

DIRECTOR DISCLOSURE, CERTIFICATION & INDEPENDENCE FORMS

Glossary

Affiliated ACA means a Farm Credit System agricultural credit association that obtains its funding from CoBank.

Affiliated Organization means a business Entity in which the individual is a partner, director or officer, or has a Financial Interest such as Owner or Member¹. *You will be asked to disclose Affiliated Organizations for yourself and for any Immediate Family Member, as defined below.*

Conflicts of Interest means a set of circumstances (or the appearance of circumstances) where you have a Financial Interest in a transaction, relationship, or activity that actually affects or could affect (or has the appearance of affecting) your ability to perform your official duties and responsibilities in a totally impartial manner, and in the best interest of CoBank, when viewed from the perspective of a reasonable person with knowledge of the relevant facts.

Controlled Entity means an Entity in which the individual holds a Controlling Interest.

Controlling Interest means the individual has, directly or indirectly, or acting through or in concert with one or more Persons (1) ownership of five percent or more of the equity of an Entity; (2) ownership, control or power to vote five percent or more of any class of voting securities of an Entity; or (3) power to exercise controlling influence over the management of policies of an Entity from status as a partner, director, officer, or majority shareholder.

Entity means a corporation, company, association, firm, joint venture, partnership (general or limited), trust (business or otherwise), or other business operation whether or not incorporated, including a limited liability company.

Family means parents, spouses or civil union partners, children, siblings, uncles, aunts, nephews, nieces, grandparents, grandchildren, and the spouses of the foregoing, whether arising from biological, adoptive, marital, or other legal means (e.g., stepparents, stepchildren, half-siblings, in-laws). The term also includes anyone residing in the household or who is a legal or financial dependent, regardless of any familial relationship.

FCL means Farm Credit Leasing Services Corporation, a wholly-owned subsidiary of CoBank.

Financial Interest means an interest in an activity, transaction, property, or relationship with a Person that involves receiving or providing something of monetary value or other present or deferred compensation.

Financially Obligated With means having a legally enforceable joint obligation with, being financially obligated on behalf of (contingently or otherwise), having an enforceable legal obligation secured by property owned by another Person, or owning property that secures an enforceable legal obligation of another.

¹ Note: “Affiliated Organizations” is a term used in regulations governing disclosures to shareholders, while “Reportable Business Entities” is a term used in the FCA’s standards of conduct regulations effective January 1, 2023. The use of “Affiliated Organizations” in conjunction with other defined terms in this disclosure questionnaire encompass the information required to be disclosed with respect to Reportable Business Entities.

Immediate Family Member means spouse, parents, siblings, children, mothers- and fathers-in-law, brothers- and sisters-in-law, and sons- and daughters-in-law.

Material, when applied to a Financial Interest or transaction (including a series of transactions when viewed in the aggregate), means that the interest or transaction is of such magnitude that a reasonable person with knowledge of the relevant facts would question the ability of the director who has the interest or is party to such transaction(s) to perform the director's official duties objectively and impartially and in the best interest of CoBank and its statutory purpose.

Member means an ownership interest that is not a Controlling Interest, such as a membership interest in a cooperative.

Ordinary Course of Business, when applied to a transaction, means:

- (1) A transaction that is usual and customary in the business in question on terms that are not Preferential; or
- (2) A transaction with a Person who is in the business of offering the goods or services that are the subject of the transaction on terms that are not Preferential.

Other Related Party means any Family member (other than an Immediate Family Member), business partner of the director, or any other Person with whom the director has a relationship.

Owner means an ownership interest that is a Controlling Interest.

Person means an individual or Entity (including sole proprietorships).

Preferential means that the transaction is not on the same terms as those prevailing at the same time for comparable transactions for other Persons who are not directors, employees or agents of a System Institution.

System Institution means any Farm Credit System bank, association, or service corporation chartered under section 4.25 of the Farm Credit Act, and the Funding Corporation. It does not include the Federal Agricultural Mortgage Corporation.