



February 25, 2010

**CFC Agrees To Settlement From CoBank Relating
To Unauthorized Access To CFC's Password-Protected Extranet**

The National Rural Utilities Cooperative Finance Corporation (CFC), a private not-for-profit cooperative created by America's consumer-owned rural electric cooperatives, announced today that CoBank has agreed to a settlement relating to CFC's discovery that for a period of years CoBank employees improperly accessed confidential and proprietary information from CFC's password-protected, web-based "Extranet."

In connection with the settlement, CoBank's Chief Legal and Regulatory Officer, Mark Yonkman, stated: "CoBank acknowledges that for a period of years CoBank employees accessed confidential and proprietary information from a password-protected 'Extranet' of its competitor, CFC, without authorization from CFC. The settlement includes a monetary payment to CFC as well as non-monetary commitments, including an agreement not to engage in the challenged conduct in the future."

CFC notified CoBank immediately upon discovery of the unauthorized access, and CoBank responded promptly.

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CoBank has consented to the issuance of this statement.