25, 2010

Honorable Blanche Lincoln
Chairman
Committee on Agriculture, Nutrition, and Forestry
United States Senate
Washington, D.C. 20510-6000

Dear Mr. Chairman:

On May 10, 2010, a copy of my SF-278, Executive Branch Public Financial Disclosure Report, required in connection with my nomination to serve as Under Secretary for Research, Education and Economics, U.S. Department of Agriculture, was submitted to the U.S. Office of Government Ethics. That report contained all required financial information for calendar year 2009 and for the current calendar year through May 10, 2010.

The Ethics in Government Act of 1978, as amended, also requires that I update certain of the information reported on the SF-278, i.e., that required by section 102(a)(1)(A) of the Act, respecting income (other than dividends, interest, rents, and capital gains) and honoraria, to date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. In addition to the amount previously reported on my SF-278 dated May 10, 2010, I have earned \$65,733 in income from Mars, Incorporated. I have no other covered income to report.

I trust that this letter satisfies the additional applicable reporting requirements contained in the Ethics in Government Act.

Sincerely,



Catherine E. Woteki
Nominee for Under Secretary for Research, Education and Economics
U.S. Department of Agriculture

BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used):
Catherine Ellen Woteki, maiden name Catherine Ellen O'Connor
2. Date and place of birth:
Fort Leavenworth, KS
October 7, 1947
3. Marital Status: If married, list spouse's name (include any former names used), occupation, employer's name, and business address(es).

Thomas Henry Woteki
Director of Health Care Solutions West
Cisco Systems
13615 Dulles Technology Drive
Herndon, VA 20171
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.

Mary Washington College, 1965-9, Bachelor of Science, 1969
Virginia Polytechnic Institute and State University, 1969-1974, Doctor of Philosophy, 1975
5. Employment and Self-Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms or ranches, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college. Please include a title and brief job description for each.

Mars, Incorporated	
Global Director of Scientific Affairs	8/8/05 – present
Iowa State University	
Dean and Director College of Agriculture	1/02-7/31/05
Interim Director, Institute for Food Safety and Security	7/02-6/03
Professor of Human Nutrition	1/02-7/31/05

University of Maryland	
Senior Research Scientist	7/01-12/01
University of Nebraska	
Professor, Food Science and Human Nutrition	8/01-12/01
U.S. Department of Agriculture, Washington, D.C.	
Under Secretary	7/97 - 1/01
Food Safety	
Acting Under Secretary, Research, Education and Economics	6/96-7/97
Deputy Under Secretary Research, Education, and Economics	1/96-6/96
Executive Office of the President, Washington, D.C.	
Acting Associate Director for Science	5/95-1/96
Deputy Associate Director for Science Office of Science and Technology Policy	1/94-5/95
National Academy of Sciences/Institute of Medicine	
Chair, Food and Nutrition Board (volunteer, non-compensated)	5/03-12/05
Director, Food and Nutrition Board	4/90-12/93
U.S. Department of Health and Human Services, Washington, D.C.	
Deputy Director	8/83-4/90
Acting Chief, Survey Planning and Development	10/86-9/87
Division of Health Examination Statistics National Center for Health Statistics	
U.S. Department of Agriculture, Washington, D.C.	
Leader	3/80-8/83
Food and Diet Appraisal Research Group	
Human Nutrition Information Service	
Acting Associate Administrator	6/81-3/82
Human Nutrition Information Service	4/83-8/83
Office of Technology Assessment, U.S. Congress, Washington, D.C.	
Nutrition Project Director	8/77-3/80
Drexel University, Philadelphia, Pennsylvania	
Assistant Professor	9/75-6/77

Department of Nutrition

University of Texas Health Science Center, San Antonio, Texas
 Instructor in Community Dentistry and 10/73-8/75
 Senior Research Assistant in Clinical
 Nutrition

Virginia Polytechnic Institute and State University, Blacksburg, VA
 Instructor and Assistant to the Dean 9/72-8/73
 College of Home Economics
 Graduate Teaching Assistant 1/70-9/72
 Department of Human Nutrition and Foods
 Laboratory Technician 6/69-12/69
 Department of Entomology

6. Military Service: Have you served in the military? If so, please give particulars, including the dates, branch of service, rank or rate, and type of discharge received.

No

7. Government Service: State (chronologically) your government service or public offices you have held, including the terms of service, grade levels, and whether such positions were elected or appointed.

U.S. Department of Agriculture - Appointed

Under Secretary 7/97 - 1/01
 Food Safety
 Acting Under Secretary 6/96-7/97
 Deputy Under Secretary 1/96-6/96
 Research, Education, and Economics

Executive Office of the President, Washington, D.C. – GS 15

Acting Associate Director for Science 5/95-1/96
 Deputy Associate Director for Science 1/94-5/95
 Office of Science and Technology Policy

U.S. Department of Health and Human Services, Washington, D.C.**Civil Service GS 14**

Deputy Director 8/83-4/90
 Acting Chief, Survey Planning and Development 10/86-9/87
 Division of Health Examination Statistics
 National Center for Health Statistics

U.S. Department of Agriculture, Washington, D.C.**Civil Service GS 13**

Leader	3/80-8/83
Food and Diet Appraisal Research Group	
Human Nutrition Information Service	
Acting Associate Administrator	6/81-3/82
Human Nutrition Information Service	4/83-8/83

Office of Technology Assessment, U.S. Congress, Washington, D.C.
 Nutrition Project Director 8/77-3/80

8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.

Elected to the Institute of Medicine, National Academy of Sciences, 1999
 Fellow of the American Association for the Advancement of Science, 2004
 Phi Kappa Phi (scholastic honorary society)
 Phi Sigma (biology honorary society)
 Phi Tau Sigma (food science honorary society)
 Sigma Xi (graduate honorary society)
 Outstanding Young Women of America, 1975
 Elijah White Award, National Center for Health Statistics, 1987
 Outstanding Alumna, College of Human Resources, Virginia Polytechnic Institute and State University, 1987
 Special Recognition Award, Public Health Service, U.S. Department of Health and Human Services, 1987
 Staff Achievement Award, Institute of Medicine, National Academy of Sciences, 1991
 Lenna Frances Cooper Lecture, American Dietetic Association, 1997
 Hazel Stiebeling Lecturer, Florida State University, 2001
 Honoree, in "60 at 60," commemorative book, Inter-American Institute for Cooperation on Agriculture (IICA), 2003
 Outstanding Alumna, Mary Washington College, 2009

9. Other Memberships: If not covered above, list all organizations in which during the past 10 years you held a position as official, board member, or other leadership position and describe the position. Exclude religious organizations.

2001- Present -*Nutrition Today*, member Editorial Advisory Board member
 2002 - Institute of Medicine, National Research Council Committee on Science and Technology for Countering Terrorism, Biological Panel member
 2002-03 - Mars Nutrition Research Council, member
 2002-05 Institute of Medicine, Food and Nutrition Board member (2002-03) and Chair (2003-05)
 2002-2005 - Public Trustee, International Life Sciences Institute, Board of Trustees

2002- 2005 - International Union of Nutritional Sciences, IUNS Task Force on Nutritional Resistance to Infection
2002 - American Society of Nutritional Sciences, McCollum Award Committee member
2002-2005 - Food Safety Research Consortium, member of Executive Committee
2003-2005 - The American Society for Clinical Nutrition, member of Public Affairs Committee
2004-2005 - American Dietetics Association, member of Dietetics Education Task Force
2004 – member Advisory Board, Partnership for Food Safety Education
2006 - member FDA Science Board Working Group on Research
2005-present - member of Food Forum, Institute of Medicine
2006-07 - FASEB Committee on the Federal Research Budget
2005-07 – member of Board of Trustees, HaloSource
2007-present – member of FDA Science Board
2006-present - International Life Sciences Institute, Treasurer and Board member
2006-present- International Food Information Council Foundation, Board member

10. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include in this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you would provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry, or any other matters within the jurisdiction of this Committee or the Department of Agriculture.

See attached list of publications.

FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, partnerships, associations, or other organizations? (If no, provide full details.)

In accordance with the terms of my ethics agreement, I will sever all outside ties upon confirmation.

2. List sources, amounts and dates of all expected receipts from deferred income arrangements, stock options, uncompleted contracts, and other future benefits that you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.

None.

3. Do you, or any partnership or closely held corporation or other entity in which you have an interest, own or operate a farm or ranch? (If yes, provide a brief description including location, size, and type of operation.)

No.

4. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever participated in federal commodity income and price support, disaster, conservation, or related programs? (If yes, provide full details, including descriptions and amounts of payments and loans received or forfeited relating to each commodity, crop, farm, and ranch involved during the past five years.)

No.

5. Have you, or any partnership or closely held corporation or other entity in which you have an interest, received payments for crop or livestock losses from the federal crop insurance program in the past five years? (If yes, provide full details and amounts.)

No.

6. Have you ever received a student loan or loans? If so, has all indebtedness been fully repaid? (If no, provide full details.)

No.

7. Have you, or any partnership or closely held corporation or other entity in which you have an interest, ever received a loan or cosigned a note involving a loan from or guaranteed by any department or agency of the federal government (other than a student loan), including, for example, through the farm or rural development lending programs of the Department of Agriculture or through the Small Business Administration? (If yes, provide the current status and details of such loan or loans, whether the indebtedness has been fully repaid, and all details of any such loan activity.)

No.

8. If confirmed, do you have any plans, commitments, or agreements to pursue or continue outside employment or engage in or continue any business or vocation, with or without compensation, during your service with the government? (If so, explain fully.)

No.

9. Do you have any plans to resume employment, affiliation, or practice with any of your previous employers, business firms, partnerships, associations, or other organizations

after completing government service? (If yes, provide full details.)

No.

10. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, provide full details.)

No.

11. Describe fully all matters and all employers, clients, organizations, or interests you represented over the past five years before the Department of Agriculture or any of its agencies, or before Congress involving matters within the jurisdiction of this Committee or the Department of Agriculture.

None.

12. Explain in detail how you will resolve and avoid any actual or potential conflicts of interest, including any that may be disclosed by your responses to the above questions. In particular, identify all investments, obligations, liabilities, or other relationships that involve actual or potential conflicts of interest relating to the position for which you have been nominated and what actions you will take to resolve and avoid these actual or potential conflicts of interest.

Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department of Agriculture's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.

13. Fully describe and explain all divestitures or arrangements of any nature with respect to any type of interest that you have made or will make to resolve and avoid actual or potential conflicts of interest relating to the position for which you have been nominated.

In connection with the nomination process, I have consulted with the Office of Government Ethics and the Department of Agriculture's designated agency ethics official to identify potential conflicts of interest. Any potential conflicts of interest will be resolved in accordance with the terms of an ethics agreement that I have entered into with the Department's designated agency ethics official and that has been provided to this Committee. I am not aware of any other potential conflicts of interest.



United States
Office of Government Ethics
1201 New York Avenue, N.W., Suite 500
Washington, DC 20005-3917

MAY 21 2010

The Honorable Blanche L. Lincoln
Chairman
Committee on Agriculture, Nutrition,
and Forestry
United States Senate
Washington, DC 20510

Dear Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Catherine E. Woteki, who has been nominated by President Obama for the position of Under Secretary for Research, Education and Economics, U.S. Department of Agriculture.

We have reviewed the report and have also obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick
Director

Enclosures

May 10, 2010

Mr. Michael M. Edwards
Acting Director, Office of Ethics
U.S. Department of Agriculture
Washington, DC 20250-0122

Dear Mr. Edwards:

The purpose of this letter is to explain the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Under Secretary for Research, Education and Economics, U.S. Department of Agriculture (USDA). The steps detailed below take into account any potential conflicts or appearances thereof associated with this position.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any other person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to section 208(b)(1), or qualify for a regulatory exemption, pursuant to section 208(b)(2). I further understand that the interests of the following persons are imputed to me: any spouse or minor child of mine, any general partner of a partnership in which I am a limited or general partner; any entity in which I serve as officer, director, trustee, general partner, or employee; and any person or entity with which I am negotiating or have an arrangement concerning prospective employment.

Upon confirmation, I will resign from my position as Global Director of Scientific Affairs for Mars, Incorporated (Mars, Inc.), a food processing and petcare company headquartered in Virginia. For one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which Mars, Inc. is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502.

In my capacity as Global Director of Scientific Affairs for Mars, Inc., I serve as Treasurer and as a member of the Board of Trustees for the International Life Sciences Institute and as a member of the Board of Trustees for the International Food Information Council Foundation. Upon confirmation, I will resign both of these positions. For one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which either of these organizations is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Upon confirmation, I will also resign from my position with the Science Board to the Food and Drug Administration, an advisory committee under Federal Advisory Committee Act.

I will divest my holdings in the following companies within 90 days of my confirmation: Abbott Laboratories; Allergan, Inc; Teva Pharmaceutical Industries, Ltd and Tyson Foods. With regard to each of these entities, I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on the financial interests of the entity until I have divested it, unless I first obtain a written waiver under 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

My husband is employed by Cisco Systems of San Jose, California. We also hold stock, stock options and restricted stock in Cisco Systems. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Cisco Systems, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

Finally, I understand that as an appointee I am required to sign the Ethics Pledge (Exec. Order No. 13490) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this and any other ethics agreement.

Sincerely,

A handwritten signature in cursive script that reads "Catherine E. Woteki".

Catherine E. Woteki

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Form Approved
OMB No. 3295-0001

5-278 (Rev. 07/2000)
U.S. Office of Government Ethics

Date of Appointment, Candidacy, Election, or Nomination (Month, Day, Year)		Reporting Status (Check Appropriate Boxes)		Incumbent <input type="checkbox"/>		Calendar Year Covered by Report		New Entrant, Nominee, or Candidate <input checked="" type="checkbox"/>		Termination Date (If Applicable)		Termination Filer <input type="checkbox"/>		Fee for Late Filing Any late filing fee is required if the report is filed more than 30 days after the date the report is required to be filed, or if an extension is granted, more than 30 days after the last day of the filing extension period. Late filing fees are subject to a \$200 fee.	
Reporting Individual's Name		Last Name Woteki		First Name and Middle Initial Catherine		Department or Agency (If Applicable) Department of Agriculture		Title of Position Under Secretary for Research, Education and Economics		Telephone No. (Include Area Code) 202-843-8860		Reporting Periods Incumbent: The reporting period is the preceding calendar year except Part II of the report, which covers the calendar year up to the date you file. Part II of Schedule D is not applicable. Reporting Periods New Entrants, Nominees, and Candidates: The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination. Part II of Schedule D is not applicable.		Termination Filer: The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination. Part II of Schedule D is not applicable.	
Position for Which Filing		Address (Number, Street, City, State, and ZIP Code) 143 Kentucky Avenue SE, Washington DC 20003		Title of Position(s) and Date(s) Held Special Government Employee as member of the FDA Science Board, June 2007 - Present		Name of Congressional Committee Considering Nomination Committee on Agriculture, Nutrition and Forestry		Do You Intend to Create a Qualified Diversified Trust? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Signature of Reporting Individual Catherine E. Woteki		Date (Month, Day, Year) May 10, 2010		Schedule A—The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets are reported at the date of filing. Schedule B—Not applicable.	
Location of Present Office (or forwarding address)		Signature of Other Reviewer		Signature of Designated Agency Ethics Official/Reviewing Official Michael M. Edwards		Date (Month, Day, Year) May 10, 2010		Date (Month, Day, Year) May 21, 2010		Signature Justin A. Cagle		Date (Month, Day, Year) May 21, 2010		Schedule C, Part I (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing. Schedule C, Part II (Agreements or Arrangements)—Show any agreements or arrangements as of the date of filing. Schedule D—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.	
Presidential Nominee Subject to Senate Confirmation		Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)		Office of Government Ethics Use Only		Agency Use Only		OGE Use Only		MAY 10 2010		NSN 7540-01-070-8444 GSE/Adobe Acrobat Version 1.0.2 (10/2004)		Supersedes Prior Editions, Which Cannot Be Used.	

778-112

(Check box if filing extension granted & indicate number of days _____)
(Check box if comments are continued on the reverse side)

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Reporting Individual's Name
 Wolski, Catharine E.

Page Number
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SCHEDULE A continued
 (Use only if needed)

Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: Type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.										Date (Mo., Day, Yr.) Only if Honorary Amount						
	BLOCK B										BLOCK C																
	Type										Amount																
1	Amgen	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000	Over \$50,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	Over \$5,000,000	Other Income Type & Actual Amount		
2	Apple Computer			X																							
3	Bell Corp		X																								
4	CREF Equity Index				X																						
5	OREF Growth				X																						
6	OREF Stock Fund				X																						
7	Check Point				X																						
8	Chubb Corp				X																						
9	Cisco Systems				X																						

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

5-CPA Form 990
 U.S. Dept. of Governmental Affairs
 Reporting Individual's Name

Woteki Catherine E

Page Number
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SCHEDULE A continued
 (Use only if needed)

Assets and Income
 BLOCK A

Valuation of Assets
 at close of
 reporting period
 BLOCK B

Income: type and amount. If "None (or less than \$200)" is checked, no other entry is needed in Block C for that item.

BLOCK A	BLOCK B										BLOCK C																	
	None (or less than \$1,000)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000 *	Over \$1,000,000 *	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	Over \$25,000,000	Over \$50,000,000	None (or less than \$200)	Capital Gains	None (or less than \$200)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	Over \$100,000 *	Over \$1,000,000 *	\$1,000,001 - \$5,000,000	Over \$5,000,000	Other Income (Specify Type & Actual Amount)	Date (Mo., Day, Yr.) Only if Homestead
1																												
2																												
3																												
4																												
5																												
6																												
7																												
8																												
9																												

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.
 * Prior Filings Cannot be Used

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 U.S. Office of Government Ethics

Reporting Individual's Name
 Wolski, Catherine E.

SCHEDULE A continued
 (Use only if needed)

Page Number
 10 of 14

Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.										Date (Mo., Day, Yr.) Only If Honoraria					
	BLOCK B										BLOCK C															
	Type										Amount															
1 Ford Motor Company	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	\$5,000,001 - \$50,000,000	Over \$50,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	Over \$5,000,000	Other Income (Specify Type & Actual Amount)			
2 Vanguard Industrials ETF																										
3 Vanguard Materials ETF																										
4 Vanguard Small Cap ETF																										
5 Venema Preferred C - produces health information software products																										
6 Verizon Communications																										
7 Wal-Mart Stores																										
8 Wells Fargo Advantage																										
9 Tyson Foods																										

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

Do not complete Schedule B if you are a new entrant, nominee, or Vice Presidential or Presidential Candidate

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Reporting Individual's Name
Wolke, Catherine E.

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SCHEDULE B continued
(Use only if needed)

Part I: Transactions

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000	1001	1002	1003	1004	1005	1006</
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SF 278 (Rev. 03/2000)
 5 C.F.R. Part 2634
 U.S. Office of Government Ethics

Reporting Individual's Name: **Woteki, Catherine E.** Page Number: **14** of **14**

SCHEDULE D

Part I: Positions Held Outside U.S. Government

Report any positions held during the applicable reporting period, whether compensated or not, in any capacity, including as an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.

Example	Organization (Name and Address)	Type of Organization	Position Held	From (Mo./Yr.) To (Mo./Yr.)		None
				From (Mo./Yr.)	To (Mo./Yr.)	
	Mad Assn. of Rock Collectors, NY, NY Doi, Jones & Smith, Hometown, State	Nonprofit education Law firm	President Partner	5/92	7/95	Present Present
1	Mars, Incorporated, McLean, VA	Food processing and petcare company	Global Director of Scientific Affairs	08/2005		Present
2	International Life Sciences Institute, Washington, DC (service in official capacity)	Research foundation	Treasurer and member of Board of Trustees	01/2007		Present
3	International Food Information Council Foundation, Washington, DC (service in official capacity)	Research foundation	Member, Board of Trustees	08/2006		Present
4						
5						
6						

Part II: Compensation in Excess of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any other non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source.

Example	Source (Name and Address)	Brief Description of Duties	None
1	Mars, Incorporated	Salary and bonus for performance of duties as Global Director of Scientific Affairs	
2			
3			
4			
5			
6			

Print Editions Cannot Be Used.

OEI/MSR Number version 1.02 (10/1/2004)



Federal Agricultural Mortgage Corporation
1133 21st Street, NW ■ Washington, D.C. 20036
202-872-7700 ■ FAX 202-872-7713
800-879-FARM ■ www.farmermac.com

March 12, 2010

The Honorable Blanche Lincoln
Chairman
U.S. Senate Committee on Agriculture, Nutrition and Forestry
Room 328A Russell Senate Office Building
Washington, DC 20510

Dear Chairman Lincoln:

Enclosed is the Senate questionnaire for Lowell L. Junkins, nominee to serve on the board of Directors of the Federal Agricultural Mortgage Corporation (Farmer Mac). I have reviewed this document and his SF-278 form at the request of the Office of Counsel to the President at the White House. Farmer Mac, a federally chartered corporation, is a Government Sponsored Enterprises (GSE) but is not a federal agency as such. Employees of Farmer Mac are not employees of the federal government and Farmer Mac does not have an agency ethics official designated as such under the Ethics in Government Act of 1978. Nevertheless, to facilitate the ethics review of nominees to the Board of Directors of Farmer Mac, the General Counsel of Farmer Mac, with the concurrence of the President of Farmer Mac, has requested that I perform the requested ethics review of reports submitted to Farmer Mac on such nominees or potential nominees.

It is relevant to note that, while the nominee may not be subject to conflict of interest laws applicable to officers of the United States, because of the nature of Farmer Mac as a GSE, the nominee would nevertheless be subject to conflict of interest and disclosure regulations issued by the Farm Credit Administration (12 CFR 650) and Farmer Mac's own conflict of interest requirements (copy attached). Further, member of the Board of Farmer Mac serve in part-time positions which are likely to involve less than 60 working days annually.

In the opinion of the undersigned, the information contained in these reports for Lowell L. Junkins along with the additional information acquired during the review process discloses no conflict of interest or potential conflict of interest with respect to any laws or requirements applicable to service on the Board of the Federal Agricultural Mortgage Corporation.

Sincerely,

A handwritten signature in cursive script that reads "Mary K. Waters".

Mary K. Waters
Vice President - Corporate Relations

Enclosures:

Senate Questionnaire
Financial Disclosure Form
Itemized Financial Disclosure Form
Farmer Mac's Conflict of Interest Policy

Farmer Mac

Federal Agricultural Mortgage Corporation

CODE OF BUSINESS CONDUCT AND ETHICS

Originally Adopted on August 11, 1994

Amended as of March 13, 1997

Reaffirmed as of February 3, 2000, February 1, 2001 and February 7, 2002

Amended and Reaffirmed as of June 5, 2003

Amended and Reaffirmed as of March 12, 2004

Amended and Reaffirmed as of October 7, 2004

Amended and Reaffirmed as of August 4, 2005

Amended and Reaffirmed as of October 4, 2006

Amended and Reaffirmed as of June 7, 2007

Amended and Reaffirmed as of October 4, 2007

Amended and Reaffirmed as of June 5, 2008

Federal Agricultural Mortgage Corporation CODE OF BUSINESS CONDUCT AND ETHICS

I. Introduction—FCA and FCA Regulation

Pursuant to section 514 of the Farm Credit Banks and Associations Safety and Soundness Act of 1992 (Pub. L. 102-552, 106 Stat. 4102 (1992)), the Farm Credit Administration (the “FCA”) promulgated a regulation (the “FCA Regulation”) requiring the Federal Agricultural Mortgage Corporation (“Farmer Mac” or the “Corporation”) to adopt a conflict of interest policy that defines the types of relationships, transactions or activities that might reasonably be expected to give rise to potential conflicts of interest involving its directors, officers, employees or agents. The FCA Regulation also requires the reporting of sufficient information about transactions, relationships and activities to inform Farmer Mac about potential conflicts of interest and the disclosure of unresolved conflicts of interest involving its directors, officers and employees. This disclosure is in addition to the disclosures already required under the U.S. federal securities laws.

The Code of Business Conduct and Ethics (the “Code”) set forth herein have been developed in accordance with the framework established by the FCA Regulation and, where applicable, the U.S. federal securities laws.

II. Background

Farmer Mac is an instrumentality of the United States that was formed by Congress to accomplish the public purpose of creating and maintaining a secondary market for agricultural real estate and rural housing loans for the benefit of the farmers, ranchers and rural homeowners of America. The statute creating Farmer Mac (12 U.S.C. Section 2279aa et seq.) requires that Farmer Mac’s Board of Directors (the “Board of Directors”) consist of 15 members, with five directors (the “Class A Directors”) elected by holders of voting common stock that are banks, insurance companies or other financial institutions; five directors (the “Class B Directors”) elected by holders of voting common stock that are Farm Credit System institutions; and five directors appointed by the President of the United States. Throughout this Code, the phrase “elected directors” is used to refer to the Class A Directors and Class B Directors collectively.

The obligation of Farmer Mac directors to act in the best interest of Farmer Mac and all of its stockholders (mindful of its statutory mission) is not altered by the representative character of the directors on the Board of Directors. Indeed, the legislative history of the Farmer Mac statute states that “[t]here is to be no distinction between the three categories of directors in terms of their duties and responsibilities as corporate directors to [Farmer Mac] and all stockholders.” (Senate Report, No. 230, 100th Congress, 1st Session, p. 52). While certain references in the legislative history indicate that the elected directors are to “represent” the interests of their respective constituencies, the corporate structure created by Congress for Farmer Mac affirms the applicability of general principles of corporate law to Farmer Mac. Congress structured Farmer Mac like any business corporation, with a board of directors and public stockholders. It is reasonable to conclude that Congress intended Farmer Mac to operate at a profit, if for no other

reason than to avoid having to draw on its Treasury line of credit. If directors were free to act as mere representatives, without any fiduciary responsibility to consider the best interests of Farmer Mac, this would inhibit, rather than foster, accomplishment of the public purposes for which Farmer Mac was created.

The notion of Farmer Mac's elected directors serving in a "representative" capacity is not inconsistent with the fiduciary duties of directors to act in the best interests of Farmer Mac and all of its stockholders. As directors of a business corporation with public stockholders, Farmer Mac directors are expected to exercise independent business judgment with respect to the affairs of Farmer Mac. The "representative" character of the Farmer Mac Board provides directors with the opportunity to present and advocate the views of their respective constituencies. This flow of information enables directors to hear the perspectives of different stockholders and make informed decisions in fulfillment of their fiduciary duties.

The obligation of Farmer Mac directors to exercise independent business judgment does not carry with it an unrestrained right to consult with, or disclose information obtained from Farmer Mac to, members of the director's constituency or third parties. While directors generally are entitled to discuss matters involving Farmer Mac with their constituents, they must avoid the possibility that non-public or confidential information, be it written or oral, could be used to further the interests of their constituencies to the detriment of Farmer Mac. That result would violate the director's fiduciary duties to Farmer Mac.

Just as directors must balance their right to consult with Farmer Mac's need for confidentiality, so too must they balance their fiduciary duties to Farmer Mac against their fiduciary duties to any other entity on whose board they sit or by which they are employed. Farmer Mac directors, like directors of any public company, may owe fiduciary duties to other entities, some of which could be considered to be in competition with Farmer Mac. Basic principles of corporate law obligate directors in those circumstances to balance the interests of both entities to avoid harming either entity. The FCA Regulation provides that:

[w]here directors have fiduciary duties to competing institutions, they must balance these duties to avoid harming either institution. To advance the interest of one corporation to which a director owes duties in a manner that injures another corporation to which he also owes fiduciary duties could heighten shareholder concern about the good faith and fair dealing of the director.

The Code of Business Conduct and Ethics has been developed to comply with the foregoing principles as expressed in the FCA Regulation, many of which have their foundation in corporate and common law. The FCA Regulation established the framework within which Farmer Mac was to develop a policy to guide directors, officers and employees in the performance of their duties to Farmer Mac. The Code of Business Conduct and Ethics are premised on the expectation that directors, officers, employees and agents will adhere to high standards of honesty, integrity, impartiality, loyalty and care consistent with applicable law and regulations in furtherance of Farmer Mac's public purposes. In many respects, however, the Code is general in nature since it deals with issues of ethical conduct. The Code may not address

every specific circumstance because it is not possible to anticipate all forms of conflict of interest that may arise in a business as complex as Farmer Mac's.

To increase the likelihood of determining the existence of potential conflicts, the FCA Regulation mandates, and the Code sets forth, a requirement that each director, officer and employee report in writing annually, and at such other times as conflicts may arise, sufficient information about financial interests, transactions, relationships and activities to inform Farmer Mac of potential conflicts. If no such interest, transaction, relationship or activity is required to be reported, the director, officer or employee is required to sign a statement to that effect. The Code also establishes procedures for resolving material conflicts of interest and, as required by the FCA Regulation, disclosing such unresolved conflicts in Farmer Mac disclosure materials. Other specific provisions and features of the Code of Business Conduct and Ethics are discussed in the relevant sections below.

As provided in the FCA Regulation, any violations of the Code will subject the person to the penalties of Part C of Title V of the Farm Credit Act of 1971, as amended.

III. Purpose and Scope of the Code

The Code applies to all directors, officers, employees and agents of Farmer Mac. Unless otherwise indicated, all references in this Code to "employees" shall be read to mean "directors, officers, employees and agents." "Agents" shall not be read to mean sellers or field servicers for purposes of the Code.

Capitalized terms used in this Code that are not otherwise defined shall have the meanings set forth in Annex A.

This Code reflects Farmer Mac's vision and values. No code of conduct can replace the thoughtful behavior of an ethical employee, but this Code serves to help us focus on key areas of ethical risk, provide guidance on appropriate behavior, and continue to foster the culture of honesty and accountability which is evident throughout Farmer Mac. In adopting this Code, Farmer Mac seeks to deter wrongdoing and to promote:

- (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents that the Corporation files with, or submits to, the U.S. Securities and Exchange Commission or the Farm Credit Administration and in other public communications made by the Corporation;
- (iii) compliance with applicable governmental laws, rules and regulations;
- (iv) the prompt internal reporting to an appropriate person or persons identified below of violations of this Code; and
- (v) accountability for adherence to this Code.

Farmer Mac's Corporate Governance Committee (the "Committee") shall be responsible for assisting oversight by the Board of Directors of the operation of this Code. The Committee shall assess the adequacy of this Code annually and recommend any changes to the Board of Directors.

Those who violate the standards in this Code will be subject to disciplinary action as described in Section XIII below. No waivers of this Code will be granted except in accordance with the procedures set out in Section XV below. If you are in a situation that you believe may violate or lead to a violation of this Code, or if you know of a violation of this Code by another employee, follow the guidelines described in Section XIII below.

IV. General Responsibilities—Honest and Ethical Conduct

Each employee and agent of Farmer Mac must conduct the business of Farmer Mac following high standards of honesty, integrity, impartiality, loyalty and care, consistent with applicable law and regulation, in furtherance of Farmer Mac's public purposes. In addition, employees must always be sensitive to the appearance of impropriety. When engaging in any Farmer activity, employees and agents should judge a proposed course of action by reference to these principles.

V. No Conflicts of Interest

Directors

No director shall participate in any vote of the Board Directors, or any committee of the Board of Directors, on any question, issue, decision or transaction in which it has been determined (either by the director himself or otherwise) that the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest. In the event of such a determination, the director shall recuse himself from voting on the related question, issue, decision or transaction.

No director shall participate in the deliberation by the Board Directors, or any committee of the Board of Directors, of any question, issue, decision or transaction in which it has been determined (either by the director himself or otherwise) that the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest without having revealed such conflict prior to the commencement of the deliberation.

In structuring Farmer Mac, Congress established a Board of Directors with elective classes of directors who may have Conflicts of Interest as such term is defined in this Code of Business Conduct and Ethics. Because of this unusual inherent characteristic, Farmer Mac directors must be particularly sensitive to those instances when a Conflict of Interest becomes Material.

If a director is unsure whether he/she, a Business Affiliate or a Family Member has a Conflict of Interest that is Material, the director shall promptly disclose the same to the Chairman who shall consult with the President, the General Counsel and such other advisors as the Chairman shall deem appropriate or refer the matter to the Corporate Governance Committee. It

shall be the responsibility of the Chairman or the Corporate Governance Committee, as the case may be, to determine whether the Conflict of Interest is Material and to report such determination to the Board of Directors. In making the determination, the Chairman or the Corporate Governance Committee, as the case may be, shall consider whether the transaction, activity or proposal that is the subject of the Conflict of Interest would affect all similarly situated Participants in the same manner or whether it would be considered self-dealing by the director or his Business Affiliate or Family Member.

In the event that a director and the Chairman of the Board or the Corporate Governance Committee, as the case may be, disagree with respect to the existence, appearance or resolution of a Material Conflict of Interest, Farmer Mac shall disclose the relevant facts to shareholders and investors as required by the FCA Regulation.

The following are examples of types of transactions, relationships or activities that could give rise to Material Conflicts of Interest for directors:

- A Presidential Appointee is in the process of applying for a Farmer Mac loan, knowing that the loan-to-value ratio (LTV) of his loan would exceed Farmer Mac's underwriting standards. The appointee initiates a change in the underwriting standards to increase the maximum LTV, doing so on the premise that the change is in the best interests of Farmer Mac.
- A Class A Director or Class B Director is also an officer, director or employee of a Pooler and urges Farmer Mac to reduce the guarantee fee that would be charged to certain, but not all, institutions—including his own—in connection with guarantee transactions.
- A Class A Director who is also an officer, director or employee of a bank urges Farmer Mac to adopt a requirement that all borrowers maintain depository accounts with their lenders and that the bank may use those accounts as additional security (a right of set-off) for payments due on the loan.
- A Class B Director who is also an officer, director or employee of a Farm Credit System institution urges Farmer Mac to adopt a requirement that all borrowers own stock in their lenders and to pledge that stock as additional security for the loan.

Notwithstanding the restriction on voting, a director, after fully disclosing to the Board of Directors all facts material to his interest, may participate in any discussion or deliberation of any question, issue, decision or transaction in which the director, or any Business Affiliate or Family Member of such director, has or appears to have a Material Conflict of Interest.

Whenever there is the slightest doubt, directors should disclose all facts material to their interests, unless disclosure would violate the confidence of the person from whom the information that would be the subject of the disclosure was obtained. If disclosure would breach

such confidence, the director shall recuse himself from the discussion or deliberation and need not disclose the confidence.

In the event that one or more directors are disqualified from voting on a question, issue, decision or transaction before the Board of Directors, and the remaining number of directors is insufficient to form the quorum necessary to enable the Board to validly act, the directors who are not so disqualified shall automatically be constituted into an ad hoc committee of the Board with the power to act for Farmer Mac in the matter under consideration.

Employees (Other than Directors)

No “employee” (which, for purposes of this provision, excludes directors) of Farmer Mac shall participate in any decision or transaction in which the employee has or appears to have a Material Conflict of Interest.

The following are examples of types of transactions, relationships or activities that could give rise to Material Conflicts of Interest for employees:

- Service by the employee or a Family Member as a director, officer or employee of, or an ownership interest by the employee or Family Member of 5% or more in, a Participant or other entity that has a business or prospective business relationship with Farmer Mac; or
- Indebtedness by the employee or a Family Member under an outstanding agricultural, rural housing or business loan or personal loan of \$100,000 or more (other than a purchase money loan for the employee’s residence) owed to a Participant or other entity that has a business or prospective business relationship with Farmer Mac.

If an employee or Family Member has such service, ownership or indebtedness, the employee shall promptly report the relevant facts to the General Counsel of the Corporation. An employee who is in any doubt as to whether a Conflict of Interest exists or would exist in a particular situation should check in advance with the General Counsel of the Corporation. The General Counsel shall report periodically to the Board of Directors or the Audit Committee of Farmer Mac any such potential conflict that is brought to his attention. The General Counsel shall then determine whether a Material Conflict of Interest exists and, if so, what the appropriate resolution thereof shall be.

Each employee must avoid any outside activity, financial interest or relationship that may present a possible Material Conflict of Interest or the appearance of a Material Conflict of Interest. No employee may engage in an activity that involves any such conflict except with the specific prior approval in writing of the General Counsel of the Corporation in accordance with the procedures set out in the Corporation’s *Employee Benefits and Policy Manual* and *Code of Business Conduct and Ethics*. If the General Counsel of the Corporation to whom disclosure is made of such conflict is himself or herself involved in the matter giving rise to such conflict,

disclosure must be made to (and approval obtained from) an appropriate officer of the Corporation who is not involved in the matter giving rise to such conflict.

Agents

Potential Conflicts of Interest involving any Agent will be dealt with, to the extent not incorporated in the Agent's professional code of ethics, through contractual agreements between Farmer Mac and such Agent. Agents whose potential conflicts of interest are not dealt with in the Agent's professional code of ethics will be advised of the applicability of the FCA regulation and this Code of Business Conduct and Ethics annually.

VI. Public Disclosure and Other Communications

Fair and Timely Disclosure in Public Reporting and Communications

Farmer Mac's principal executive officer, principal financial officer, principal accounting officer or controller, and any other officer involved in the preparation of the Corporation's financial statements, public reports or communications (collectively, the "Senior Financial Officers"), are responsible for ensuring that such financial statements, public reports or communications contain disclosure that is full, fair, accurate, timely and understandable. In that regard, the Senior Financial Officers are responsible for establishing and maintaining effective disclosure controls and procedures and internal controls and procedures for financial reporting.

Personal Contacts with Public Officials

An employee shall not contact or communicate with Public Officials on behalf of Farmer Mac except at the specific request of: (i) the Board of Directors, acting as a whole; (ii) the Chairman of the Board; or (iii) the President. Employees shall, in dealings with Public Officials, make clear whether the contact is or is not on behalf of Farmer Mac, a Business Affiliate or other Person.

An employee who contacts or communicates with Public Officials on behalf of Farmer Mac must be familiar with and obey the lobbying laws and public disclosure requirements and is encouraged to consult the General Counsel of the Corporation thereon.

An employee who intends to take public positions or to communicate with Public Officials on issues that relate to Farmer Mac in any way, should disclose such intentions to the Chairman of the Board or the President, who, in the case of a director, shall report the matter to the Board at its next meeting or, if the Chairman so decides, a special meeting called for such purpose.

If a director takes a position, or engages in a communication the subject of which is, inconsistent with a position previously adopted by the Board, the director shall disclose to the person to whom his position or communication is directed that he is not acting in his capacity as a director of Farmer Mac but rather in another unrelated capacity and that his position does not reflect the position of Farmer Mac on the issue that is the subject of the discussion.

Personal Contacts with Participants

All contacts (other than loan negotiations or job applications) between employees (other than directors) or any Family Member and Participants initiated for the purpose of conducting business unrelated to Farmer Mac must be reported to the General Counsel of the Corporation by the employee. If the employee is seeking or is being offered special treatment, approval must be obtained from the General Counsel in advance.

VII. Corporate Opportunities

Farmer Mac employees may not use corporate property, information or position for personal gain. Farmer Mac's employees are prohibited from (a) taking for themselves personally opportunities that are properly within the scope of the Corporation's activities, (b) using corporate property, information or position for personal gain, and (c) competing with the Corporation. Employees owe a duty to the Corporation to advance its legitimate interests to the best of their abilities.

An employee who, in the course of his activities as an employee or by reason of his position as an employee, becomes aware of a Corporate Opportunity, shall not use such Corporate Opportunity or seek to block Farmer Mac's use of that Corporate Opportunity for his own benefit or the benefit of a Business Affiliate or Family Member.

An employee who becomes aware of a Corporate Opportunity other than as described in the previous paragraph shall promptly disclose such Corporate Opportunity to the Chairman or the President of Farmer Mac who, if appropriate, shall report the matter to the Board at its next meeting or, if the Chairman so decides, a special meeting called for such purpose.

Nothing contained herein shall operate to obligate any employee, Business Affiliate or Family Member to transact any specific business with Farmer Mac.

VIII. Confidentiality

Farmer Mac's employees and agents must respect and maintain the confidentiality of information entrusted to them by the Corporation or customers of the Corporation, except when disclosure is authorized or legally mandated. No employee shall divulge to anyone not also an employee of Farmer Mac or use for his own benefit or the benefit of a Business Affiliate or Family Member any information not available to the general public that he acquires in his capacity as an employee.

Notwithstanding the foregoing, a director may divulge information not available to the general public which he acquires in his capacity as a director after fully disclosing to the Chairman of the Board his justification for the need to do so and receiving the Chairman's prior permission. After receiving a request from a director respecting the divulgence of confidential information, the Chairman of the Board shall at the next Board meeting inform the Board of the request and his response thereto.

Confidential information includes all non-public information that might be of use to competitors, or harmful to the Corporation or its customers, if disclosed. The obligation to safeguard confidential information continues after employment with the Corporation ends. The obligation to maintain the confidentiality of information may be subject to legal or regulatory requirements to disclose that information. In such cases, Farmer Mac's Legal Department will assist in determining what disclosure is required.

IX. Fair Dealing; Gifts

Each employee of Farmer Mac must deal fairly with customers, suppliers, competitors and employees. No person may take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Directors

No director (or Family Member) shall accept any Substantial Gift from any Participant or from any other Person who has a present or prospective business relationship with Farmer Mac. A director who is offered a Substantial Gift for himself or for any of his Family Members by any Participant or other Person who has a present or prospective business relationship with Farmer Mac shall promptly disclose such offer to the Chairman or to the Corporate Governance Committee. Nothing herein shall be construed to prohibit the receipt of bona fide compensation or other benefits incident to the director's or Family Member's employment or business.

Employees (other than directors)

With respect to employees other than directors, no employee or Family Member shall accept any Substantial Gifts from any Participant or other Person who has a present or prospective business relationship with Farmer Mac.

X. Protection and Proper Use of Corporation Assets

Farmer Mac's employees must protect the Corporation's assets and ensure they are used for legitimate business purposes. Theft, carelessness and waste have a direct impact on the Corporation's profitability. All of the Corporation's assets should be used for legitimate business purposes.

XI. Compliance with Laws, Rules and Regulations (Including Insider Trading Laws)

Farmer Mac employees and agents must abide by and comply with all applicable laws, rules and regulations. All employees are expected to comply with the laws of the state or jurisdiction in which they operate, as well as United States statutes and the Corporation's policies governing business activities. These laws and policies include compliance with the Foreign Corrupt Practices Act, U.S. anti-boycott laws, U.S. sanctions and embargoes against certain countries, competition laws and money laundering laws.

The Corporation actively promotes compliance with all laws, rules and regulations, including insider trading laws, in each jurisdiction in which it does business. Noncompliance is unethical, illegal and in conflict with the Corporation's values and commitment to integrity. Violations will be dealt with decisively. Insider trading is both unethical and illegal, and will be dealt with severely.

Insider Trading

No employee shall trade in the stock of Farmer Mac (or any publicly traded company) while in possession of material, non-public information about Farmer Mac (or such publicly traded company).

The Corporation's Policy Statement on Insider Trading defines insider trading, sets forth the specific policies against insider trading and discusses the procedures for clearing trades under the policy. Employees should carefully review the Policy Statement, compliance with which must be certified to by employees at least annually.

XII. Accountability for Adherence to this Code; Violations of this Code

Each employee has a personal responsibility to ensure that his or her actions abide by this Code and comply not only with the letter but the spirit of this Code. Management has the additional responsibility of fostering a culture in which compliance with the Corporation's policies and all applicable laws is at the core of all the Corporation's business activities. Concerns about appropriate conduct must be promptly addressed with care and respect.

The policies set forth in this Code are supported by the specific and detailed practices and procedures contained in the Corporation's Employee Benefits and Policy Manual. You should consult such materials for further details regarding the policies set forth herein.

The values and responsibilities set forth in this Code are important to the Corporation and must be taken seriously by all of us. Accordingly, violations of these values and responsibilities will lead to disciplinary action in accordance with the Corporation's policies. Such disciplinary action may include reprimand, reimbursement of any loss or damage suffered by the Corporation or termination of employment. Under certain circumstances, violation of this Code may also result in referral for civil action or criminal prosecution, or any other disciplinary action deemed appropriate by the Corporation.

XIII. Reporting of Any Illegal or Unethical Behavior

The Corporation actively promotes ethical behavior in all its business activities. Employees are encouraged to speak to their managers, the Legal Department or other appropriate personnel at any time if there is any doubt about the best course of action in a particular situation.

Farmer Mac's employees who have knowledge that an applicable law, regulation, policy or ethical guideline has been, or may be, violated must promptly report such information to an appropriate person within the Corporation. Employees are required to report violations of law,

rules, regulations and this Code to their managers, the Legal Department or senior management, as appropriate. Violations may also be reported in confidence to the General Counsel of the Corporation. Every effort will be made to protect the confidentiality of those furnishing information. Employees also are encouraged to speak to their supervisors or other appropriate personnel at any time if there is any doubt about the best course of action in a particular situation. No employee will suffer any penalty or retribution for reporting suspected misconduct or noncompliance or will be subject to adverse consequences as a result of making the report. The Corporation will not tolerate retaliation in any form against any person for complaints or reports made in good faith.

With regard to violations or potential violations of this Code by the Corporation's Senior Financial Officers, employees are encouraged to report such violations to the General Counsel of the Corporation or a member of the Board of Directors of the Corporation.

Please refer to the Corporation's separate *Internal Reporting Whistle Blower Protection Policy* for more information about an employee's ability to report a violation to an independent party who is not an officer, director or employee of the Corporation.

XIV. Recordkeeping; Notice, Compliance and Enforcement

Each employee must sign the Statement of Acknowledgment and Agreement (the "Statement") accompanying this Code, which acknowledges receipt of the Code, or the appropriate Global Annual Acknowledgement that covers the Code as well as several other Corporate Policies. The Acknowledgements also acknowledge the responsibility of employees to review and become familiar with the Code and constitute an agreement to comply with their requirements. In the event of any changes to the Code subsequent to their adoption by the Board, Farmer Mac shall provide sufficient notification thereof to the employees and allow a reasonable period of time to require conformance with the Code, as modified.

In addition to the Statement, Conflict of Interest Questionnaires (the "Questionnaires") substantially in the form attached to this Code as Annex B will be sent annually to employees for the purpose of eliciting sufficient information about financial interests, transactions, relationships and activities to inform Farmer Mac whether potential Conflicts of Interest exist. If, during the interval between the submission of annual Questionnaires, a potential Conflict of Interest should arise, the affected employee shall provide Farmer Mac with sufficient information (and complete a Questionnaire) to enable Farmer Mac to make a Conflict of Interest determination.

Each person receiving a Questionnaire must complete and return it within the timeframe stated therein. The General Counsel or his designee shall conduct a review of the completed Questionnaires, except for his own, which shall be reviewed by the President. The General Counsel shall report annually to the Board of Directors on the results of this review.

Copies of the Questionnaires, as well as relevant portions of the Board and Corporate Governance Committee minutes (and any other reports prepared under or with respect to this Code) shall be retained in Farmer Mac's files for a period of at least 6 years.

Each newly appointed director, officer and employee shall certify that he/she has not

been convicted of any criminal offense involving dishonesty or a breach of trust, and shall undertake to resign his/her position in the event of any subsequent disqualifying conviction.

XV. Waivers of this Code

Any waiver of this Code for executive officers (including Senior Financial Officers) or directors may be made only by the Board of Directors or a Board committee and must be disclosed to shareholders as required by applicable law or stock exchange regulations.

ANNEX A
DEFINITIONS

Capitalized terms used (but not otherwise defined) herein shall have the same meanings as in the Glossary of the Farmer Mac Securities Guide. Other terms (capitalized or lower case) shall have the meanings indicated below. The definitions of such terms are applicable to the singular as well as to the plural forms of such terms and to the feminine as well as to the masculine genders of such terms.

“Agent” means any person (other than an employee of Farmer Mac) who represents Farmer Mac in contacts with third parties or who provides professional services such as legal, accounting or appraisal services to Farmer Mac. “Agents” shall not include sellers or field servicers for purposes of the Code.

“Affiliate” means any entity established under authority granted to Farmer Mac under section 8.3(c)(13) of the Farm Credit Act of 1971, as amended.

“Board of Directors” means the board of directors of Farmer Mac.

“Business Affiliate” means any Person with whom a director has (or is negotiating to have) one or more of the following relationships: director, trustee, fiduciary, officer, partner or employee, direct or indirect holder of five percent (5%) or more of the beneficial interest or direct or indirect holder of five percent (5%) or more of the voting common power or control.

“Code” means this Code of Business Conduct and Ethics.

“Committee” means Farmer Mac’s Corporate Governance Committee.

“Conflict of Interest” means an interest of an employee or agent of the Corporation in a transaction, relationship or activity that is, might be, or appears to be, adverse to the furtherance of the best interests of Farmer Mac and the fulfillment of its statutory purposes. A conflict situation can arise when an employee or agent takes actions or has interests that may make it difficult to perform his or her work for the Corporation objectively and effectively. Conflicts of interest also arise when an employee or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation. For the purpose of determining whether a Conflict of Interest exists, interests of a Family Member or Business Affiliate of a person subject to this Code shall be imputed to the person as if they were that person’s own interests.

“Corporate Opportunity” means an actual or potential business activity or enterprise: (i) which is within the general scope of Farmer Mac’s business purpose or authority; (ii) in which Farmer Mac might reasonably engage; and (iii) for which Farmer Mac has the legal and financial capacity or a reasonable prospect of obtaining such capacity. The

term “Corporate Opportunity” shall not be deemed to include the opportunity of any director or Business Affiliate to transact business with Farmer Mac.

“Corporation” or “Farmer Mac” means the Federal Agricultural Mortgage Corporation and its Affiliates.

“Director” means a member of the Board of Directors of Farmer Mac.

“Employee” means any salaried individual working part-time, full-time or temporarily for Farmer Mac and, unless otherwise indicated, all references in this Code to “employees” shall be read to mean “directors, officers and employees.”

“Entity” means a corporation, company, association, firm, joint venture, partnership (general or limited), society, joint stock company, trust (business or otherwise), fund or other organization or institution.

“Family Member” means spouse, child, grandchild, parent, grandparent, stepchild, stepparent, sibling, stepsibling, half sibling, aunt, uncle, first cousin, niece, nephew by marriage or by blood and any other natural person sharing the same residence.

“FCA” means the Farm Credit Administration.

“FCA Regulation” means the rules and regulations promulgated by the FCA.

“Material,” when applied to a conflict or potential conflict of interest, means the conflicting interest is of sufficient magnitude or significance that a reasonable observer with knowledge of the relevant facts would question the ability of the person having such interest to discharge his official duties in an objective and impartial manner in furtherance of the interests and statutory purposes of Farmer Mac.

“Officer” means the salaried president, vice presidents, secretary, treasurer and general counsel or other person, however designated, who holds a position of similar authority in Farmer Mac.

“Participant” means a person who is an actual or potential Originator, Pooler, Borrower, Servicer, Trustee or Custodian, including a Person who holds enough Farmer Mac stock to be eligible to become a Pooler or Originator.

“Person” means an individual or entity.

“Public Official” means an elected or appointed official or an employee of the legislative, executive or judicial branch of the federal or state government.

“Questionnaires” means the Conflict of Interest Questionnaires substantially in the form attached to this Code.

“Recuse,” when applied to a material conflict of interest involving a director, means the process by which the director disqualifies himself from participating in voting on, and possibly the discussion and deliberation of, the question, issue, decision or transaction in which the director, or any Business Affiliate or Family Member of such director, has or appears to have a material conflict of interest. Any director who so recuses himself shall inform the Chairman, the President or the Corporate Secretary of such recusal but need not disclose the reason(s) for such recusal and may, in the Chairman’s sole discretion, remain in the Board room during the related discussion, deliberation or vote.

“Resolved,” when applied to a potential conflict of interest that Farmer Mac has determined is material, means that circumstances have been altered so that a reasonable observer with knowledge of the relevant facts would conclude that the conflicting interest would not adversely affect the person’s performance of official duties in an objective and impartial manner in furtherance of the interests and statutory purposes of Farmer Mac.

“Senior Financial Officers” means Farmer Mac’s principal executive officer, principal financial officer, principal accounting officer or controller, and any other officer involved in the preparation of the Corporation’s financial statements, public reports or communications.

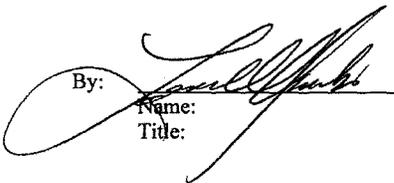
“Statement” means the Statement of Acknowledgment and Agreement accompanying this Code, pursuant to which the employees acknowledge receipt of the Code.

“Substantial Gift” means, but is not limited to, (i) goods or services that are given or offered to an employee and that have a fair market value of more than \$100 (without regard to the cost to the donor); and (ii) a loan made on preferential terms.

FORM OF STATEMENT OF ACKNOWLEDGEMENT AND AGREEMENT

I hereby acknowledge that I have received a copy of Farmer Mac's Code of Business Conduct and Ethics (the "Code"). I have reviewed the Code and agree to comply with all the provisions of the Code. I also understand and acknowledge my personal responsibility to ensure that my actions abide by the Code, and comply not only with the letter but the spirit of the Code. I understand that my failure to comply with those requirements could [result in my removal from the Board and] [result in my dismissal from Farmer Mac and] subject me to the penalties of Part C of Title V of the Farm Credit Act of 1971, as amended. I certify that I have not been convicted of any criminal offense involving dishonesty or a breach of trust and undertake to resign my position at Farmer Mac in the event I am subsequently convicted of any such offense.

[I further acknowledge that I have received copies of, read and understood the following Farmer Mac corporate policies: [list applicable policies]. I understand my responsibility to review and become familiar with the requirements contained in those policies. I certify that I am in compliance with, and agree to continue to comply with, the policies and procedures set forth in the above-listed policies. [I understand that my failure to comply with those requirements could result in my [removal from Farmer Mac's Board for cause or the imposition of such other penalties as may be voted by the Board of Directors of Farmer Mac] [dismissal from Farmer Mac]].]

By: 
Name:
Title:

Dated: 6/4/09

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Form Approved
OMB No. 3209-0001

SP 278 (Rev. 09/2000)
U.S. Office of Government Ethics

Date of Appointment, Candidacy, Election, or Nomination (Month, Day, Year)		Calendar Year Covered by Report		New Entrant, Nominee, or Candidate		Termination Date (If Applicable)		Termination Date (If Applicable)	
Reporting Status (Check appropriate box)		Incumbent		New Entrant, Nominee, or Candidate		Termination Date (If Applicable)		Termination Date (If Applicable)	
Reporting Individual's Name		Last Name		First Name and Middle Initial		Termination Date (If Applicable)		Termination Date (If Applicable)	
Position for Which Filing		Title of Position		Department or Agency (If Applicable)		Termination Date (If Applicable)		Termination Date (If Applicable)	
Location of Present Office (or forwarding address)		Address (Number, Street, City, State, and ZIP Code)		Telephone No. (Include Area Code)		Termination Date (If Applicable)		Termination Date (If Applicable)	
Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above)		Title of Position(s) and Date(s) Held		Special Government Employee as member of the FDA Science Board, June 2007 - Present		Termination Date (If Applicable)		Termination Date (If Applicable)	
Presidential Nominee Subject to Senate Confirmation		Name of Congressional Committee Considering Nomination		Do You Intend to Create a Qualified Diversified Trust?		Termination Date (If Applicable)		Termination Date (If Applicable)	
Certification		Signature of Reporting Individual		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	
I CERTIFY that the statements I have made are true, complete and correct to the best of my knowledge.		Signature of Other Reviewer		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	
Other Reviewer (If Not by agency)		Signature of Designated Agency Ethics Official/Reviewing Official		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	
Agency Ethics Official's Opinion		Signature		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	
On the basis of information contained in this report, I believe that the filer is in compliance with the reporting requirements (except for any comments in the box below).		Signature		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	
Office of Government Ethics Use Only		Signature		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	
Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)		Signature		Date (Month, Day, Year)		Termination Date (If Applicable)		Termination Date (If Applicable)	

Superseded Prior Editions, Which Cannot Be Used. 7/8/12

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OSP/Adler, Koster version 1.0.2 (10/02/06)

SCHEDULE A continued
(Use only if needed)

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Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B		BLOCK C		Other Income (Type & Amount)	Date (Mo, Day, Year) Only if Horizontal
	None for less than \$100	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000		
1 Cisco Systems Stock Options (S) - vested; See Attachment to Schedule A						
2 Cisco Systems Stock Options (S) - unvested; See Attachment to Schedule A						
3 Cisco Systems Identified Stock Units (S) unvested; See Attachment to Schedule A						
4 Discover Financial Services						
5 Cisco Systems 401K (S) underlying assets below						
6 AM Charter BIST						
7 Blackrock Global Inv Extended Equity Market Fund						
8 FID RTH Discovery						
9 FID OTC Portfolio						
Cash						

This category applies only if the asset/income is solely that of the filer's grantee or dependent child. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent child, then the underlying categories of assets are appropriate.
Prior filer(s) Contact the filer.

SE 278 (Rev. 03/21/2001)
 5 C.F.R. Part 2634
 U.S. Office of Government Ethics

Reporting individual's Name
 Wozniak, Catherine E.

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SCHEDULE A continued
 (Use only if needed)

BLOCK A	BLOCK B										BLOCK C													
	Valuation of Assets at close of reporting period										Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.													
	None (or less than \$201)		\$1,001 - \$15,000		\$15,001 - \$50,000		\$50,001 - \$100,000		\$100,001 - \$250,000		\$250,001 - \$500,000		\$500,001 - \$1,000,000		Over \$1,000,000		Over \$500,000,000		Over \$1,000,000,000		Over \$5,000,000,000			
Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Type	Amount	Date Received (Mo, Day, Yr) Only if Honoraria		
1	Amgen	X																						
2	Apple Computer																							
3	Bell Corp																							
4	CREF Equity Index																							
5	CREF Growth																							
6	CREF Stock Fund																							
7	Check Point																							
8	Chubb Corp																							
9	Chico Systems																							

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

3278 (Rev. 03/2009)
 5 C.F.R. Part 2634
 U.S. Office of Government Ethics

Reporting Individual's Name
 Wolski, Catharine E.

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SCHEDULE A continued
 (Use only if needed)

Assets and Income

Valuation of Assets
 at close of reporting period

Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.

BLOCK A	BLOCK B										BLOCK C										Date (Mo., Day, Yr.) Only if Honoraria				
	Valuation of Assets										Amount														
	None (or less than \$201)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	Over \$1,000,000*	\$1,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000	Over \$50,000,000	None (or less than \$201)	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	Over \$1,000,000*	Over \$5,000,000					
Type	Dividends	Interest	Capital Gain	None (or less than \$201)	Over \$5,000,000	Over \$1,000,000*	\$1,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000	Over \$50,000,000	Over \$1,000,000*	Over \$5,000,000	Dividends	Interest	Capital Gain	None (or less than \$201)	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	Over \$50,000,000	Over \$1,000,000*	Over \$5,000,000	Other Income (Mo., Day, Yr.) Type & Actual Amount		
1 Disney	X												X												
2 Express Scripts			X										X												
3 Federated Short Term Inc Fd			X										X												
4 Google			X										X												
5 Halliburton			X										X												
6 ITT Corp			X										X												
7 Janus Growth & Income		X											X												
8 Johnson and Johnson		X											X												
9 Lazard Emerging Mkts		X											X												

* This category applies only if the asset/income is solely that of the filer, spouse, or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

SEZ/LS (Rev. 01/2020)
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 U.S. Office of Governmental Ethics
 Reporting Individual's Name

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SCHEDULE A continued (Use only if needed)

Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B										Income type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item. BLOCK C										Date (Mo., Day, Yr) Only if Bononata
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	Over \$1,000,000*	\$5,000,001 - \$25,000,000	Over \$25,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	Over \$5,000,000	Other Income (Specify Type & Amount)	
1 <input type="checkbox"/> None																					
2 Lockheed-Martin																					
3 Loomis-Sayles Fds Bond Fd Retail (LSBS)																					
4 Medco Health																					
5 Matt Oilwell Varco																					
6 Northrop Grumman Corporation																					
7 PIMCO Total Return																					
8 Quest Diagnostics																					
9 Research In Motion																					
10 S&P 500 ETF SPDRs																					
11 Sarofin																					

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the value higher categories of value, as appropriate.
 Prior Editions Cannot Be Used.

SP 278 (Rev. 03/2000)
 5 C.F.R. Part 2634
 U.S. Office of Government Ethics

Reporting Individual's Name:
 Wolski, Catherine E.

SCHEDULE A continued
 (Use only if needed)

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Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.				Date (Mo., Day, Yr.) Only if Honoraria
	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.				
	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.				
	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	Over \$1,000,000*	Over \$500,000,000	Over \$1,000,000*	Over \$5,000,000	Over \$50,000,000	None (or less than \$201)	Dividends	Interest	Other Income Type & Actual Amount	Amount
1 Scout Int															
2 Sybase															
3 TIAA Traditional															
4 TUX															
5 Taiwan Semiconductor															
6 Telefonica															
7 Teva Pharma															
8 USAA Fixed Rate CD															
9 Vanguard GNMA															

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

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Do not complete Schedule B if you are a new entrant, nominee, or Vice Presidential or Presidential Candidate

SE 278 (Rev. 02/2000)
S.C.E.R. Form 2634
U.S. Office of Government Ethics

Reporting Individual's Name
Wolchik, Catherine E.

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SCHEDULE B

Part I: Transactions

Report any purchase, sale, or exchange by you, your spouse, or dependent children during the reporting period of any real property, stocks, bonds, commodity futures, and other securities when the amount of the transaction exceeded \$1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction solely between you, your spouse, or dependent child. Check the "Certificate of divestiture" block to indicate sales made pursuant to a certificate of divestiture from OGE.

None

1	2	3	4	5	Date (MM, Day, Yr.)	Transaction Type (a)	Amount of Transaction (a)					Certificate of Divestiture (b)							
							1,000.001 - 1,500.000	1,500.001 - 2,500.000	2,500.001 - 5,000.000	5,000.001 - 10,000.000	10,000.001 - 50,000.000		50,000.001 - 100,000.000	100,000.001 - 500,000.000	500,000.001 - 1,000,000.000	1,000,000.001 - 5,000,000.000	5,000,000.001 - 10,000,000.000		
Example	Central Airlines Commission				2/1/99	Sale													

*This category applies only if the underlying asset is solely that of the filer's spouse or dependent children. If the underlying asset is either held by the filer or jointly held by the filer with the spouse or dependent children, use the other higher categories of value, as appropriate.

Part II: Gifts, Reimbursements, and Travel Expenses

For you, your spouse and dependent children, report the source, a brief description, and the value of: (1) gifts (such as tangible items, transportation, lodging, etc.) received from any source other than the U.S. Government; given to your agency in connection with official travel; received from any source other than the U.S. Government; provided as personal hospitality at the donor's residence. Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$104 or less. See instructions for other exclusions. (2) Travel-related cash reimbursements received from one source totaling more than \$260. For conflicts analysis, it is helpful to indicate a basis for receipt, such as personal friend, agency approval under 5 U.S.C. § 4111 or other statutory authority, etc. For travel-related gifts and reimbursements, include travel itinerary, dates, and the nature of expenses provided. Exclude anything given to you by the U.S. Government; given to your agency in connection with official travel; received from any source other than the U.S. Government; provided as personal hospitality at the donor's residence. Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$104 or less. See instructions for other exclusions.

None

1	2	3	4	5
Source (Name and Address)	Brief Description	Value		
Example: Nat'l Assn of Book Collectors, NY, NY 170 West 4th St, San Francisco, CA	Airline ticket, hotel room & meals incident to national conference 6/15/99 (personal activity unrelated to duty)	\$200		
	Leather briefcase (personal item)	\$100		

Do not complete Schedule B if you are a new entrant, nominee, or Vice Presidential or Presidential Candidate

SF 274 (Rev. 03/2009)
5 C.F.R. Part 2634
U.S. Office of Government Ethics

Reporting Individual's Name
Wojcik, Catherine E.

SCHEDULE B continued
(Use only if needed)

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Part I: Transactions

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000	1001	1002	1003	1004	1005	1006
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U.S. Office of Government Ethics

Reporting Individual's Name
Wolski, Catherine E.

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SCHEDULE D

Part I: Positions Held Outside U.S. Government
Report any positions held during the applicable reporting period, whether compensated or not, for any other entity, including an officer, director, trustee, general partner, proprietor, representative, employee, consultant, or any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, fraternal, or political entities and those solely of an honorary nature.

Examples	Name of Organization (Name and Address)	Type of Organization	Position Held	From (Mo./Yr.) To (Mo./Yr.)	
				Start	End
1	Mars, Incorporated, McLean, VA	Food processing and petcare company	Global Director of Scientific Affairs	08/2005	Present
2	International Life Sciences Institute, Washington, DC (service in official capacity)	Research foundation	Treasurer and member of Board of Trustees	01/2007	Present
3	International Food Information Council Foundation, Washington, DC (service in official capacity)	Research foundation	Member, Board of Trustees	08/2006	Present
4					
5					
6					

Part II: Compensation in Excess of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any other source. Do not report the U.S. Government as a source. Do not complete this part if you are an Incumbent, Termination Filer, or Vice Presidential or Presidential Candidate.

Examples	Source (Name and Address)	Field Description of Duties	From (Mo./Yr.) To (Mo./Yr.)	
			Start	End
1	Doe Jones & Smith, Hometown, State	Legal services		
2	Micro University (Client of Doe Jones & Smith), Hometown, State	Legal services in connection with university construction		
3	Mars, Incorporated	Salary and bonus for performance of duties as Global Director of Scientific Affairs		
4				
5				
6				

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