

OFFERING CIRCULAR

\$2,000,000,000

Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes



Due One to 30 Years from Date of Issue

The Federal Farm Credit Banks Funding Corporation, a corporation chartered under the laws of the United States of America as agent for the Banks of the Farm Credit System (the "Funding Corporation"), proposes to offer for sale from time to time Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes Due One to 30 Years from Date of Issue (the "Notes") in an aggregate principal amount of up to \$2,000,000,000.

The Notes will be issued under the authority of the Farm Credit Act of 1971, as amended, and the regulations of the Farm Credit Administration thereunder. Pursuant to the Act, the Notes will be the joint and several obligations of the Banks of the Farm Credit System (the "Banks"). **THE NOTES WILL NOT BE OBLIGATIONS OF, NOR ARE THEY GUARANTEED BY, THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY THEREOF, OTHER THAN THE BANKS.**

The Notes will rank equally with Federal Farm Credit Banks Consolidated Systemwide Bonds, Federal Farm Credit Banks Consolidated Systemwide Notes, and the other unsecured debt securities on which the Banks are jointly and severally liable. Such debt securities, including the Notes, are not subject to acceleration prior to maturity upon the occurrence of any default or other similar event.

The Notes will be issued in book-entry form only on the book-entry system of the Federal Reserve Banks. The Notes will be issued and must be maintained and transferred in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof.

The Notes will have various interest rates, interest rate formulae, maturities, selling prices, and other terms as agreed to by the Funding Corporation and the purchaser. Each Note, except for a Zero-Coupon Note, will be sold at 100% of its principal amount unless otherwise agreed to by the Funding Corporation and the purchaser. The Notes will have maturities from one to 30 years and, unless otherwise provided in a supplement hereto and agreed to by the Funding Corporation and the purchaser, the Notes will not be subject to redemption prior to maturity.

Unless otherwise agreed to by the Funding Corporation and the purchaser, and subject to the exceptions set forth herein, (i) interest on Fixed-Rate Notes will be payable semi-annually each January 20 and July 20 and (ii) interest on Floating-Rate Notes will be payable quarterly each January 20, April 20, July 20, and October 20. See "Description of the Notes."

The Notes will be offered from time to time by the Funding Corporation through various investment dealers and dealer banks (the "Agents"), which have agreed to use their best efforts to solicit offers to purchase the Notes. The Funding Corporation will pay a commission to the Agents for sales of Notes through such Agents ranging from 0.100% to 0.375% of their issue prices, depending upon the maturity of the Note. The Notes may also be sold directly by the Funding Corporation. No commission will be payable on sales made directly by the Funding Corporation. In addition, the Notes may be sold to any Agent as principal for resale to investors at varying prices, according to prevailing market prices at the time of resale, as determined by such Agent.

The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular may come should inform themselves about and observe any such restrictions. The Notes are exempt from the registration requirements of the Securities Act of 1933. Accordingly, no registration statement has been filed with the Securities and Exchange Commission. Neither the Funding Corporation nor the Banks are subject to the periodic reporting requirements of the Securities Exchange Act of 1934.

The Notes will not be listed on any securities exchange and there can be no assurance that the Notes described in this Offering Circular will be sold or that there will be a secondary market for the Notes. The Funding Corporation or any of the Agents that solicit any offer may reject such offer in whole or in part. See "Distribution."

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.
Incorporated

Shearson Lehman Hutton Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc

The date of this Offering Circular is March 27, 1989

IMPORTANT INFORMATION

Important information regarding the Banks and the Farm Credit System, including combined financial information, is contained in disclosure information made available by the Funding Corporation. This information consists of the Farm Credit System Annual and Quarterly Information Statements (collectively, "Information Statements") and certain press releases issued from time to time, all of which are hereby incorporated by reference into this Offering Circular. Such disclosure information and the Farm Credit System Annual Report to Investors, for the current and two preceding fiscal years, are available for inspection at the Federal Farm Credit Banks Funding Corporation, 90 William Street, New York, New York 10038; Telephone: (212) 908-9400. Copies of such disclosure information and reports will be furnished, without charge, upon request to the Funding Corporation. Copies of this Offering Circular and the Information Statements are available from the Agents.

TABLE OF CONTENTS

	<u>Page</u>
Summary	3
The Farm Credit System.....	5
Description of the Notes.....	5
Certain Tax Consequences.....	12
Distribution	17

No dealer, salesman, or other person has been authorized to give any information or to make any representations not given or contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorized by the Funding Corporation or the Banks. This Offering Circular does not constitute an offer to sell or a solicitation of any offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. The delivery of this Offering Circular at any time does not imply that the information given herein is correct at any time subsequent to the date hereof.

SUMMARY

The information below is qualified in its entirety by the detailed information appearing elsewhere in this Offering Circular and in the Information Statements and other material incorporated herein by reference.

Obligors	The Banks of the Farm Credit System (the "Banks") are instrumentalities of the United States, federally chartered under the Farm Credit Act of 1971, as amended (the "Act"), and are subject to regulation by the Farm Credit Administration (the "FCA"). The Farm Credit System is a nationwide system of lending institutions and affiliated entities which provides credit and related services to farmers, ranchers, producers or harvesters of aquatic products, rural homeowners, certain farm-related businesses, agricultural and aquatic cooperatives, and rural utilities.
Funding Corporation	The Federal Farm Credit Banks Funding Corporation (the "Funding Corporation") is a corporation established under the laws of the United States of America as agent for the Banks in the issuance of debt securities and related matters.
Issue	Up to \$2,000,000,000 aggregate principal amount of Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes Due One to 30 Years from Date of Issue (the "Notes"). The Notes may be offered at fixed rates of interest ("Fixed-Rate Notes"), with no periodic interest payments ("Zero-Coupon Notes"), or with interest payable at floating rates ("Floating-Rate Notes") which may be determined as described herein by reference to the 91-day U.S. Treasury Bill rate ("T-Bill—Indexed Notes") or the London Interbank Offered Rate ("LIBOR—Indexed Notes"). Any Notes offered at floating rates of interest based on other reference rates will be described in supplements to this Offering Circular.
Offering	The Notes will be offered in the United States from time to time through the Agents by the Funding Corporation. The Notes may also be sold directly by the Funding Corporation. Interest rates, spreads, issue prices, maturities and any maximum or minimum interest rate limitations on floating rates will be established from time to time by the Funding Corporation. Such information will be made available through the Agents, and may also be made available through certain information services.
General	The Notes will be issued under the authority of the Act and the FCA regulations thereunder. Pursuant to the Act, the Notes will be the joint and several obligations of the Banks. The Notes will rank equally with Federal Farm Credit Banks Consolidated Systemwide Bonds, Federal Farm Credit Banks Consolidated Systemwide Notes and the other unsecured debt securities on which the Banks are jointly and severally liable. Such debt securities, in-

cluding the Notes, are not subject to acceleration prior to maturity upon the occurrence of any default or other similar event. The Notes are exempt from the registration requirements of the Securities Act of 1933. Accordingly, no registration statement has been filed with the Securities and Exchange Commission. Neither the Funding Corporation nor the Banks are subject to the periodic reporting requirements of the Securities Exchange Act of 1934. **The Notes will not be obligations of, nor are they guaranteed by, the United States or any agency or instrumentality thereof, other than the Banks.**

Form and Denominations	The Notes will be issued in book-entry form only on the book-entry system of the Federal Reserve Banks. The Notes will be issued and must be maintained and transferred in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof.
Maturity Dates	The Notes will have maturities of not less than one year nor more than 30 years from the date of issue as agreed to by the Funding Corporation and the purchaser. Unless otherwise agreed to by the Funding Corporation and the purchaser, the maturity date of a Floating-Rate Note will coincide with the final interest payment date for such Note.
Interest Payments	Unless otherwise agreed to by the Funding Corporation and the purchaser, and subject to the exceptions set forth herein, (i) interest on Fixed-Rate Notes will be payable semi-annually each January 20 and July 20 and (ii) interest on Floating-Rate Notes will be payable quarterly each January 20, April 20, July 20, and October 20. See "Description of the Notes." Interest on each Note will accrue from and including its date of issue to its maturity date.
Settlement	Settlement of the Notes will occur on the settlement date selected by the Funding Corporation, which shall be three to seven Business Days (as defined herein) after the Funding Corporation's acceptance of an offer to purchase Notes unless the Funding Corporation and a purchaser shall agree on a different date. Payment for the Notes shall be made in immediately available funds.
Redemption	Unless otherwise provided in a supplement hereto and agreed to by the Funding Corporation and the purchaser, the Notes will not be subject to redemption prior to maturity.
Use of Proceeds	Proceeds from the sale of the Notes will be used for general corporate purposes of the Banks.

FARM CREDIT SYSTEM

The Farm Credit System (the "System") is a nationwide system of lending institutions and affiliated service and other entities. Through its Banks and associations, the System provides credit and other related services to farmers, ranchers, producers and harvesters of aquatic products, rural homeowners, certain farm-related businesses, agricultural and aquatic cooperatives, and rural utilities. System institutions are federally chartered under the Act and are subject to regulation by a Federal agency, the FCA. The Banks and associations are cooperatively owned, directly or indirectly, by their respective borrowers.

Unlike commercial banks and other financial institutions which lend to the agricultural sector, System institutions are restricted by the Act to making loans only to the agricultural sector and to certain related businesses. Moreover, the System is required to make credit and other services available to borrowers in all areas of the country. In order to fulfill its broad statutory mandate, the System maintains lending units in all 50 states and the Commonwealth of Puerto Rico.

The System obtains funds for its lending operations primarily from the sale of debt securities known as Federal Farm Credit Banks Consolidated Systemwide Bonds and Federal Farm Credit Banks Consolidated Systemwide Notes, which are issued through the Funding Corporation. Pursuant to the Act, Systemwide debt securities are joint and several obligations of the Banks, but are not obligations of and are not guaranteed by the United States or any agency or instrumentality thereof, other than the Banks.

On January 6, 1988, the President of the United States signed into law the Agricultural Credit Act of 1987 (the "1987 Act") to address many of the problems facing the System in late 1987. The 1987 Act has had and is expected to continue to have a significant impact on the financial condition of certain System institutions and on the operations and organizational structure of the System as a whole.

Reference should be made to current Farm Credit System Annual and Quarterly Information Statements for more information concerning the System and its operations, including a discussion of the status of mergers, capitalization plans, and other steps taken by System institutions to implement the provisions of the 1987 Act.

DESCRIPTION OF THE NOTES

The Notes will be issued under the authority of the Act and the regulations of the FCA thereunder in book-entry form only. Pursuant to the Act, the Notes are the joint and several obligations of the Banks of the Farm Credit System. The Notes will rank equally with Federal Farm Credit Banks Consolidated Systemwide Bonds, Federal Farm Credit Banks Consolidated Systemwide Notes, and other unsecured debt securities on which the Banks are jointly and severally liable pursuant to the Act. Such debt securities, including the Notes, are not subject to acceleration prior to maturity upon the occurrence of any default or other similar event. **The Notes are not obligations of, nor are they guaranteed by, the United States or any agency or instrumentality thereof, other than the Banks.**

The Act and FCA regulations require, as a condition for a Bank's participation in the issuance of Systemwide debt securities such as the Notes, that each such Bank maintain specified eligible assets (referred to in the Act as "collateral") at least equal in value to the total amount of Systemwide debt securities for which it is primarily liable. The collateral requirement does not provide holders of Systemwide debt securities with any security interest in any assets of the Banks.

The summaries herein of certain provisions of the Act and the FCA regulations thereunder do not purport to be complete and are qualified in their entirety by reference to the provisions of the Act and such regulations.

General

The Notes will be issued from time to time in an aggregate principal amount of up to \$2,000,000,000 with dates of maturity ("Maturity Dates") from one to 30 years from the date of issuance. The Notes may be offered as (i) Fixed-Rate Notes with interest payable at fixed rates, (ii) Zero-Coupon Notes with no periodic interest payments, or (iii) Floating-Rate Notes with interest payable at floating rates. Interest rates, spreads, issue prices, Maturity Dates, and any minimum or maximum interest rate limitations on floating rates will be established from time to time by the Funding Corporation. Such information will be available through the Agents and may also be made available through certain information services. In addition, the Funding Corporation may from time to time offer other types of Notes which will be described in supplements to this Offering Circular.

The interest rate in effect from time to time on a Floating-Rate Note will be determined by reference to an interest rate formula based upon a specified index rate (the "Reference Rate"), and may also include a "Spread," and may be subject to maximum and/or minimum interest rates. The Reference Rate may be, but will not be limited to (i) the 91-day U.S. Treasury Bill rate (the "T-Bill Rate") for T-Bill-Indexed Notes or (ii) the London Interbank Offered Rate ("LIBOR") for LIBOR-Indexed Notes, each determined as described below. The Spread is the constant amount or percentage, if any, to be added to, subtracted from or multiplied by the Reference Rate, as the case may be, to determine the interest rate for each Reset Period or Interest Period, as the case may be. Any Floating-Rate Notes offered at a floating rate of interest based on a Reference Rate other than the T-Bill Rate or LIBOR will be described in supplements to this Offering Circular.

The terms of the Notes are subject to change by the Funding Corporation; provided, however, that any such change will not affect the terms of any Note that has already been issued or as to which an offer to purchase has been accepted by the Funding Corporation. At the time of sale, the Funding Corporation and the purchaser shall agree upon the final terms of each Note, including, as applicable, the principal amount thereof, the issue price, the issue date, the Maturity Date, the interest rate, the Reference Rate, Spread, any minimum or maximum interest rate limitations, the interest payment frequency, the interest rate reset frequency, and the settlement date. Except for the Notes sold directly by the Funding Corporation, payment for a Note will be effected on the applicable settlement date by payment of the sales price for such Note, less the presenting Agent's commission. Settlement of the Notes will occur on the settlement date selected by the Funding Corporation, which shall be three to seven Business Days after the Funding Corporation's acceptance of an offer to purchase the Notes unless the Funding Corporation and a purchaser shall agree on a different date. Payment for the Notes shall be made in immediately available funds.

The final terms of each Note shall be set forth in a term sheet which shall be sent to each purchaser by the Agent through which such Note was purchased and which, together with this Offering Circular and any applicable supplement hereto, shall contain a description of the terms of such Note. From time to time, the Banks may issue Notes with identical interest rates, Maturity Dates, and other terms and conditions as Notes already outstanding.

The Notes will be issued in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof and will be issued in book-entry form only through the Federal Reserve Banks as described below under "Book-Entry System." Payments of principal and interest on the Notes will be paid on the applicable payment dates to Holders (as such term is defined under "Book-Entry System") of such Notes on each Interest Payment Date, as defined below, and the Maturity Date, by credit of the payment amount to the Holders' accounts at the Federal Reserve Banks in immediately available funds. The Holder and each other financial intermediary in the chain to the beneficial owner will have the responsibility of remitting payments for the accounts of their customers.

Payments of Interest and Principal

Unless otherwise agreed to by the Funding Corporation and the purchaser, and subject to the exceptions set forth below, (i) interest on Fixed-Rate Notes shall be payable semi-annually each January 20, and July 20 and at maturity and (ii) interest on Floating-Rate Notes shall be payable quarterly each January 20, April 20, July 20, and October 20. The foregoing dates are referred to herein as "Interest Payment Dates." If, however, a Note is issued during the ten-day period prior to what would otherwise be an Interest Payment Date applicable to that Note, then the first Interest Payment Date shall be the next succeeding date which is an Interest Payment Date applicable to that Note.

The final interest on, together with principal of, each Note will be paid on the Maturity Date agreed to by the Funding Corporation and the purchaser. Unless otherwise agreed to by the Funding Corporation and the purchaser, the Maturity Date of any Floating-Rate Note shall coincide with the final Interest Payment Date for such Note.

In any case in which an Interest Payment Date or the Maturity Date is not a Business Day, payment of interest or principal, as the case may be, shall be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or Maturity Date. "Business Day" means (i) any day other than a Saturday or Sunday or a day on which banking institutions in New York City are required by or authorized by law or executive order to close and (ii) for purposes of calculating LIBOR, any day on which dealings in deposits in U.S. dollars are carried on in the London interbank market.

Interest on Fixed-Rate Notes

Each Fixed-Rate Note will bear interest from its date of issue to its Maturity Date at a specified annual interest rate. Interest payments on the Fixed-Rate Notes will include interest accrued to but excluding the respective Interest Payment Dates or the Maturity Date, as the case may be. Interest on Fixed-Rate Notes will be computed on the basis of a 360-day year of twelve 30-day months.

Interest on Floating-Rate Notes

As used herein, "Interest Period" for a Floating-Rate Note means the period from and including the issue date of such Note up to but excluding the first Interest Payment Date for such Note and thereafter each successive period from and including one Interest Payment Date up to but excluding the next succeeding Interest Payment Date or Maturity Date, as the case may be.

T-Bill-Indexed Notes. Each T-Bill-Indexed Note will bear interest from its date of issue to its Maturity Date at a Reference Rate equal to the T-Bill Rate calculated as provided below under "Calculation of T-Bill Rate," either plus, minus, or multiplied by a Spread, if any. The T-Bill-Indexed Notes may also have either or both of the following: (i) a maximum numerical interest rate limitation on the rate of interest which may accrue during any Interest Period; and (ii) a minimum numerical interest rate limitation (in excess of zero percent) on the rate of interest which may accrue during any Interest Period. If any T-Bill Rate per annum for any day would be greater than the maximum interest rate limitation on such Note, if any, then the T-Bill Rate for that day shall be equal to the maximum interest rate limitation, or, if any such T-Bill Rate per annum for any day would be less than the minimum interest rate limitation on such Note, if any, then the T-Bill Rate for that day shall be equal to the minimum interest rate limitation on such Note. Interest on T-Bill-Indexed Notes will be computed on the basis of the actual number of days in the applicable Interest Period and a year of 365 days, unless any portion of the Interest Period falls in a leap year, in which case interest will be computed based upon the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 plus (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365.

Calculation of T-Bill Rate. The T-Bill Rate will be equal to the weighted average per annum discount rate (expressed on a bond-equivalent basis and applied on a daily basis) for direct obligations of the United States with a maturity of thirteen weeks (“91-day Treasury Bills”) sold at the applicable 91-day Treasury Bill auction generally held weekly, as published by the Board of Governors of the Federal Reserve System or as reported by the Department of the Treasury. Such T-Bill Rate will be subject to weekly adjustment on the calendar day following each auction of 91-day Treasury Bills; provided, however, that (i) the T-Bill Rate in effect from the first day of each Interest Period, including the initial Interest Period, through the date of the first 91-day Treasury Bill auction on or after the first day of such Interest Period shall be based upon the results of the most recent 91-day Treasury Bill auction prior to such day, and (ii) the T-Bill Rate in effect for the period beginning six Business Days prior to an Interest Payment Date, including the Maturity Date, and ending on the calendar day preceding such Interest Payment Date shall be based upon the results of the most recent 91-day Treasury Bill auction prior to such period. In the event that the results of the auctions of 91-day Treasury Bills cease to be published or reported as provided above, or that no auction is held in a particular week, then the interest rate in effect for the T-Bill-Indexed Notes at the time of the last such publication or report will remain in effect until such time, if any, as the results of auctions of 91-day Treasury Bills shall again be so published or reported.

Accrued Interest Factor for T-Bill-Indexed Notes. Accrued interest from the last date through which interest has been paid to the current date is calculated by multiplying the principal amount of a T-Bill-Indexed Note by an “accrued interest factor.” This factor is computed by adding the interest rates applicable to each day on which such Note has been outstanding since the last date through which interest has been paid and dividing the sum by the actual number of days in the year in which interest will be paid. The following table sets forth the accrued interest factors that would have been applicable to the T-Bill-Indexed Notes on the days specified had they borne interest at the rates indicated in the third column:

<u>Settlement Date</u>		<u>Days Outstanding</u>	<u>Assumed Interest Rates on the Notes</u>	<u>Accrued Interest Factors</u>
1st		0	10.000%	0.000000000
2nd		1	10.000%	0.000273973
3rd		2	10.000%	0.000547945
4th		3	10.000%	0.000821918
5th	First interest rate adjustment	4	10.050%	0.001095890
6th		5	10.050%	0.001371233
7th		6	10.050%	0.001646575
8th		7	10.050%	0.001921918
9th		8	10.050%	0.002197260
10th		9	10.050%	0.002472603

Information concerning the current T-Bill Rate and the accrued interest factor will be available by telephoning the Funding Corporation at (212) 908-9400 between the hours of 9 a.m. and 4 p.m. New York City time and may also be available through certain information services.

LIBOR-Indexed Notes. Each LIBOR-Indexed Note will bear interest for the initial period from its date of issue up to but not including the first Reset Date (as defined below) at a specified initial interest rate and for each subsequent Reset Period (as defined below) to its Maturity Date at a Reference Rate equal to LIBOR calculated as provided below under “Calculation of LIBOR,” either plus, minus, or multiplied by a Spread, if any. The LIBOR-Indexed Notes may also have either or both of the following: (i) a maximum numerical interest rate limitation on the rate of interest which may accrue during any Reset Period, and (ii) a minimum numerical interest rate limitation (in excess of zero percent) on

the rate of interest which may accrue during any Reset Period. If any such interest rate per annum for any Reset Period would be greater than the maximum interest rate limitation on such Note, if any, then such interest rate per annum for the Reset Period shall be equal to the maximum interest rate limitation, or, if any such interest rate per annum for any Reset Period would be less than the minimum interest rate limitation on such Note, if any, then such interest rate per annum for the Reset Period shall be equal to the minimum interest rate limitation on such Note. Interest on the LIBOR-Indexed Notes will be computed on the basis of a 360-day year and the actual number of days in the applicable Interest Period.

Calculation of LIBOR. LIBOR will be determined in the manner set forth below for each Reset Period. All percentages relating to calculation of interest on the LIBOR-Indexed Notes will be rounded to the nearest 1/100,000 of 1%, and dollar amounts used in or resulting from such calculations will be rounded to the nearest cent.

LIBOR will be the British Banker's Association (the "BBA") Interest Settlement Rate for deposits in U.S. dollars having a maturity corresponding to the applicable Reset Period as posted by the information vendor designated by the BBA as of approximately 11:00 a.m. (London time) on the Determination Date corresponding to the relevant Reset Period. "Determination Date" means, with respect to any Reset Period of a LIBOR-Indexed Note, the date which is two Business Days prior to the Reset Date beginning such period. Unless otherwise set forth in a supplement hereto and agreed to by the Funding Corporation and a purchaser, "Reset Period" means, with respect to a LIBOR-Indexed Note, (i) each one-month period beginning on the 20th day of the month in the case of LIBOR-Indexed Notes with monthly Reset Periods, or (ii) each three-month period beginning on January 20, April 20, July 20, and October 20 in the case of LIBOR-Indexed Notes with quarterly Reset Periods. "Reset Date" means the first day of a Reset Period. Currently, the BBA Interest Settlement Rate is calculated and published by Telerate, which calculates the BBA Interest Settlement Rate by (i) taking the rates quoted to it by eight BBA-designated banks as being in their view the offered rates at which fixed rate deposits in U.S. dollars are being quoted to prime banks in the London interbank market at 11:00 a.m., London time, (ii) eliminating the two highest rates (or, in the event of equality, two of the highest) and the two lowest rates (or, in the event of equality, two of the lowest) and taking the arithmetic average of the remaining four rates and then (if necessary) rounding the resultant figure upwards to five decimal places.

If the calculation described above is unavailable on a Determination Date, the Funding Corporation will request the principal London offices of four major banks in the London interbank market selected by the Funding Corporation to provide the Funding Corporation with their offered quotations on such Determination Date for fixed rate deposits in U.S. dollars having a maturity corresponding to the applicable Reset Period to prime banks in the London interbank market as of approximately 11 a.m., London time, on that Determination Date, in a principal amount equal to an amount not less than U.S. \$1 million that is representative for a single transaction in that market at such time. If at least two such quotations are provided, LIBOR will be the arithmetic mean (rounded as described above) of such quotations. If fewer than two quotations are provided, LIBOR in respect to that Reset Period will be the arithmetic mean (rounded as described above) of the rate quoted as of approximately 11 a.m., New York City time, on the Determination Date by three major banks in New York City selected by the Funding Corporation for fixed rate deposits in U.S. dollars having a maturity corresponding to the applicable Reset Period to leading European banks, and in a principal amount equal to an amount not less than U.S. \$1 million that is representative for a single transaction in that market at such time; provided, however, that if the banks selected as aforesaid by the Funding Corporation are not quoting as described in this sentence, then the interest rate in effect for the LIBOR-Indexed Note on the immediately preceding Determination Date will remain in effect for the applicable Reset Period.

Accrued Interest Factor for LIBOR-Indexed Notes. Accrued interest for LIBOR-Indexed Notes will be calculated by multiplying the principal amount of a LIBOR-Indexed Note by an “accrued interest factor.” This accrued interest factor is computed by adding the interest rates applicable to each day on which such Note has been outstanding since the last date through which interest has been paid and dividing the sum by 360. The following table sets forth the accrued interest factors that would have been applicable to the LIBOR-Indexed Notes on the days specified had they borne interest at the rates indicated in the third column:

<u>Settlement Date</u>	<u>Days Outstanding</u>	<u>Assumed Interest Rates on the Notes</u>	<u>Accrued Interest Factors</u>
1st	0	10.00000%	0.000000000
2nd	1	10.00000%	0.000277778
3rd	2	10.00000%	0.000555556
.	.	10.00000%	.
.	.	10.00000%	.
18th	17	10.00000%	0.004722222
19th	18	10.00000%	0.005000000
20th	19	10.12500%	0.005277778
21st	20	10.12500%	0.005559028
22nd	21	10.12500%	0.005840278

The interest rate in effect on each day will be (a) if such day is a Reset Date, the interest rate with respect to the Determination Date pertaining to such Reset Date, or (b) if such day is not a Reset Date, the interest rate with respect to the Determination Date pertaining to the next preceding Reset Date; provided, however, that the interest rate in effect for the period from the date of issue to the first Reset Date with respect to LIBOR-Indexed Notes will be an initial interest rate as agreed upon by the Funding Corporation and the purchaser of such Note.

Information concerning the applicable rates of interest on the LIBOR-Indexed Notes will be available by telephoning the Funding Corporation at (212) 908-9400 between the hours of 9 a.m. and 4 p.m. New York City time and may also be available through certain information services.

Redemption and Purchase

The Notes are not subject to redemption prior to maturity unless otherwise provided in a supplement hereto and agreed to by the Funding Corporation and a purchaser. The Funding Corporation and the Banks may at any time, and from time to time, purchase Notes at any price or prices in the open market or otherwise.

Book-Entry System

The Notes will be issued and maintained, and may be transferred, only on the book-entry system of the Federal Reserve System, in minimum principal amounts of \$100,000 and integral multiples of \$1,000 in excess thereof. Each Note will be issued by means of entries on a Federal Reserve Bank's records of (1) the name of the entity for whose account the Notes have been deposited (a “Holder”), (2) the Holder's employer identification number, when appropriate, and (3) the amount, maturity date and a unique nine-digit number used to identify it on the records of the Federal Reserve Banks (the “CUSIP Number”).

The Federal Reserve Banks will maintain book-entry accounts with respect to the Notes and make payments, on behalf of the Funding Corporation, of interest on and principal of such Notes on the applicable payment dates by crediting Holders' (as defined below) accounts at the Federal Reserve Banks. The book-entry records of the Federal Reserve Banks will reflect a Holder's aggregate holdings of the Notes.

Regulations governing the use of the book-entry system for Systemwide debt securities, including the Notes, issued in book-entry form are contained in FCA regulations governing the Banks' debt

securities, 12 CFR Part 615, Subpart 0, as amended from time to time (“Farm Credit Securities Regulations”). The regulations governing United States securities set forth in Treasury Department Circular Number 300, 31 CFR Part 306 (other than Subpart 0 thereof) as amended from time to time, also apply, as appropriate, to debt securities of the Banks for which the Federal Reserve Banks act as the Banks’ agent. The latter regulations and procedures relate primarily to the registration, transfer, exchange, and pledge of such debt securities. Copies of the Farm Credit Securities Regulations may be obtained upon request from the Funding Corporation and copies of Circular No. 300 may be obtained upon request from any Federal Reserve Bank, the Treasury Department or the Funding Corporation. The accounts of Holders (as defined below) on the Federal Reserve Banks’ book-entry system are governed by the foregoing and by applicable operating circulars and letters of the Federal Reserve Banks.

The Notes may be held of record only by entities eligible to maintain book-entry accounts with the Federal Reserve Banks (“Holding Institutions”). Such entities whose names appear on the book-entry records of a Federal Reserve Bank as the entities for whose accounts the Notes have been deposited are herein referred to as “Holders.” A Holder is not necessarily the beneficial owner of a Note. Beneficial owners will ordinarily hold the Notes through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. A Holder that is not the beneficial owner of a Note, and each other financial intermediary in the chain to the beneficial owner, will have the responsibility of establishing and maintaining accounts for their respective customers. The rights of the beneficial owner of a Note with respect to the Banks, the Funding Corporation and the Federal Reserve Banks may be exercised only through the Holder thereof. The Banks, the Funding Corporation and the Federal Reserve Banks will have no direct obligation to a beneficial owner of a Note that is not also the Holder of the Note. The Federal Reserve Banks will act only upon the instructions of Holders in recording transfers of the Notes. The Banks, the Funding Corporation and the Federal Reserve Banks may treat the Holders as the absolute owners of the Notes for the purpose of making payment and for all other purposes.

At maturity the Notes shall be paid and charged to the Funding Corporation’s account at the Federal Reserve Bank of New York. Principal and interest shall be remitted or credited in accordance with the instructions from the Holding Institution or other Federal Reserve Bank depositor for whose account the Notes shall have been maintained. Notes may be transferred between Holding Institutions and Holders in Federal Reserve Districts where the respective Federal Reserve Banks have adopted appropriate procedures, in accordance with such procedures.

Governing Law

The Notes are governed by and construed in accordance with the Act and the FCA regulations thereunder and, in the absence of controlling provisions thereof, by the laws of the State of New York.

Secondary Market Risks

The Notes will not have an established trading market when issued. Each Agent has agreed to use its best efforts to facilitate secondary market transactions in the Notes. The Notes will not be listed on any securities exchange. Certain Agents may make a market in the Notes, but such Agents may discontinue any market-making at any time without notice. There can be no assurance of a secondary market for the Notes.

The prices at which zero-coupon instruments such as Zero-Coupon Notes may trade in secondary markets tend to fluctuate more in relation to general changes in interest rates than do such prices for conventional interest-bearing securities of comparable maturities.

CERTAIN TAX CONSEQUENCES

The following is a summary of certain United States Federal and other tax consequences of the ownership of Notes. It is based on the Act, the Internal Revenue Code of 1986, as amended (the "Code"), and final, temporary and proposed Treasury regulations, Revenue Rulings, and judicial decisions, all as of the date hereof. It is also based upon certain of the facts set forth in this Offering Circular and upon standard procedures followed in connection with the offer and sale of the Notes. This summary deals only with Notes held as capital assets by their original purchasers and does not address special tax situations. This summary does not purport to cover all the possible tax consequences of the purchase, ownership or disposition of the Notes and is not intended as tax advice to any holder thereof. Persons considering the purchase of Notes should consult their own tax advisors concerning the application of the income tax laws of the United States to their particular situation as well as any consequences arising under the laws of any State or other taxing jurisdiction.

Additional United States Federal and state income and other tax consequences applicable to particular Notes may be set forth in supplements hereto.

General

The Act provides that the Notes and the interest thereon are exempt from state, municipal, and local income taxation. Legislation analogous in certain respects to the Act has been construed as not exempting securities similar to the Notes or interest thereon from non-discriminatory franchise taxes or other non-property taxes in lieu thereof imposed on corporations. As described in greater detail below, interest on the Notes is not exempt from United States Federal income taxation. In addition, gain from the sale or other disposition of the Notes or their transfer by inheritance, gift, etc., is not exempt from United States Federal, state, or local taxation.

United States Owners

As used herein, "United States Owner" means a beneficial owner of a Note that is a United States person. A "non-United States Owner" is an owner that is not a United States person. As used herein, "United States person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof, or an estate or trust, the income of which is subject to United States Federal income taxation regardless of its source. "United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions (including the Commonwealth of Puerto Rico) and other areas subject to its jurisdiction.

In general, interest (including original issue discount) on a Note will be treated as ordinary interest income to the United States Owner of the Note at the time it accrues or is received, in accordance with the United States Owner's method of accounting for tax purposes, or, in the case of original issue discount, specific United States Federal income tax provisions. The amount of original issue discount or market discount (as discussed below) which is includible in income in respect of a Note while held by a United States Owner will be added to such United States Owner's tax basis for such Note, and such basis will be reduced by any amortized acquisition premium (as discussed below) and amounts of other payments that do not constitute qualified periodic interest (as defined below). A United States Owner of the Note will recognize gain or loss on the sale, exchange, or retirement of such Note equal to the difference between the amount realized thereon and such owner's tax basis of the Note, which gain or loss will generally be capital gain or loss (except to the extent of market discount that is treated as having accrued) and will be long-term capital gain or loss if at the time of sale, exchange or retirement the Note has been held for more than one year. Although capital gains are currently taxed at the same rate as ordinary income, the distinction between capital gain or loss and ordinary income or loss remains relevant for purposes of limitations on the deductibility of capital losses.

Original Issue Discount. A Note with an "issue price" which is less than its "stated redemption price at maturity" will generally be considered to be issued at an original issue discount for Federal income tax purposes. Generally, however, under the "de minimis exception," if the difference between a Note's "stated redemption price at maturity" and its "issue price" is less than .25 percent of

the stated redemption price at maturity multiplied by the number of complete years to maturity, the Note will not be considered to have original issue discount. "Issue price" is defined generally as the initial offering price to the public at which a substantial amount of the particular issue of Notes is sold. "Stated redemption price at maturity" is defined generally as the amount payable on an obligation at maturity, except for certain interest payments. Under Treasury Regulations issued in proposed form on April 8, 1986 (the "Proposed Regulations"), stated redemption price at maturity includes all amounts payable on an obligation with the exception of "qualified periodic interest payments." "Qualified periodic interest payments" are defined as a series of payments equal to the product of the outstanding principal balance of the Note and a single fixed rate of interest, or a variable rate based on current values of an objective interest index, made at fixed periodic intervals of one year or less over the life of the obligation, but do not include any payments on an obligation with a term of one year or less. (See below for a discussion of the application of the de minimus rule for obligations with a term of one year or less.)

United States Owners of Notes with original issue discount that mature more than one year from the date of issuance will be required to include original issue discount in gross income for United States Federal income tax purposes as it accrues, in accordance with a constant interest method based on a compounding of interest, in advance of receipt of the cash payments attributable to such income. Such original issue discount will result in the acceleration of recognition of ordinary income to cash method United States Owners. Under the constant interest method, United States Owners of such Notes will be required to include in income increasingly greater amounts of original issue discount.

The Proposed Regulations provide that debt securities having a floating rate of interest which is not based on current values of an objective interest index will be treated as having original issue discount, and that interest on such debt securities will be treated as contingent interest, generally includible in income as it becomes fixed, to the extent that such interest exceeds minimum stated interest, if any. It is unclear how the Proposed Regulations will apply to Floating-Rate Notes which bear interest at a floating rate subject to an interest rate ceiling and/or floor. Under the Proposed Regulations, interest payments on such Floating-Rate Notes, whether or not based on current values of an objective interest index, may constitute, *inter alia*, (i) qualified periodic interest payments, includible in income only when accrued or received in accordance with the United States Owner's method of accounting for tax purposes, or (ii) to the extent that such interest payments exceed any minimum stated interest, contingent interest payments, generally includible in income as they become fixed.

A Note issued under circumstances in which interest is first payable on such Note only on the second Interest Payment Date following the issue date is a "long-period Note." The Proposed Regulations currently provide that none of the interest payments on a "long-period Note" will be considered qualified periodic interest, with the result that (i) a "long-period Note" will be treated as issued with original issue discount, (ii) the United States Owner will be required to include in income, in accordance with the rules described above, an aggregate amount of original issue discount equal to the total amount of stated interest payable on the "long-period Note" and (iii) the adjusted basis of a "long-period Note" will be increased by the amount of original issue discount included in income by the United States Owner and reduced by the amount of any payments of stated interest.

Under the Proposed Regulations, all payments (including all stated interest) with respect to a Note will be included in the stated redemption price at maturity if the Note has a term of one year or less (a "short-term Note") and, thus, United States Owners will be taxable on discount in lieu of stated interest. As a result, short-term Notes will in almost all circumstances fall outside the de minimus exception discussed above. The discount will be equal to the excess of the stated redemption price at maturity over the issue price of a short-term Note, unless the United States Owner elects to compute this discount using tax basis instead of issue price. The issue price of a short-term Note will be the initial offering price to the public at which a substantial amount of the particular issue of short-term Notes is sold. In general, an individual or other cash method United States Owner of a short-term

Note is not required to accrue such discount for United States Federal income tax purposes unless an election is made to do so. United States Owners who report income for Federal income tax purposes on the accrual method and certain other United States Owners, including banks and dealers in securities, are required to accrue discount on such short-term Notes (as ordinary income) on a straight-line basis, unless an election is made to accrue the discount according to a constant interest method based on daily compounding. The amount of discount which accrues in respect of a short-term Note while held by a United States Owner will be added to such owner's tax basis for such Note to the extent included in income. In the case of a United States Owner who is not required, and does not elect, to include discount in income currently, any gain realized on the sale, exchange or retirement of the short-term Note will be ordinary income to the extent of the discount accrued on a straight-line basis (or, if elected, according to a constant interest method based on daily compounding) through the date of sale, exchange or retirement. In addition, such non-electing United States Owners which are not subject to the current inclusion requirement described in this paragraph will be required to defer deductions for any interest paid on indebtedness incurred or continued to purchase or carry such short-term Notes in an amount not exceeding the deferred interest income, until such deferred interest income is realized.

The Proposed Regulations are not final and are subject to change. It is impossible to predict whether or in what form the Proposed Regulations will become final and what the scope or the effective date of any such final regulations might be. United States Owners should therefore consult their tax advisors as to the potential application of the above-discussed provisions of the Proposed Regulations.

Market Discount and Acquisition Premium. If a United States Owner purchases a Note other than a short-term Note (including a purchase in connection with its original issuance), for an amount that is less than its "revised issue price" (defined as the sum of the issue price of the Note, as defined above, and the aggregate amount, if any, of the original issue discount includible, without regard to the rules for acquisition premium discussed below, in the gross income of all previous owners of the Note), the amount of the difference will be treated as "market discount" for Federal income tax purposes, unless such difference is less than a specified de minimis amount. Under the market discount rules, a United States Owner will be required to treat any principal payment on, or any gain on the sale, exchange, retirement or other disposition of, a Note as ordinary income to the extent of the market discount which has not previously been included in income and is treated as having accrued on such Note at the time of such payment or disposition. In addition, the owner may be required to defer, until the maturity of the Note or its earlier disposition in a taxable transaction, the deduction of all or a portion of the interest expense on any indebtedness incurred or continued to purchase or carry such Note. Any market discount will be considered to accrue ratably during the period from the date of acquisition to the Maturity Date of the Note, unless the United States Owner elects to accrue on a constant interest method. A United States Owner of a Note may elect to include market discount in income currently as it accrues (on either a ratable or constant interest method), in which case the rule described above regarding deferral of interest deductions will not apply. This election to include currently, once made, applies to all market discount obligations acquired on or after the first taxable year to which the election applies, and may not be revoked without the consent of the Internal Revenue Service.

A United States Owner that purchases a Note with original issue discount subsequent to its original issuance for an amount that is greater than the Note's revised issue price will be considered to have purchased such Note at an "acquisition premium." The amount of original issue discount such owner must include in its gross income with respect to such Note for any taxable year will be reduced by the portion of such acquisition premium properly allocable to such year.

If a United States Owner acquires a Note for an amount that is greater than both its revised issue price and its stated redemption price at maturity, such owner will be considered to have purchased such Note at a premium, such Note will have no original issue discount, and such owner may elect to amortize such premium using a constant interest method, generally over the remaining term of the Note. Such premium shall be deemed to be an offset to interest otherwise includible in income in respect of such Note.

Backup Withholding and Information Reporting. A 20-percent “backup” withholding tax and information reporting requirements apply to certain payments of principal of and interest on an obligation to, and to proceeds of the sale or exchange of an obligation before maturity by, certain holders of Notes. Under current Treasury regulations, backup withholding and information reporting will not apply to payments made by the Banks or any paying agent thereof (in its capacity as such) to exempt recipients, such as corporations or financial institutions, but such entities may be required to establish their status as such. Under current Treasury regulations, backup withholding and information reporting also will not apply to payments on the Notes made by any custodian, nominee or other agent of a United States Owner, or to the payment of the proceeds of a sale or exchange of a Note made by a holder to a United States Owner, if such payments or proceeds are paid to exempt recipients such as corporations or financial institutions, but such entities may be required to establish their status as such. In the case of a United States Owner that has not established an exemption from information reporting and backup withholding (for example, an individual), backup withholding will not be applicable if the owner has supplied an accurate Taxpayer Identification Number (unless the Secretary of the Treasury has determined that the owner has not reported all interest and dividend income required to be shown in such owner’s United States Federal income tax returns) and the owner certifies, under penalties of perjury, that it has not been notified of such underreporting. Any amounts withheld under the backup withholding rules from a payment to an owner of a Note will be allowed as a refund or a credit against such owner’s United States Federal income tax, provided that any required information is furnished to the Internal Revenue Service.

Non-United States Owners

Under present United States Federal income and estate tax laws, and subject to the discussion below concerning backup withholding:

(a) no withholding of United States federal income tax will be required with respect to the payment by the Bank or Banks or any paying agent thereof (in its capacity as such) of principal or interest (which for purposes of this discussion includes original issue discount) on a Note to a non-United States Owner, provided (i) that such owner does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of the Bank or Banks entitled to vote within the meaning of Section 871(h)(3) of the Code and the regulations thereunder, (ii) the non-United States Owner is not a controlled foreign corporation that is related to the Bank or Banks through stock ownership, and (iii) the beneficial owner satisfies the statement requirement (described generally below) set forth in Section 871(h) and Section 881(c) of the Code and the regulations thereunder.

(b) no withholding of United States Federal income tax will be required with respect to any gain or income realized by a non-United States Owner upon the sale, exchange or retirement of a Note; and

(c) a Note held by an individual who at the time of death is a non-United States Owner will not be subject to United States Federal estate tax as a result of such individual’s death, provided that such individual does not actually or constructively own 10% or more of the total combined voting power of all classes of stock of the Bank or Banks entitled to vote within the meaning of Section 871(h)(3) of the Code and provided that the interest payments with respect to such Note are not effectively connected with a United States trade or business of such individual.

To qualify for the exemption from withholding tax with respect to Notes, the last United States person (the “Withholding Agent”) in the chain of payment prior to payment to a non-United States Owner must have received in the year in which a payment of principal or interest occurs, or in either of the two preceding years, a statement that (i) is signed by the beneficial owner of a Note under penalties of perjury, (ii) certifies that such beneficial owner is not a United States Owner, and (iii) provides the name and address of such beneficial owner. The statement may be made on a Form W-8 or substantially similar substitute form and the beneficial owner must inform the Withholding Agent of any change in the information on the statement within 30 days of such change. If a Note is held through a securities clearing organization or certain other financial institutions, the organization

or institution may provide a signed statement to the Withholding Agent instead of the beneficial owner. However, in such case, the signed statement must be accompanied by a copy of a Form W-8 or a substitute form provided by the beneficial owner to the organization or institution holding the Note on behalf of the beneficial owner.

Backup Withholding and Information Reporting. A 20-percent "backup" withholding tax and certain information reporting requirements apply to certain payments of principal of and interest on a Note to, and to proceeds of the sale or exchange of a Note before maturity received by, certain owners of Notes. Under current Treasury regulations, backup withholding and information reporting will not apply to payments made by a Bank or Banks or any paying agent thereof (in its capacity as such) to an owner of a Note with respect to which the owner has provided required certification of its non-United States person status under penalties of perjury (provided that neither a Bank or Banks nor the paying agent has actual knowledge that the owner is a United States Owner) or has otherwise established an exemption (e.g., as a corporation). In the case of a non-United States Owner that has not established an exemption from information reporting and backup withholding (for example, an individual), backup withholding will not be applicable if the owner has supplied an accurate Taxpayer Identification Number (unless the Secretary of the Treasury has determined that such non-United States Owner has not reported all interest and dividend income required to be shown in such owner's United States Federal income tax returns) and the owner certifies, under penalties of perjury, that it has not been notified of such under-reporting.

If such principal or interest is collected outside the United States by the non-United States office of the foreign custodian, foreign nominee or other foreign agent of the beneficial owner of a Note and is paid by such office outside the United States to such owner, or if the non-United States office of a foreign "broker" (as defined in applicable Treasury regulations) pays the proceeds of the sale or exchange of a Note outside the United States to the seller thereof, backup withholding and information reporting will not apply to such payment (provided that such nominee, custodian, agent or broker derives less than 50% of its gross income for certain specified periods from the conduct of a trade or business in the United States and is not a controlled foreign corporation for United States tax purposes). Principal and interest so paid by the non-United States office of other custodians, nominees or agents, or the payment by the foreign office of other brokers of the proceeds of the sale or exchange of a Note, will not be subject to backup withholding, but will be subject to information reporting, unless the custodian, nominee, agent or broker has documentary evidence in its records that the beneficial owner or seller is not or was not, as the case may be, a United States Owner and certain conditions are met or the beneficial owner or seller otherwise establishes an exemption. Principal and interest so paid by the United States office of a custodian, nominee or agent, or the payment by the United States office of a broker of the proceeds of a sale or exchange of a Note is subject to both backup withholding and information reporting unless the beneficial owner or seller certifies its non-United States status under penalties of perjury or otherwise establishes an exemption.

On February 26, 1988, the U.S. Treasury Department issued proposed regulations concerning application of information reporting requirements and the backup withholding tax to non-United States Owners. If adopted in their current form, these proposed regulations would not materially affect the application of the rules discussed above. It is impossible to predict whether or in what form the proposed regulations will become final and what the scope or effective date of any such final regulations might be.

DISTRIBUTION

Under the terms of a Selling Agency Agreement, dated as of March 27, 1989, among the Funding Corporation as agent for the Banks and Merrill Lynch Government Securities, Inc., Shearson Lehman Hutton Inc., The First Boston Corporation, Goldman, Sachs & Co., Morgan Stanley & Co. Incorporated, and Salomon Brothers Inc (the "Agents"), the Notes will be offered from time to time by the Funding Corporation through the Agents. The Agents have agreed to use their best efforts to solicit offers to purchase the Notes. The Funding Corporation will pay a commission to the Agents for sales of Notes through such Agents ranging from 0.100% to 0.375% of their issue prices, depending upon the maturity of the Note. The Funding Corporation will have the sole right to accept offers to purchase the Notes and may reject any proposed purchase of the Notes, in whole or in part. Each Agent will have the right, in its discretion reasonably exercised, to reject any proposed offer to purchase Notes received by it, in whole or in part.

The Notes may also be sold to an Agent as principal for resale to investors at varying prices, according to prevailing market prices at the time of resale as determined by such Agent. Any purchase by an Agent as principal will be at a discount negotiated with such Agent, and no other commission or fee will be paid on such purchase.

Each Agent engages in transactions with and performs services for the Funding Corporation and the Banks in the ordinary course of business.

The Funding Corporation also has reserved the right to sell the Notes to investors directly. No commission or other fees will be payable on any sales made directly by the Funding Corporation.

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$2,000,000,000
Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes
Due One to 30 Years from Date of Issue



The Federal Farm Credit Banks Funding Corporation, a corporation chartered under the laws of the United States of America as agent for the Banks of the Farm Credit System, proposes to offer for sale from time to time Federal Farm Credit Banks consolidated Systemwide Medium-Term Notes Due One to 30 years from Date of Issue, including Floating-Rate Notes with interest rates determined as described herein by reference to the Prime Rate, as defined below ("Prime-Indexed Notes"). This Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, and should be read in conjunction therewith. Capitalized terms not defined herein are defined in "Description of the Notes" in such Offering Circular.

Prime-Indexed Notes. Each Prime-Indexed Note will bear interest from its date of issue to its Maturity Date at a Reference Rate equal to the Prime Rate calculated as provided below under "Calculation of Prime Rate," either plus, minus, or multiplied by a Spread, if any. The Prime-Indexed Notes may also have either or both of the following: (i) a maximum numerical interest rate limitation on the rate of interest which may accrue during any Interest Period, and (ii) a minimum numerical interest rate limitation (in excess of zero percent) on the rate of interest which may accrue during any Interest Period. If any such interest rate per annum for any day would be greater than the maximum interest rate limitation on such Note, if any, then the interest rate for that day shall be equal to the maximum interest rate limitation, or, if any such interest rate per annum for any day would be less than the minimum interest rate limitation on such Note, if any, then the interest rate for that day shall be equal to the minimum interest rate limitation on such Note. Interest on the Prime-Indexed Notes will be computed on the basis of the actual number of days in the applicable Interest Period and a year of 360 days.

Calculation of Prime Rate. The Prime Rate for each day in an Interest Period will be determined in the manner set forth below; provided, however, that the Prime Rate in effect for the period beginning five Business Days prior to an Interest Payment Date, including the Maturity Date, and ending on the calendar day preceding such Interest Payment Date shall be based upon the Prime Rate in effect on the fifth Business Day prior to such Interest Payment Date. All percentages relating to the calculation of interest on the Prime-Indexed Notes will be rounded to the nearest 1/100,000 of 1%, and dollar amounts used in or resulting from such calculations will be rounded to the nearest cent.

"Prime Rate" means, with respect to any day, the rate set forth in H.15(519) opposite the caption "Bank Prime Loan" for such day. "H.15(519)" means the Federal Reserve Statistical Release for Selected Interest Rates which is currently published by the Board of Governors of the Federal Reserve System each Monday with data from the prior week. In the event that H.15(519) ceases to be published as provided above, or if the Prime Rate for a given day is not scheduled to be reported at least five Business Days prior to an Interest Payment Date or the Maturity Date, then the Prime Rate for that day will be determined by calculating the arithmetic mean of the rates of interest publicly announced by each bank named on Telerate ("Prime Rate--Top 30 U.S. Banks," currently reported on Telerate page 32) as such bank's prime rate or base lending rate as in effect on such day at 3:00 p.m. If fewer than four such rates appear on Telerate for such day, then the Prime Rate shall be the arithmetic mean of the prime rates quoted on the basis of the actual number of days in the year divided by 360 as of the close of business on such day by at least two of the three major money center banks in New York City selected by the Funding Corporation. For any day which is not a Business Day, the interest rate in effect for that day shall be the interest rate determined as set forth above for the immediately preceding Business Day.

Accrued Interest Factor for Prime-Indexed Notes. Accrued interest for the Prime-Indexed Notes will be calculated by multiplying the principal amount of a Prime-Indexed Note by an "accrued interest factor." This accrued interest factor is computed by adding the interest rate applicable to each day on which such Note has been outstanding since the last date through which interest has been paid and dividing the sum by 360.

Information concerning the applicable rates of interest on the Prime-Indexed Notes will be available by telephoning the Funding Corporation at (212) 908-9400 between the hours of 9 a.m. and 4 p.m. New York City time and may also be available through certain information services.

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.
Incorporated

Shearson Lehman Hutton Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc.

The date of this Offering Circular Supplement is April 21, 1989

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$3,000,000,000
*Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes*
Due One to 30 Years from Date of Issue



The Federal Farm Credit Banks Funding Corporation, a corporation established under the laws of the United States of America as agent for the Banks of the Farm Credit System, hereby increases the aggregate principal amount of Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes Due One to 30 Years from Date of Issue which it proposes to offer for sale from time to time from the original aggregate principal amount of up to \$2,000,000,000 to up to \$3,000,000,000.

The aggregate principal amount of Notes to be offered may be further increased in the future. As of the date hereof, \$1,832,000,000 of the Notes have been issued, consisting of \$742,000,000 Fixed-Rate Notes and \$1,090,000,000 Prime-Indexed Notes.

The Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, and an Offering Circular Supplement dated April 21, 1989, and should be read in conjunction therewith. Capitalized terms not defined herein are defined in "Description of the Notes" in such Offering Circular, as supplemented.

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.
Incorporated

Shearson Lehman Hutton Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc.

The date of this Offering Circular Supplement is August 15, 1989

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$5,000,000,000
*Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes*
Due One to 30 Years from Date of Issue



The Federal Farm Credit Banks Funding Corporation, a corporation established under the laws of the United States of America as agent for the Banks of the Farm Credit System, hereby increases the aggregate principal amount of Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes Due One to 30 Years from Date of Issue which it proposes to offer for sale from time to time from the amended aggregate principal amount of up to \$3,000,000,000 to up to an aggregate principal amount of up to \$5,000,000,000.

The aggregate principal amount of Notes to be offered may be further increased in the future. As of the date hereof, \$2,772,300,000 of the Notes have been issued, consisting of \$1,257,300,000 Fixed-Rate Notes, and \$1,190,000,000 Prime-Indexed Notes and \$325,000,000 T-Bill-Indexed Notes.

The Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, and the Offering Circular Supplements dated April 21, 1989, and August 15, 1989, and should be read in conjunction therewith. Capitalized terms not defined herein are defined in "Description of the Notes" in such Offering Circular, as supplemented.

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.
Incorporated

Shearson Lehman Hutton Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc.

The date of this Offering Circular Supplement is December 14, 1989

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$5,000,000,000
Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes
Due One to 30 Years from Date of Issue



The Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, as amended, and should be read in conjunction therewith.

TO NEW HAMPSHIRE RESIDENTS, IN ACCORDANCE WITH NEW HAMPSHIRE REVISED STATUTES SECTION 421-B:20:

Neither the fact that a registration statement or an application for a license has been filed nor the fact that a security is effectively registered or a person is licensed constitutes a finding by the director of the office of securities regulation that any document filed under this chapter is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the director of the office of securities regulation has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security, or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer, or client any representation inconsistent with the provisions of this section.

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.
Incorporated

Shearson Lehman Hutton Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc.

The date of this Offering Circular Supplement is January 11, 1990

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$5,000,000,000
Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes
Due One to 30 Years from Date of Issue



The Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, as amended, and should be read in conjunction therewith.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.
Incorporated

Shearson Lehman Hutton Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc.

The date of this Offering Circular Supplement is May 10, 1990

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$6,000,000,000
Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes
Due One to 30 Years from Date of Issue



The Federal Farm Credit Banks Funding Corporation, a corporation established under the laws of the United States of America as agent for the Banks of the Farm Credit System, hereby increases the aggregate principal amount of Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes Due One to 30 Years from Date of Issue which it proposes to offer for sale from time to time from the amended aggregate principal amount of up to \$5,000,000,000 to up to an aggregate principal amount of up to \$6,000,000,000.

The aggregate principal amount of Notes to be offered may be further increased in the future. As of the date hereof, \$4,855,300,000 of the Notes have been issued, consisting of \$2,215,300,000 Fixed-Rate Notes, and \$1,515,000,000 Prime-Indexed Notes, and \$875,000,000 T-Bill-Indexed Notes, and \$250,000,000 other Floating Rate Notes.

The Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, and amended and supplemented, and should be read in conjunction therewith. Capitalized terms not defined herein are defined in "Description of the Notes" in such Offering Circular, as supplemented.

Merrill Lynch Government Securities, Inc.
The First Boston Corporation
Morgan Stanley & Co.

Incorporated

Shearson Lehman Brothers Inc.
Goldman, Sachs & Co.
Salomon Brothers Inc.

The date of this Offering Circular Supplement is August 31, 1990.

OFFERING CIRCULAR SUPPLEMENT

(To the Offering Circular dated March 27, 1989)

\$10,000,000,000
Federal Farm Credit Banks
Consolidated Systemwide
Medium-Term Notes
Due One to 30 Years from Date of Issue



The Federal Farm Credit Banks Funding Corporation, a corporation established under the laws of the United States of America as agent for the Banks of the Farm Credit System, hereby increases the aggregate principal amount of Federal Farm Credit Banks Consolidated Systemwide Medium-Term Notes Due One to 30 Years from Date of Issue which it proposes to offer for sale from time to time from the amended aggregate principal amount issued of up to \$6,000,000,000 to up to an aggregate principal amount outstanding at any one time of up to \$10,000,000,000.

The aggregate principal amount of Notes to be offered may be further increased in the future. As of the date hereof, \$5,867,900,000 of the Notes have been issued, consisting of \$2,827,000,000 Fixed-Rate Notes, and \$3,040,900,000 Floating Rate Notes.

The Offering Circular Supplement amends and supplements the Offering Circular dated March 27, 1989, as amended and supplemented, and should be read in conjunction therewith. Capitalized terms not defined herein are defined in "Description of the Notes" in such Offering Circular, as amended and supplemented.

Merrill Lynch Government Securities, Inc.
Goldman, Sachs & Co.

Lehman Brothers
Morgan Stanley & Co.
Incorporated

Salomon Brothers Inc.

The date of this Offering Circular Supplement is May 20, 1991.