

From: VanHoose, Todd
Sent: Wednesday, April 11, 2012 11:18 AM
To: Remmler, Erik F
Cc: Donovan, Eileen A.
Subject: RE: Follow up Question

Erik and Eileen – We are continuing to try to find precise numbers for loans to members vs. loans to non-members as well as customer-facing swaps done with members vs. customer-facing swaps done with non-members. It's proving to be a bit more complicated to pull those numbers than I anticipated. I'm told that I should have both later today.

I do have an initial estimate of both numbers that they are both "low." The amount of swaps done with non-members is going to be especially low. During our initial conversations about it, nobody could think of any that we've done but I'm sure there must be at least a couple, basically some where we were the lead in a loan syndication and did a swap in conjunction.

We also internally discussed the dealer exemption based on swaps done with "members" and believe that will likely work well for us. As I mentioned yesterday, we will need to be careful about terms but basically an exemption based on customer-facing swaps done with our member/stockholders will provide the same exemption as the IDI exemption. We believe it's a good way to proceed.

Thanks again and I'll be in touch later today with the precise #s.

Todd

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From: Remmler, Erik F
Sent: Tuesday, April 10, 2012 4:56 PM
To: VanHoose, Todd
Cc: Donovan, Eileen A.
Subject: Follow up Question

Todd – Thank you for meeting with us today. I had a follow up question. What percentage by notional amount of CoBank's swaps *with borrowers* are with members? Does CoBank enter into swaps with non-member borrowers?

Thanks

Erik F. Remmler
Associate Director
Commodity Futures Trading Commission