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Form **990**

Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 06-01-2011 and ending 05-31-2012

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
20701 COOPERATIVE WAY

City or town, state or country, and ZIP + 4
DULLES, VA 20166

D Employer identification number
52-0891669

E Telephone number
(703)467-1800

G Gross receipts $ 1,249,646,034

F Name and address of principal officer
STEVEN L LILLY
20701 COOPERATIVE WAY
DULLES,VA 20166

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) **Are all affiliates included?** ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☐ 501(c)(3) ☑ 501(c) (4) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J **Website:** ▶ WWW NRUCFC COOP

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | L Year of formation 1969 | M State of legal domicile VA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
TAX EXEMPT COOPERATIVE ORGANIZATION PROVIDING FINANCING TO RURAL ELECTRIC COOPERATIVES

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	23
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	23
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	238
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	0	0
	9	Program service revenue (Part VIII, line 2g)	1,395,981,969	1,240,520,159
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,855,863	3,888,007
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,934,676	5,069,000
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,404,772,508	1,249,477,166
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	2,123,427	1,378,844
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	43,368,134	39,879,244
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	1,184,302,428	1,090,366,164
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,229,793,989	1,131,624,252
	19	Revenue less expenses Subtract line 18 from line 12	174,978,519	117,852,914

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	20,128,724,345	19,889,857,994
	21	Total liabilities (Part X, line 26)	19,447,065,976	19,400,559,170
	22	Net assets or fund balances Subtract line 21 from line 20	681,658,369	489,298,824

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer | Date 2013-01-14

▶ STEVEN L LILLY SVP AND CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ KRISTINA RASMUSSEN	Date	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions) P00143920
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ DELOITTE TAX LLP 1750 TYSONS BOULEVARD MCLEAN, VA 22102			EIN ▶ 86-1065772 Phone no ▶ (703) 251-1000

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☑ No

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III . . . . ☑

1 Briefly describe the organization's mission

TO BRIDGE THE FINANCIAL NEEDS OF THE RURAL ELECTRIC NETWORK WITH THE EXPECTATIONS OF THE GLOBAL CAPITAL MARKETS, ONE COOPERATIVE AT A TIME NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION ("CFC") IS A MEMBER-OWNED COOPERATIVE ASSOCIATION INCORPORATED UNDER THE LAWS OF THE DISTRICT OF COLUMBIA IN APRIL 1969 CFC'S PRINCIPAL PURPOSE IS TO PROVIDE ITS MEMBERS WITH FINANCING TO SUPPLEMENT THE LOAN PROGRAMS OF THE RURAL UTILITIES SERVICE ("RUS") OF THE UNITED STATES DEPARTMENT OF AGRICULTURE CFC MAKES LOANS PRIMARILY TO ITS RURAL ELECTRIC MEMBERS SO THEY CAN ACQUIRE, CONSTRUCT AND OPERATE ELECTRIC DISTRIBUTION, GENERATION, TRANSMISSION AND RELATED FACILITIES CFC ALSO PROVIDES ITS MEMBERS WITH CREDIT ENHANCEMENTS IN THE FORM OF LETTERS OF CREDIT AND GUARANTEES OF DEBT OBLIGATIONS

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 1,028,533,939 including grants of $) (Revenue $ 1,245,589,023)

INTEREST EXPENSE - CFC PROVIDES LOANS TO ITS MEMBERS, RURAL ELECTRIC COOPERATIVES AND THEIR RELATED ORGANIZATIONS CFC RAISES FUNDS IN THE CAPITAL MARKETS AND PAYS A RATE OF RETURN COMMENSURATE WITH CURRENT ECONOMIC CONDITIONS FOR THE USE OF THOSE FUNDS THESE BORROWED FUNDS PERMIT CFC TO MEET THE BORROWING NEEDS OF ITS MEMBERS SO THEY CAN CONTINUE TO PROVIDE ELECTRIC AND POWER SERVICE TO THE CONSUMERS AND BUSINESSES IN THE RURAL TERRITORIES SERVICED BY THOSE MEMBERS/BORROWERS CFC OPERATES IN SUCH MANNER TO ACHIEVE THE LOWEST COST OF FUNDING AVAILABLE TO IT AND PASSES THE COSTS AND RESULTING SAVINGS ALONG TO ITS BORROWERS

4b (Code) (Expenses $ 19,781,544 including grants of $) (Revenue $ 136)

RESULTS OF FORECLOSED ASSETS - AS PART OF OUR NORMAL OPERATING ACTIVITIES AS A LENDER, WE MAY BE REQUIRED TO FORECLOSE ON ASSETS OR BUSINESS OPERATIONS OF BORROWERS WHO DEFAULT ON THEIR LOANS DUE TO US OUR OBJECTIVE IS TO REHABILITATE THE FORECLOSED ASSETS OR BUSINESS OPERATIONS IN ORDER SELL THEM AT A PRICE THAT MAXIMIZES OUR RECOVERY ON THOSE DEFAULTED LOANS THE INVESTMENT IN FORECLOSED ASSETS OR BUSINESS OPERATIONS DOES NOT REPRESENT A NEW OR SEPARATE LINE OF BUSINESS FOR CFC THE RESULTS OF OPERATIONS OF FORECLOSED ASSETS REPRESENTS THE COMBINED OPERATING LOSSES FROM CFC'S WHOLLY OWNED SUBSIDIARY CARIBBEAN ASSET HOLDINGS ("CAH") AND DENTON REALTY PARTNERS LP, RESPECTIVELY FOR THE YEAR ENDED MAY 31, 2012 DURING FISCAL YEAR 2012, THE OPERATING COMPANIES OF CFC'S WHOLLY OWNED SUBSIDIARY CAH, EXPERIENCED $19,621,000 IN LOSSES FROM OPERATIONS WHICH ARE COMPRISED OF TELECOMMUNICATIONS AND CABLE TELEVISION SERVICES IN THE U S VIRGIN ISLANDS, BRITISH VIRGIN ISLANDS AND ST MAARTEN DENTON REALTY PARTNERS ("DRP") HOLDS ASSETS INCLUDING A LAND DEVELOPMENT LOAN, LIMITED PARTNERSHIP INTERESTS IN CERTAIN REAL ESTATE DEVELOPMENTS AND DEVELOPED LOST AND LAND, RAW LAND AND UNDERGROUND MINERAL RIGHTS IN TEXAS THESE FORECLOSED ASSETS ARE HELD BY TWO WHOLLY OWNED SUBSIDIARIES OF CFC DURING THE YEAR, DRP EXPERIENCED LOSS FROM OPERATIONS OF $161,000

4c (Code) (Expenses $ 15,465,000 including grants of $) (Revenue $)

LOSS ON EARLY EXTINGUISHEMENT OF DEBT - WE REDEEM OUTSTANDING DEBT EARLY ON OCCASION TO MANAGE LIQUIDITY AND INTEREST RATE RISK WHEN WE REDEEM OUTSTANDING DEBT EARLY, WE RECOGNIZE A GAIN OR LOSS RELATED TO THE DIFFERENCE BETWEEN THE AMOUNT PAID TO REDEEM THE DEBT AND THE NET BOOK VALUE OF THE EXTINGUISHED DEBT AS A COMPONENT OF NON-INTEREST EXPENSE IN THE GAIN (LOSS) ON EARLY EXTINGUISHMENT OF DEBT LINE ITEM IN AUGUST 2011 AND OCTOBER 2011, WE REDEEMED A TOTAL OF $500 MILLION OF OUR $1,500 MILLION, 7 25% SERIES C MEDIUM-TERM NOTES WITH AN ORIGINAL MATURITY OF MARCH 1, 2012 AT A PREMIUM BOTH THE PREMIUM AND UNAMORTIZED ISSUANCE COSTS TOTALING $16 MILLION WERE RECORDED AS A LOSS ON EXTINGUISHMENT OF DEBT DURING THE YEAR ENDED MAY 31, 2012

(Code) (Expenses $ 2,579,584 including grants of $ 1,378,844) (Revenue $)

GUARANTEE LOSS PROVISION - WE MAINTAIN A GUARANTEE LIABILITY THAT REPRESENTS OUR CONTINGENT AND NON-CONTINGENT EXPOSURE RELATED TO GUARANTEES AND STANDBY LIQUIDITY OBLIGATIONS ASSOCIATED WITH OUR MEMBER'S DEBT THE GUARANTEE LIABILITY IS INCLUDED IN THE OTHER LIABILITIES LINE ITEM ON THE CONSOLIDATED BALANCE SHEET, AND THE PROVISION FOR GUARANTEE LIABILITY IS REPORTED IN NON-INTEREST EXPENSE AS A SEPARATE LINE ITEM ON THE CONSOLIDATED STATEMENT OF OPERATIONS THE CONTINGENT PORTION OF THE GUARANTEE LIABILITY REPRESENTS MANAGEMENT'S ESTIMATE OF OUR EXPOSURE TO LOSSES WITHIN THE GUARANTEE PORTFOLIO THE METHODOLOGY USED TO ESTIMATE THE CONTINGENT GUARANTEE LIABILITY IS CONSISTENT WITH THE METHODOLOGY USED TO DETERMINE THE ALLOWANCE FOR LOAN LOSS GRANTS - AS A COOPERATIVE FORMED UNDER THE LAWS OF THE DISTRICT OF COLUMBIA, CFC IS REQUIRED TO ALLOCATE A MINIMUM OF 1/4 OF 1% OF ITS NET EARNINGS TO AN EDUCATIONAL FUND COOPERATIVES ARE REQUIRED BY THIS ACT TO MAKE GRANTS IN SUPPORT OF EDUCATING THE PUBLIC ABOUT COOPERATIVE PRINCIPLES THE EDUCATION FUND GRANTS MADE BY CFC ARE MAINLY TO STATEWIDE MEMBERSHIP ORGANIZATIONS THAT USE THESE GRANTS TO EDUCATE CUSTOMERS AND CITIZENS ABOUT COOPERATIVE PRINCIPLES ADDITIONALLY, CFC MANAGES A VOLUNTARY FUND ESTABLISHED FOR THE PURPOSE OF ASSISTING COOPERATIVES IN DEFENDING THEIR COOPERATIVE TERRITORIES AND PROTECTING COOPERATIVE PRINCIPLES LOSS ON WHOLE LOAN SALE - CFC ACCOUNTS FOR THE SALE OF LOANS IN SECURITIZATION TRANSACTIONS BY DERECOGNIZING FINANCIAL ASSETS WHEN CONTROL HAS BEEN SURRENDERED DEFERRED TRANSACTION COSTS AND UNAMORTIZED DEFERRED LOAN ORIGINATION COSTS RELATED TO THE LOANS SOLD ARE INCLUDED IN THE CALCULATION OF THE GAIN OR LOSS ON THE SALE CREDIT LOSS ALLOWANCE - AS PART OUR SERVICES WE MAY ENTER INTO ARRANGEMENTS FOR UNADVANCED COMMITMENTS WITH OUR MEMBERS UNADVANCED COMMITMENTS REPRESENT AMOUNTS FOR WHICH WE HAVE APPROVED AND EXECUTED LOAN CONTRACTS, BUT FUNDS HAVE NOT BEEN ADVANCED WE DO NOT MAINTAIN AN ALLOWANCE FOR THE MAJORITY OF OUR UNADVANCED LOAN COMMITMENTS AS THE LOANS ARE GENERALLY SUBJECT TO MATERIAL ADVERSE CHANGE CLAUSES THAT WOULD NOT REQUIRE US TO LEND OR CONTINUE TO LEND TO A BORROWER EXPERIENCING A MATERIAL ADVERSE CHANGE IN THEIR BUSINESS OR CONDITION, FINANCIAL OR OTHERWISE THE METHODOLOGY USED TO DETERMINE AN ESTIMATE OF PROBABLE LOSSES FOR UNADVANCED COMMITMENTS RELATED TO COMMITTED LINES OF CREDIT THAT ARE NOT SUBJECT TO MATERIAL ADVERSE CHANGE CLAUSE AT THE TIME OF EACH LOAN ADVANCE IS CONSISTENT WITH THE METHODOLOGY USED TO DETERMINE THE ALLOWANCE FOR LOAN LOSSES THE ALLOWANCE FOR UNADVANCED COMMITMENTS IS INCLUDED IN THE OTHER LIABILITIES LINE ITEM ON THE CONSOLIDATED BALANCE SHEET CHANGES TO THE ALLOWANCE FOR UNADVANCED COMMITMENTS ARE RECORDED IN THE CONSOLIDATED STATEMENT OF OPERATIONS IN OTHER NON-INTEREST EXPENSE

4d Other program services (Describe in Schedule O)

(Expenses $ 2,579,584 including grants of $ 1,378,844) (Revenue $)

4e **Total program service expenses** ▶$ 1,066,360,067

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		No
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	Yes	
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	28c	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	Yes	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V . . . . ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	83			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	238			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			4a	Yes	
b	If "Yes," enter the name of the foreign country ▶VI , OC See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			13a		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the aggregate amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			14b		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . ☑

Section A. Governing Body and Management

					Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	23			
b	Enter the number of voting members included in line 1a, above, who are independent	1b	23			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?			3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?			5		No
6	Did the organization have members or stockholders?			6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following					
a	The governing body?			8a	Yes	
b	Each committee with authority to act on behalf of the governing body?			8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O			9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b		No
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ AZ , GA

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

ROBERT GEIER
20701 COOPERATIVE WAY
DULLES, VA 20166
(703) 467-1800

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . .

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
See Additional Data Table										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
See Additional Data Table										

		(D)	(E)	(F)
1b	**Sub-Total** . . . . ▶			
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶			
d	**Total (add lines 1b and 1c)** . . . . ▶	8,383,404	0	1,404,796

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶134

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
THE WHITING TURNER CONTRACTING COMPANY 14900 CONFERENCE CENTER DRIVE STE CHANTILLY, VA 20151	BUILDING CONTRACTOR	13,508,840
HOGAN LOVELLS US LLP 555 THIRTEENTH STREET NW WASHINGTON, DC 200041109	LEGAL	2,174,365
SAPIENT CORP PO BOX 414715 BOSTON, MA 022414715	IS CONTRACTORS	1,875,187
DELOITTE & TOUCHE LLP PO BOX 277694 ATLANTA, GA 303847894	AUDITORS	1,781,750
FULBRIGHT & JAWORSKI LLP 2200 ROSS AVENUE DALLAS, TX 75201	LEGAL	1,283,346

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶15

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . .	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations . . .	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f	▶				
Program Service Revenue		Business Code				
	2a INTEREST FROM PSA	522200	939,515,473	939,515,473		
	b DERIVATVE CASH SETTLEM	522200	264,924,256	264,924,256		
	c RECOVERY FOR LOAN LOSS	522200	18,108,236	18,108,236		
	d OTHER INCOME-LOAN FEES	522200	17,829,679	17,829,679		
	e REIMBURSED EXPENSES	522200	142,515	142,515		
	f All other program service revenue					
	g **Total.** Add lines 2a–2f	▶	1,240,520,159			
Other Revenue	3 Investment income (including dividends, interest and other similar amounts)	▶	3,934,028			3,934,028
	4 Income from investment of tax-exempt bond proceeds . .	▶				
	5 Royalties	▶				

	(i) Real	(ii) Personal
6a Gross rents		
b Less rental expenses		
c Rental income or (loss)		

		(A)	(B)	(C)	(D)
d Net rental income or (loss)	▶				

	(i) Securities	(ii) Other
7a Gross amount from sales of assets other than inventory		122,847
b Less cost or other basis and sales expenses		168,868
c Gain or (loss)		-46,021

		(A)	(B)	(C)	(D)
d Net gain or (loss)	▶	-46,021			-46,021
8a Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18 . . .	a				
b Less direct expenses . . .	b				
c Net income or (loss) from fundraising events . .	▶				
9a Gross income from gaming activities See Part IV, line 19 . . .	a				
b Less direct expenses . . .	b				
c Net income or (loss) from gaming activities . . .	▶				
10a Gross sales of inventory, less returns and allowances .	a				
b Less cost of goods sold . .	b				
c Net income or (loss) from sales of inventory . .	▶				
Miscellaneous Revenue	Business Code				
11a MANAGEMENT FEES	522200	5,069,000	5,069,000		
b					
c					
d All other revenue					
e **Total.** Add lines 11a–11d	▶	5,069,000			
12 **Total revenue.** See Instructions . . .	▶	1,249,477,166	1,245,589,159	0	3,888,007

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)
Check if Schedule O contains a response to any question in this Part IX . . . . ☐

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	**(A)** Total expenses	**(B)** Program service expenses	**(C)** Management and general expenses	**(D)** Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	1,378,844	1,378,844		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	7,849,665		7,849,665	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	22,414,878		22,414,878	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,207,373		5,207,373	
9	Other employee benefits	2,624,379		2,624,379	
10	Payroll taxes	1,782,949		1,782,949	
11	Fees for services (non-employees)				
a	Management				
b	Legal	2,599,785		2,599,785	
c	Accounting	1,206,070		1,206,070	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	1,546,039		1,546,039	
12	Advertising and promotion	535,754		535,754	
13	Office expenses	2,209,935		2,209,935	
14	Information technology	3,806,805		3,806,805	
15	Royalties . .				
16	Occupancy	2,939,444		2,939,444	
17	Travel	2,144,350		2,144,350	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	1,747,446		1,747,446	
20	Interest	1,028,533,939	1,028,533,939		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	4,311,680		4,311,680	
23	Insurance	561,308		561,308	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	FORECLOSED ASSETS	19,781,544	19,781,544		
b	LOSS ON EARLY EXTINGUIS	15,465,000	15,465,000		
c	OTHER EXPENSES	1,776,325		1,776,325	
d	GUARANTEE LOSS PROVISIO	726,000	726,000		
e					
f	All other expenses	474,740	474,740		
25	**Total functional expenses.** Add lines 1 through 24f	1,131,624,252	1,066,360,067	65,264,185	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		56,803,036	1	33,610,197
	2	Savings and temporary cash investments		233,288,109	2	152,766,733
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		149,072,455	4	184,965,093
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		18,807,705,402	7	18,739,092,967
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		5,404,039	9	5,157,001
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 117,805,811			
	b	Less accumulated depreciation	10b 15,035,374	88,794,307	10c	102,770,437
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		58,600,825	12	59,045,008
	13	Investments—program-related See Part IV, line 11		280,811,395	13	223,476,219
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		448,244,777	15	388,974,339
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		20,128,724,345	16	19,889,857,994
Liabilities	17	Accounts payable and accrued expenses		2,478,771,144	17	3,423,217,407
	18	Grants payable			18	
	19	Deferred revenue		17,687,268	19	26,131,431
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		6,924,035,316	23	8,027,405,108
	24	Unsecured notes and loans payable to unrelated third parties		9,547,017,269	24	7,261,695,854
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		479,554,979	25	662,109,370
	26	**Total liabilities.** Add lines 17 through 25		19,447,065,976	26	19,400,559,170
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☑ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		994,400	30	995,400
	31	Paid-in or capital surplus, or land, building or equipment fund		0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds		680,663,969	32	488,303,424
	33	Total net assets or fund balances		681,658,369	33	489,298,824
	34	Total liabilities and net assets/fund balances		20,128,724,345	34	19,889,857,994

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	1,249,477,166
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,131,624,252
3	Revenue less expenses Subtract line 2 from line 1	3	117,852,914
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	681,658,369
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-310,212,459
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	489,298,824

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ____________ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	3b		

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

Employer identification number
52-0891669

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶________

4 Number of states where property subject to conservation easement is located ▶________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year
▶ $ ________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ________

(ii) Assets included in Form 990, Part X ▶ $ ________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ________

b Assets included in Form 990, Part X ▶ $ ________

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	14,012,447	24,595,492		38,607,939
b Buildings		47,431,597	1,274,598	46,156,999
c Leasehold improvements		26,706,242	12,473,376	14,232,866
d Equipment				
e Other		5,060,033	1,287,400	3,772,633
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				102,770,437

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
GUARANTEE LIABILITY	28,406,574
OTHER ACCRUED EXPENSES	6,884,587
CREDIT LOSSES ALLOWANCE	217,000
MEMB APP FEES-MEMBERSHIP APPL	9,000
DERIVATIVE LIABILITY -SFAS133	626,592,209
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	662,109,370

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493014005163

SCHEDULE F
(Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

Employer identification number
52-0891669

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . . ☐ **Yes** ☐ **No**

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States

3 Activites per Region (Use Part V if additional space is needed)

	(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
	CENTRAL AMERICA AND THE CARIBBEAN -	1	5	INVESTMENTS		201,558,061
3a	Sub-total	1	5			201,558,061
b	Total from continuation sheets to Part I	0	0			0
c	**Totals** (add lines 3a and 3b)	1	5			201,558,061

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 . . . . ▶ ☐
Use Part V if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ▶

3 Enter total number of other organizations or entities . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Part V if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*	☐ Yes	☑ No
2	Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*	☑ Yes	☐ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*	☐ Yes	☑ No

Part V **Supplemental Information**

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

Identifier	ReturnReference	Explanation
		CFC FOLLOWS U S GAAP ACCOUNTING AMOUNTS REPORTED IN PART I, COLUMN (F) REPRESENTS THE CARRYING VALUE, NET OF EARNINGS AND/OR IMPAIRMENT CHARGES OF CFC'S INVESTMENT IN ORGANIZATIONS IN FOREIGN COUNTRIES AS OF THE END OF THE TAX YEAR AND DO NOT REFLECT EXPENDITURES MADE BY CFC INTO THESE COUNTRIES

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION

Employer identification number
52-0891669

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 0

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 55

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of non-cash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	**Return Reference**	**Explanation**
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 INTEGRITY FUND IN ORDER TO BE APPROVED FOR A GRANT FROM THE INTEGRITY FUND, A RURAL ELECTRIC SYSTEM MUST ESTABLISH THAT A SIGNIFICANT PORTION OF ITS SERVICE TERRITORY, OR PRESENT OR ANTICIPATED CONSUMERS, OR ITS FACILITIES FACE A THREAT OF ACQUISITION BY A COMPETING UTILITY, OR THE SYSTEM FACES A THREAT TO ITS RIGHT A RURAL ELECTRIC SYSTEM MUST SUBMIT COPIES OF PAID INVOICES SUPPORTING THE REQUESTED AMOUNT FOR EACH DISBURSEMENT FROM THE GRANT IN ADDITION, A COVER LETTER MUST ACCOMPANY EACH REQUEST, SAYING THAT MANAGEMENT HAS REVIEWED THE DISBURSEMENT REQUEST AND STATING THAT (1) TRUE AND CORRECT COPIES OF PAID INVOICES SUPPORTING THE AMOUNT OF THIS REQUEST ARE BEING SUBMITTED, (2) SUCH COSTS HAVE BEEN INCURRED AND PAID BY THE RURAL ELECTRIC COOPERATIVE IN CONNECTION WITH THE PURPOSE FOR WHICH THE INTEGRITY FUND GRANT WAS APPROVED, AND (3) THE EXPENSES ARE REIMBURSABLE UNDER THE TERMS AND CONDITIONS OF THE INTEGRITY FUND EDUCATION FUND EACH STATEWIDE ASSOCIATION SUBMITS AN APPLICATION FORM DESCRIBING THE PROGRAM FOR WHICH THE GRANT WILL BE USED EARLIER IN THE YEAR, THEY SUBMIT A MEMBERSHIP LIST OF THE ASSOCIATION VERIFIED BY THE GENERAL MANAGER CFC USES THAT LIST AS WELL AS ITS OWN MEMBERSHIP LIST TO CALCULATE HOW MUCH EACH ASSOCIATION IS ALLOTTED DURING THE FISCAL YEAR OUR FORMULA IS BASED UPON THE NUMBER OF SYSTEMS WITHIN AN ASSOCIATION, THE TOTAL NUMBER OF CO-OPS WHICH ARE MEMBERS OF CFC AND OF THE ASSOCIATION, AND THE NUMBER OF CO-OPS THAT ARE 100% CFC BORROWERS THE SENIOR VICE PRESIDENT OF CFC'S CORPORATE RELATIONS GROUP APPROVES THE APPLICATIONS MADE BY THE ASSOCIATIONS THE CHECKS ARE DISBURSED PUBLICLY BEFORE THE ASSOCIATION'S BOARD OF DIRECTORS OR AT THE ASSOCIATION'S ANNUAL MEETINGS TO PROVIDE ENERGY SERVICES TO CONSUMERS

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 52-0891669
Name: NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ALASKA POWER ASSOCIATION703 WEST TUDOR ROAD SUITE 200 ANCHORAGE,AK 995036650	92-0069880	501 (C)(6)	11,600				PARTICIPATION IN YOUTH LEADERSHIP PROGRAMS
ARKANSAS ELECTRIC COOPERATIVES INC PO BOX 194208 LITTLE ROCK,AR 72219	71-0219756	501 (C)(12)	23,200				ORIENTATION TO COOPERATIVE PRINCIPLES AND LEADERSHIP

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ALABAMA RURAL ELECTRIC ASSOCIATION OF COOPERATIVESPO BOX 244014 MONTGOMERY,AL 361244014	63-0264081	501 (C)(6)	14,400				DIRECTOR TRAINING CONFERENCE
ASSOCIATION OF ILLINOIS ELECTRIC COOPERATIVESPO BOX 3787 SPRINGFIELD,IL 627083787	37-0159736	502 (C)(6)	40,400				FARMER TRAINING AND PROMOTION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ASSOCIATION OF MISSOURI ELECTRIC COOPERATIVESPO BOX 1645 JEFFERSON CITY, MO 65102	43-0631824	501 (C)(6)	25,600				COOPERATIVE YOUTH LEADERSHIP CONFERENCE AND WASHINGTON YOUTH TOUR
COLORADO RURAL ELECTRIC ASSOCIATION5400 NORTH WASHINGTON STREET DENVER,CO 80216	84-0411220	501 (C)(6)	13,600				DIRECTOR AND EMPLOYEE TRAINING

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ELECTRIC POWER ASSOCIATIONS OF MISSISSIPPIPO BOX 3300 RIDGELAND, MS 391583300	64-0200697	501 (C)(6)	13,200				COOPERATIVE YOUTH LEADERSHIP WORKSHOP
FLORIDA ELECTRIC COOPERATIVES ASSOCIATION INC 2916 APALACHEE PARKWAY TALLAHASSEE, FL 32301	59-0633990	501 (C)(6)	10,000				LEADERSHIP CONFERENCE FOR DIRECTORS & MANAGERIAL STAFF

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
GEORGIA ELECTRIC MEMBERSHIP CORPORATIONPO BOX 1707 TUCKER,GA 300851707	58-0530279	501 (C)(6)	23,600				EDUCATION BOOTH AT SUNBELT AGRICULTURAL EXPOSITION
GOLDEN STATE POWER COOPERATIVE 14619 HAMLIN STREET VAN NUYS,CA 91411	68-0441905	501 (C)(6)	5,200				ASSISTANCE TO START-UP CO-OPS WITH SEMINARS AND SPEAKERS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
GRAND CANYON STATE ELECTRIC COOPERATIVE ASSOCIATION120 NORTH 44TH STREET PHOENIX,AZ 85034	86-6056759	501 (C)(6)	11,200				COOPERATIVE YOUTH LEADERSHIP CONFERENCE AND WASHINGTON YOUTH TOUR
IDAHO COOPERATIVE UTILITIES ASSOCIATION INC PO BOX 1898 BOISE,ID 837011898	82-0502739	502 (C)(6)	19,200				ICUA YOUTH RALLY AND THE ICUA MEMBERS CONFERENCE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
INDIANA STATEWIDE ASSOCIATION OF RURAL ELECTRIC COOPERATIVES INCPO BOX 24517 INDIANAPOLIS,IN 46224	35-1499808	501 (C)(6)	24,400				TRAINING PROGRAMS FOR EMPLOYEES AND CO-OP BOARD MEMBERS
IOWA ASSOCIATION OF ELECTRIC COOPERATIVES 8525 DOUGLAS AVE SUITE 48 DES MOINES,IA 50322	42-0662488	502 (C)(6)	47,200				MONTHLY MAGAZINE AND OTHER COMMUNICATIONS PROGRAMS FOR MEMBERS-CONSUMERS IN IOWA

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
KANSAS ELECTRIC COOPERATIVES INC PO BOX 4267 TOPEKA,KS 666044267	48-0541902	501 (C)(12)	16,800				INFORMATIONAL PUBLICATION FOR DISTRIBUTION TO CO-OP MEMBERS AND PUBLIC
MICHIGAN ELECTRIC COOPERATIVE ASSOCIATION2859 W JOLLY ROAD OKEMOS,MI 488641182	38-2214287	501 (C)(6)	9,600				YOUTH TOUR TO WASHINGTON AND MICHIGAN ELECTRIC TEEN DAYS SUMMER CAMP

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MINNESOTA RURAL ELECTRIC ASSOCIATION 11640 - 73RD AVENUE NORTH MAPLE GROVE,MN 55369	41-0417193	501 (C)(6)	24,000				TRAINING AND EDUCATION FOR NEW COOPERATIVE BOARD MEMBERS
MONTANA ELECTRIC COOPERATIVES' ASSOCIATIONPO BOX 1306 GREAT FALLS,MT 59403	81-0229220	501 (C)(6)	14,400				MEMBERS AND YOUTH TO WASHINGTON, DC TOUR

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION 4301 WILSON BOULEVARD ARLINGTON,VA 222031860	53-0116145	501 (C)(6)	85,096				FOR OPERATION AND CAPITAL EXPENDITURES ASSOCIATED WITH COOPERATIVE COM WEB SITE
NEBRASKA RURAL ELECTRIC ASSOCIATIONPO BOX 82048 LINCOLN,NE 68501	47-0394033	501 (C)(6)	32,800				NREA WASHINGTON YOUTH TOUR

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NEVADA RURAL ELECTRIC ASSOCIATIONPO BOX 365 WELLS,NV 89835	88-0237046	501 (C)(6)	6,400				BUILDING A GRASSROOTS PROGRAM
NEW MEXICO RURAL ELECTRIC COOPERATIVE ASSOCIATION INC 614 DON GASPAR AVENUE SANTA FE,NM 87501	85-0155370	501 (C)(6)	10,400				DIRECTOR TRAINING COURSES FROM NRECA

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NEW YORK STATE RURAL ELECTRIC COOPERATIVE ASSOCIATION INC9 WILSON AVENUE HARTWICK, NY 14810	16-1264464	501 (C)(6)	5,600				RURAL ELECTRIC YOUTH TOUR TO WASHINGTON
NORTH CAROLINA ASSOCIATION OF ELECTRIC COOPERATIVES INC PO BOX 27306 RALEIGH, NC 27611	56-1189186	501 (C)	15,600				BRIGHT IDEAS PROGRAM -- CLASSROOM SUPPORT FOR TEACHERS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTH DAKOTA ASSOCIATION OF RURAL ELECTRIC COOPERATIVESP O BOX 727 MANDAN,ND 585540727	45-0231058	501 (C)	22,800				"COOPERATIVE CONNECTIONS" ORIENTATION PROGRAM
NORTHEAST ASSOCIATION OF ELECTRIC COOPERATIVES INC9 WILSON AVENUE BATH,NY 148101633	22-2153529	501 (C)(12)	16,400				EDUCATION/TRAINING FOR DIRECTORS & EMPLOYEES

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
OHIO RURAL ELECTRIC COOPERATIVESPO BOX 26036 COLUMBUS,OH 432260036	51-0174617	501 (C)(6)	19,600				CHILDREN OF MEMBERS SCHOLARSHIP PROGRAM
OKLAHOMA ASSOCIATION OF ELECTRIC COOPERATIVES INCORPORATEDPO BOX 54309 OKLAHOMA CITY,OK 731541309	73-0556236	501 (C)(6)	17,200				PUBLICATION OF "A PARTNERSHIP OF PROGRESS"

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
OREGON RURAL ELECTRIC COOPERATIVE ASSOCIATION1750 LIBERTY ST SE SALEM,OR 97302	93-0593238	501 (C)(6)	13,600				LEGISLATOR EDUCATION ON CO-OP OPERATIONS
PENNSYLVANIA RURAL ELECTRIC ASSOCIATIONPO BOX 1266 HARRISBURG,PA 171081266	23-6291530	501 (C)(6)	17,600				COOPERATIVE COMMUNICATION WORKSHOP

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SOUTH DAKOTA RURAL ELECTRIC ASSOCIATION INC PO BOX 1138 PIERRE,SD 57501	46-0231254	501 (C)(12)	15,600				2011 YOUTH EXCURSION
TENNESSEE ELECTRIC COOPERATIVE ASSOCIATIONPO BOX 100912 NASHVILLE,TN 37224	62-0461379	501 (C)(6)	13,200				YOUTH LEADERSHIP SUMMIT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
TEXAS ELECTRIC COOPERATIVES INC 1122 COLORADO ST STE 2400 AUSTIN,TX 787012167	74-1007829	277	39,600				LOCAL PAGES EDITORS EDUCATION PROGRAM
THE ASSOCIATION OF LOUISIANA ELECTRIC COOPERATIVES INC 10725 AIRLINE HIGHWAY BATON ROUGE,LA 708164299	72-0400467	501 (C)(6)	8,000				RURAL ELECTRIC YOUTH TOUR TO WASHINGTON

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE ELECTRIC COOPERATIVES OF SOUTH CAROLINA INC808 KNOX ABBOTT DRIVE CAYCE,SC 29033	57-0308664	502 (C)(6)	26,400				NRECA TRAINING COURSES ON A STATEWIDE BASIS
UTAH RURAL ELECTRIC ASSOCIATION 10714 SOUTH JORDAN GATEWAY SOUTH JORDAN,UT 84095	87-0402010	501 (C)(6)	8,000				LEGISLATOR EDUCATION/UREA YOUTH LEADERSHIP CHALLENGE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
VIRGINIA MARYLAND & DELAWARE ASSOCIATION OF ELECTRIC COOPERATIVESPO BOX 2340 GLEN ALLEN,VA 230582340	54-0553861	501 (C)(6)	18,400				2012 MEMBER COOPERATIVE DIRECTOR TRAINING
WASHINGTON RURAL ELECTRIC COOPERATIVE ASSOCIATIONPO BOX 7219 OLYMPIA,WA 985077219	91-1236389	501 (C)(6)	10,800				WRECA 2012 ANNUAL MEETING PROGRAM

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
COOPERATIVE NETWORK ELECTRIC DIVISION1 SOUTH PINCKNEY STREET MADISON, WI 537032869	39-1128018	501(C)	18,400				YOUTH LEADERSHIP CONFERENCE
WYOMING RURAL ELECTRIC ASSOCIATION2312 CAREY AVENUE CHEYENNE, WY 820013627	83-0207211	501 (C)(12)	8,800				LINEMAN SCHOLARSHIP, AG IN THE CLASSROOM AND SPONSORSHIP OF YOUTH TOUR

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CARROLL ELECTRIC COOPERATIVE920 HIGHWAY 62 SPUR BERRYVILLE,AR 72616	71-0027635	501 (C)(12)	85,143				INTEGRITY FUND GRANT TO SUPPORT MEMBER FROM BEING ACQUIRED BY ANOTHER ENTITY
RED RIVER VALLEY CO-OP POWER109 2ND AVENUE EAST HALSTAD,MN 56548	41-0497361	501 (C)(12)	48,719				INTEGRITY FUND GRANT TO SUPPORT MEMBER'S RIGHT TO PROVIDE SERVICE IN A DISPUTE WITH ANOTHER ENTITY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ROCK ENERGY COOPERATIVEPO BOX 1758 JANESVILLE,WI 53547	39-0574424	501 (C)(12)	14,658				INTEGRITY FUND GRANT TO SUPPORT MEMBER'S RIGHT TO PROVIDE SERVICE IN A DISPUTE WITH ANOTHER ENTITY
THE ELECTRIC COOPERATIVES OF SOUTH CAROLINA INC808 KNOX ABBOTT DRIVE CAYCE,SC 29033	57-0308664	501 (C)	114,309				INTEGRITY FUND GRANT TO SUPPORT MEMBER FROM BEING ACQUIRED BY ANOTHER ENTITY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHOCTAWHATCHEE ELECTRIC CO-OP (CHELCO)1350 W BALDWIN AVE DE FUNIAK SPRINGS, FL 324350512	59-0192831	501(C)(12)	49,538				INTEGRITY FUND GRANT - MUNI TERRITORY THREAT
COOKSON HILLS ELECTRIC COOPERATIVE1002 EAST MAIN STREET STIGLER, OK 74462	73-0543457	501(C)(12)	6,182				INTEGRITY FUND GRANT TO SUPPORT MEMBER'S RIGHT TO PROVIDE SERVICE IN A DISPUTE WITH ANOTHER ENTITY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
EAST-CENTRAL IOWA REC2400 BING MILLER LANE URBANA,IA 523450248	42-1445092	501(C)(12)	122,280				INTEGRITY FUND GRANT - MUNI TERRITORY THREAT
FLORIDA ELECTRIC COOPERATIVES ASSOCIATION2916 APALACHEE PARKWAY TALLAHASSEE,FL 32301	59-0633990	501(C)(6)	20,000				INTEGRITY FUND GRANT - IOU TERRITORY THREAT

Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

Employer identification number
52-0891669

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☑ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☑ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		No
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		No
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☑ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	**4c**		No
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	**5b**		No
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	**6b**		No
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) SHELDON PETERSEN	(i)	1,105,937	329,332	76,451	84,262	23,601	1,619,583	0
	(ii)	0	0	0	0	0	0	0
(2) RICHARD LAROCHELLE	(i)	558,680	121,293	42,578	100,803	16,300	839,654	0
	(ii)	0	0	0	0	0	0	0
(3) JOHN EVANS	(i)	478,014	128,330	46,934	86,074	24,842	764,194	0
	(ii)	0	0	0	0	0	0	0
(4) JOHN LIST	(i)	458,756	136,293	49,250	83,244	26,089	753,632	0
	(ii)	0	0	0	0	0	0	0
(5) STEVEN LILLY	(i)	489,703	131,293	6,265	94,694	27,212	749,167	0
	(ii)	0	0	0	0	0	0	0
(6) LAWRENCE ZAWALICK	(i)	355,313	88,400	37,546	82,264	11,188	574,711	0
	(ii)	0	0	0	0	0	0	0
(7) JONATHON ANDREW DON	(i)	287,601	74,863	11,262	63,744	27,852	465,322	0
	(ii)	0	0	0	0	0	0	0
(8) JOHN BORAK	(i)	219,628	85,752	45,815	79,902	21,037	452,134	0
	(ii)	0	0	0	0	0	0	0
(9) KRISHNA MURTHY	(i)	187,448	57,180	42,044	116,438	26,784	429,894	0
	(ii)	0	0	0	0	0	0	0
(10) JOHN SUTER	(i)	187,871	51,930	23,153	105,974	26,167	395,095	0
	(ii)	0	0	0	0	0	0	0
(11) STEVEN KETTLER	(i)	188,490	43,952	150,015	36,295	25,832	444,584	0
	(ii)	0	0	0	0	0	0	0
(12) ROBERTA ARONSON	(i)	268,074	65,852	7,090	76,499	23,326	440,841	0
	(ii)	0	0	0	0	0	0	0
(13) MICHAEL CARR	(i)	215,857	61,160	23,324	55,763	30,065	386,169	0
	(ii)	0	0	0	0	0	0	0
(14) JOSEPH SIEKIERSKI	(i)	169,476	67,809	44,493	77,206	18,732	377,716	0
	(ii)	0	0	0	0	0	0	0
(15) ROBIN REED	(i)	195,944	53,520	17,183	56,320	10,511	333,478	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation
	PART I, LINE 1A	THE PERQUISITES PROVIDED TO THE CEO ARE LIMITED TO AN ANNUAL AUTOMOBILE ALLOWANCE AS WELL AS AN ANNUAL SPOUSAL AIR TRAVEL ALLOWANCE ADDITIONALLY, THE CEO RECEIVES AN ANNUAL EXECUTIVE PHYSICAL PAID FOR BY CFC ONE HIGHLY COMPENSATED EMPLOYEE LISTED IN PART VII, SECTION A RECEIVED A GROSS UP PAYMENT REPRESENTING A TEMPORARY HOUSING ALLOWANCE AND TAXABLE RELOCATION REIMBURSEMENT FOR PERSONAL USE DUE TO A RELOCATION TO HEADQUARTERS THESE PAYMENTS WERE TREATED AS TAXABLE COMPENSATION
	PART I, LINE 1B	THESE PAYMENTS WERE TREATED AS TAXABLE COMPENSATION TO PROVIDE THE ANNUAL AUTOMOBILE AND SPOUSAL AIR TRAVEL PERQUISITES IN AN EFFICIENT FASHION, THE BOARD AUTHORIZES AN ANNUAL ALLOWANCE RATHER THAN PROVIDING UNLIMITED REIMBURSEMENT OR USE OF A COMPANY-OWNED VEHICLE THE AMOUNT OF EACH ALLOWANCE IS AUTHORIZED ANNUALLY BY THE BOARD AND IS DETERMINED BASED ON THE ESTIMATED COST FOR OPERATION AND MAINTENANCE OF AN AUTOMOBILE AND THE ANTICIPATED COST OF AIR TRAVEL BY THE CEO'S SPOUSE THESE PAYMENTS WERE TREATED AS TAXABLE COMPENSATION CFC DOES NOT HAVE A FORMAL POLICY REGARDING PAYMENTS OR REIMBURSMENT OF THESE EXPENSES THE PAYMENT FOR THE GROSS-UP, TAXABLE HOUSING AND RELOCATION ALLOWANCE WAS MADE IN ACCORDANCE WITH A WRITTEN RELOCATION AGREEMENT
	PART I, LINE 4B	CFC OFFERS A PENSION RESTORATION PLAN WHICH IS A COMPONENT OF THE RETIREMENT SECURITY PLAN TO OFFICERS OF THE COMPANY THE PENSION RESTORATION PLAN, WHICH IS A 457(F) PLAN, RESTORES THE VALUE OF THE RETIREMENT SECURITY PLAN FOR EACH OFFICER TO THE LEVEL IT WOULD BE IF THE IRS LIMITS ON ANNUAL PAY AND ANNUAL ANNUITY BENEFITS WERE NOT IN PLACE THE BENEFIT AND PAYOUT FORMULA UNDER THIS RESTORATION COMPONENT OF THE RETIREMENT SECURITY PLAN IS SIMILAR TO THAT UNDER THE QUALIFIED PLAN COMPONENT HOWEVER, EACH OF THE NAMED EXECUTIVE OFFICERS HAS SATISFIED THE PROVISIONS ESTABLISHED TO RECEIVE THE BENEFIT FROM THIS PLAN SINCE THERE IS NO LONGER A RISK OF FORFEITURE OF THE BENEFIT UNDER THE PENSION RESTORATION PLAN, DISTRIBUTIONS ARE MADE FROM THE PLAN TO EACH NAMED EXECUTIVE OFFICER ANNUALLY FOR 2011 THE FOLLOWING DISTRIBUTIONS WERE MADE JOHN BORAK $ 4,783 JOHN EVANS $ 77,910 RICHARD LAROCHELLE $ 187,790 STEVEN LILLY $ 93,036 JOHN LIST $ 101,493 SHELDON PETERSEN $ 362,324 LAWRENCE ZAWALICK $ 88,694
	PART I, LINE 7	CFC'S SHORT-TERM CASH INCENTIVE PROGRAM IS A ONE-YEAR CASH INCENTIVE THAT IS TIED TO THE ANNUAL PERFORMANCE OF THE ORGANIZATION AS A WHOLE WE BELIEVE THAT BY PAYING A SHORT-TERM INCENTIVE TIED TO THE ACHIEVEMENT OF ANNUAL OPERATING GOALS, ALL EMPLOYEES, INCLUDING NAMED EXECUTIVE OFFICERS, WILL FOCUS THEIR EFFORTS ON THE MOST IMPORTANT STRATEGIC OBJECTIVES WHICH HELP US TO FULFILL OUR MISSION TO OUR MEMBERS AND OUR OBLIGATIONS TO THE FINANCIAL MARKETS THE SHORT-TERM INCENTIVE PROGRAM PROVIDES ANNUAL CASH INCENTIVE OPPORTUNITIES BASED UPON THE LEVEL OF THE POSITION WITHIN OUR BASE PAY STRUCTURE, RANGING FROM 15 PERCENT - 25 PERCENT OF BASE PAY EXECUTIVE OFFICERS ARE ELIGIBLE TO RECEIVE SHORT-TERM CASH INCENTIVE COMPENSATION UP TO 25 PERCENT OF THEIR BASE PAY KEY EMPLOYEES AND HIGHLY COMPENSATED EMPLOYEES ARE ELIGIBLE TO RECEIVE SHORT-TERM CASH INCENTIVE COMPENSATION UP TO 20 PERCENT OF THEIR BASE PAY THE LONG-TERM INCENTIVE PROGRAM IS A THREE-YEAR PLAN THAT IS TIED TO CFC'S LONG-TERM STRATEGIC OBJECTIVES THE LONG-TERM INCENTIVE PROGRAM WAS IMPLEMENTED TO CREATE DYNAMIC TENSION BETWEEN SHORT-TERM OBJECTIVES AND LONG-TERM GOALS EXECUTIVE OFFICERS, KEY EMPLOYEES AND HIGHLY COMPENSATED EMPLOYEES ARE ELIGIBLE TO PARTICIPATE IN THE PLAN AND RECEIVE PERFORMANCE UNITS THAT ARE CALCULATED AT 20% - 25% OF BASE PAY THE VALUE OF THE PERFORMANCE UNITS WILL RANGE FROM $0 TO $150 PER PERFORMANCE UNIT ACCORDING TO THE LEVEL OF NATIONAL RURAL'S SECURED DEBT RATINGS BY THE RATING AGENCIES

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Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization	Employer identification number
NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION	52-0891669

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total . . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of transaction	**(d)** Description of transaction	**(e)** Sharing of organization's revenues? Yes	No
(1) NATIONAL COOPERATIVE SERVICES CORPORATION	MEMBER/BORROWER W/ CFC'S CEO AS BOARD MEMBER	1,225,803	INTEREST EARNED ON INVESTMENTS/ CERTIFICATES		No
(2) NATIONAL COOPERATIVE SERVICES CORPORATION	MEMBER/BORROWER W/ CFC'S CEO AS BOARD MEMBER	531,153	GUARANTEE FEES		No
(3) NATIONAL COOPERATIVE SERVICES CORPORATION	MEMBER/BORROWER W/ CFC'S CEO AS BOARD MEMBER	3,156,000	MANAGEMENT FEES		No
(4) NATIONAL COOPERATIVE SERVICES CORPORATION	MEMBER/BORROWER W/ CFC'S CEO AS BOARD MEMBER	13,156,000	INTEREST EARNED ON LOANS		No
(5) NATIONAL RURAL TELECOMMUNICATIONS COOPERATIVE	MEMBER/BORROWER W/ CFC'S CEO AS BOARD MEMBER	7,708	COMMITMENT AND GUARANTEE FEES		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

Employer identification number
52-0891669

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION IS A NON-STOCK, MEMBERSHIP ORGANIZATION AS OF MAY 31, 2012, THERE WERE 1,029 MEMBERS AND ASSOCIATES MEMBERSHIP INCLUDED CLASS A THERE WERE 838 CLASS A MEMBERS - COOPERATIVE OR NONPROFIT CORPORATIONS, PUBLIC CORPORATIONS, UTILITY DISTRICTS, AND OTHER PUBLIC BODIES, WHICH HAVE RECEIVED OR ARE ELIGIBLE TO RECEIVE A LOAN OR COMMITMENT FOR A LOAN FROM THE RURAL UTILITIES SERVICE OR ANY SUCCESSOR AGENCY, AND WHICH ARE ENGAGED OR PLANNING TO ENGAGE IN THE FURNISHING OF UTILITY SERVICES TO THEIR MEMBERS AND PATRONS FOR THEIR USE AS ULTIMATE CONSUMERS CLASS B THERE WERE 71 CLASS B MEMBERS - COOPERATIVE OR NONPROFIT CORPORATIONS WHICH ARE FEDERATIONS OF CLASS A MEMBERS OR OF OTHER CLASS B MEMBERS, OR BOTH, OR WHICH ARE OWNED AND CONTROLLED BY CLASS A MEMBERS OR BY OTHER CLASS B MEMBERS, OR BOTH, AND WHICH ARE ENGAGED OR PLANNING TO ENGAGE IN THE FURNISHING OF UTILITY SERVICES PRIMARILY TO CLASS A MEMBERS OR OTHER CLASS B MEMBERS CLASS C THERE WERE 66 CLASS C MEMBERS - STATEWIDE AND REGIONAL ASSOCIATIONS WHICH ARE WHOLLY-OWNED OR CONTROLLED BY CLASS A MEMBERS OR CLASS B MEMBERS, OR BOTH, OR WHICH ARE WHOLLY-OWNED SUBSIDIARIES OF A CFC MEMBER, AND WHICH DO NOT FURNISH UTILITY SERVICES BUT WHICH SUPPLY OTHER FORMS OF SERVICE TO THEIR MEMBERS CLASS D THERE WAS 1 CLASS D MEMBER CLASS D MEMBERS ARE NATIONAL ASSOCIATIONS OF COOPERATIVES COMPRISED OF CLASS A, CLASS B AND CLASS C MEMBERS IN ORDER TO BE ELIGIBLE FOR MEMBERSHIP TO CFC, A NATIONAL ASSOCIATION MUST HAVE, AT THE TIME OF ADMISSION TO CFC, MEMBER COOPERATIVES DOMICILED IN AT LEAST 80% OF THE STATES OF THE UNITED STATES IN ADDITION TO MEMBERS, ASSOCIATES (NUMBERING 53) ARE NOT-FOR-PROFIT ENTITIES ORGANIZED ON A COOPERATIVE BASIS WHICH ARE OWNED, CONTROLLED OR OPERATED BY CLASS A, B OR C MEMBERS AND WHICH PROVIDE NON-ELECTRIC SERVICES PRIMARILY FOR THE BENEFIT OF CONSUMERS ASSOCIATES ARE NOT ENTITLED TO VOTE AT ANY MEETING OF THE MEMBERS AND ARE NOT ELIGIBLE TO BE REPRESENTED ON OUR BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7A	THE DIRECTORS THAT COMPRISE CFC'S BOARD OF DIRECTORS ARE DIVIDED INTO THREE CLASSES, TWO CONSISTING OF SEVEN DIRECTORS EACH AND THE THIRD OF EIGHT DIRECTORS IF THE BOARD OF DIRECTORS IN ITS DISCRETION SO DETERMINES, THEN THERE MAY BE ONE ADDITIONAL AT-LARGE DIRECTOR ELECTED TO SERVE ON THE BOARD OF DIRECTORS OF CFC FROM TIME TO TIME DIRECTORS IN EACH CLASS SERVE FOR TERMS OF THREE YEARS AND THE EXPIRATION OF EACH CLASS OF DIRECTORS' TERMS OCCUR IN DIFFERENT YEARS UPON EXPIRATION OF THE TERM OF A DIRECTOR, MEMBERS FROM THAT DIRECTOR'S REGION ELECT A DIRECTOR TO REPRESENT THEM ON CFC'S BOARD ELECTIONS FOR THOSE DIRECTORS WHOSE TERMS ARE EXPIRING ARE HELD ANNUALLY A DIRECTOR MAY NOT BE ELECTED TO SERVE MORE THAN TWO CONSECUTIVE TERMS ON THE CFC BOARD

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE BOARD OF DIRECTORS OF NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION ("CFC") REVIEWED THE 2011 FORM 990 FOR FISCAL YEAR ENDED MAY 31, 2012 AT A REGULARLY SCHEDULED BOARD MEETING PRIOR TO FILING THE FORM 990 WITH THE INTERNAL REVENUE SERVICE. A DRAFT OF THE FORM 990 WAS PREPARED BY CFC STAFF, REVIEWED BY INTERNAL COUNSEL AND SENIOR MANAGEMENT, REVIEWED BY EXTERNAL TAX ADVISORS, DELOITTE TAX LLP, AND PRESENTED TO THE BOARD FOR REVIEW A DETAILED PRESENTATION ABOUT THE FORM 990 WAS MADE BY CFC STAFF TO THE BOARD AT A REGULARLY SCHEDULED BOARD MEETING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	CONFLICTS OF INTERESTS ARE ADDRESSED BY CFC THROUGH ITS RELATED PERSON TRANSACTIONS AND RELATED CREDITS POLICY (THE "POLICY") CFC ESTABLISHED THE POLICY IN MAY 2007, AS AMENDED FROM TIME TO TIME, TO FACILITATE DISCLOSURE WITH RESPECT TO TRANSACTIONS IN WHICH ITS EXECUTIVE OFFICERS, DIRECTORS AND KEY EMPLOYEES HAVE A SUBSTANTIAL INTEREST A RELATED PERSON TRANSACTION IS DEFINED AS ANY TRANSACTION IN WHICH (I) CFC WAS, IS, OR PROPOSES TO BE A PARTICIPANT, (II) THE AMOUNT INVOLVED EXCEEDS $120,000 AND (III) A RELATED PERSON HAS OR WILL HAVE A DIRECT OR INDIRECT MATERIAL INTEREST IN QUESTION THE POLICY APPLIES TO ALL EXECUTIVE OFFICERS, DIRECTORS AND KEY EMPLOYEES OF CFC ("COVERED EMPLOYEES") AND REQUIRES SIMILAR DISCLOSURE TO THAT REQUIRED BY ITEM 404 OF REGULATION S-K OF THE SECURITIES ACT OF 1933, AS AMENDED THE POLICY IS CONSISTENTLY MONITORED AND ENFORCED AT EACH REGULARLY SCHEDULED MEETING OF CFC'S BOARD PURSUANT TO THE POLICY, EACH COVERED EMPLOYEE THAT IS AWARE OF A POTENTIAL CONFLICT OF INTEREST BETWEEN THEMSELVES AND CFC IS REQUIRED TO COMPLETE A RELATED PERSON DISCLOSURE NOTICE AT EACH BOARD MEETING DESCRIBING SUCH CONFLICT OUTSIDE OF REGULARLY SCHEDULED BOARD MEETINGS, COVERED EMPLOYEES ARE REQUIRED TO COMPLETE RELATED PERSON DISCLOSURE NOTICES WHENEVER THEY BECOME AWARE OF A POTENTIAL CONFLICT OF INTEREST THE RELATED PERSON DISCLOSURE NOTICE REQUIRES A DESCRIPTION OF THE PARTIES INVOLVED IN THE TRANSACTION, THE APPROXIMATE DOLLAR AMOUNT OF THE TRANSACTION, AS WELL AS AN UPDATE WITH RESPECT TO THE TIMING AND STATUS OF THE TRANSACTION UPON RECEIPT OF A RELATED PERSON DISCLOSURE NOTICE, CFC'S GENERAL COUNSEL IS RESPONSIBLE FOR THE REVIEW, APPROVAL AND RATIFICATION OF ANY RELATED PERSON TRANSACTION THOSE RELATED PERSON TRANSACTIONS INVOLVING A SUBSTANTIAL INTEREST OF CFC'S GENERAL COUNSEL ARE REQUIRED TO BE REFERRED TO THE BOARD FOR REVIEW, APPROVAL AND RATIFICATION IN REVIEWING AND APPROVING RELATED PERSON TRANSACTIONS, THE GENERAL COUNSEL, AND WHEN APPLICABLE, THE BOARD, MUST TAKE INTO ACCOUNT THE BUSINESS PURPOSE OF THE TRANSACTION, WHETHER THE TRANSACTION IS ENTERED INTO ON AN ARMS-LENGTH BASIS ON TERMS FAIR TO CFC AND WHETHER SUCH TRANSACTION WOULD VIOLATE CFC'S CODE OF ETHICS DIRECTOR COMPENSATION ARRANGEMENTS, EXECUTIVE OFFICER COMPENSATION ARRANGEMENTS AND KEY EMPLOYEE COMPENSATION ARRANGEMENTS ARE EACH EXCLUDED FROM THE DEFINITION OF RELATED PERSON TRANSACTIONS, AS WELL AS TRANSACTIONS IN WHICH THE RELATED PERSON'S INTEREST ARISES ONLY FROM THE PERSON'S POSITION AS A DIRECTOR OF ANOTHER ENTITY THAT IS A PARTY TO THE TRANSACTIONS FINALLY, RELATED CREDITS ARE ALSO EXCLUDED FROM THE DEFINITION OF A RELATED PERSON TRANSACTION A RELATED CREDIT IS DEFINED AS THE EXTENSION OF CREDIT TO OR FOR THE BENEFIT OF COVERED EMPLOYEES (DEFINED AS RELATED PERSONS UNDER THE POLICY) OR RELATED ENTITIES THAT ARE MADE ON SUBSTANTIALLY THE SAME TERMS AND FOLLOW THE UNDERWRITING PROCEDURES THAT ARE NO LESS STRINGENT THAN THOSE PREVAILING AT THE TIME FOR COMPARABLE TRANSACTIONS GENERALLY OFFERED BY CFC THE POLICY PROHIBITS CFC FROM EXTENDING CREDIT IN THE FORM OF A PERSONAL LOAN TO A RELATED PERSON RELATED ENTITIES INCLUDE CFC'S MEMBER COOPERATIVES AS WELL AS ANY COOPERATIVE, PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY OR TRUST FOR WHICH A RELATED PERSON SERVES AS AN OFFICER, DIRECTOR, EMPLOYEE OR IN ANY OTHER FIDUCIARY CAPACITY OR WHICH IS CONTROLLED BY A RELATED PERSON THE BOARD HAS DELEGATED TO THE CEO, WITH AUTHORITY TO REDELEGATE TO SUCH OFFICER OF CFC AS THE CEO DEEMS APPROPRIATE, THE AUTHORITY TO APPROVE ALL RELATED CREDITS IN AN AMOUNT EQUAL TO OR LESS THAN $250,000 AND EMERGENCY AND CERTAIN OTHER LINES OF CREDIT RELATED CREDITS IN EXCESS OF $250,000 MUST BE APPROVED BY THE BOARD ALL RELATED PERSONS ARE REQUIRED TO ABSTAIN FROM PARTICIPATING, DIRECTLY OR INDIRECTLY, IN THE CREDIT APPROVAL PROCESS INVOLVING A RELATED CREDIT ADDITIONALLY, ALL RELATED PERSON ARE REQUIRED TO LEAVE THE BOARD MEETING WHILE THE RELATED CREDIT IS BEING CONSIDERED AND DISCUSSED AND RELATED PERSONS ARE NOT PROVIDED WITH ANY WRITTEN MATERIALS PERTAINING TO SUCH RELATED CREDIT

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15A	CFC'S EXECUTIVE COMPENSATION COMMITTEE (THE "COMMITTEE"), WHICH IS COMPRISED OF CFC EXECUT IVE COMMITTEE BOARD MEMBERS, DETERMINES AND APPROVES THE COMPENSATION OF CFC'S GOVERNOR AN D CHIEF EXECUTIVE OFFICER (THE "CEO") THE COMMITTEE ANNUALLY REVIEWS AND APPROVES APPROPR IATE CORPORATE GOALS AND OBJECTIVES RELATED TO THE CEO'S COMPENSATION AND EVALUATES PERFOR MANCE IN LIGHT OF THOSE GOALS AND OBJECTIVES THE CEO'S COMPENSATION IS COMPRISED OF BASE PAY, SHORT AND LONG TERM INCENTIVE COMPENSATION AND PERQUISITES IN FISCAL YEAR 2012, AN I NDEPENDENT COMPENSATION CONSULTANT WAS ENGAGED BY THE COMPENSATION COMMITTEE TO CONDUCT A COMPENSATION SURVEY AND PROVIDE COMPENSATION DATA FOR THE CEO POSITION USING PEER ORGANIZA TIONS IDENTIFIED BY THE INDEPENDENT CONSULTANT THROUGH DISCUSSION WITH THE COMPENSATION CO MMITTEE. THE INDEPENDENT CONSULTANT INCLUDED COMPANIES IN THE COMPENSATION COMPARISON GROU P THAT WERE SIMILAR TO CFC IN ASSET SIZE, INDUSTRY AND BUSINESS DESCRIPTION THE GROUP INC LUDED FINANCIAL INSTITUTIONS THAT ARE PRIVATE MARKET, COMMERCIAL AND/OR MISSION-DRIVEN LEN DERS, OFFERING FULL SERVICE FINANCING, INVESTMENT AND RELATED SERVICES THE COMPANIES TARG ETED AS PEER COMPANIES INCLUDED THREE MEMBERS OF THE FARM CREDIT SYSTEM AND 10 REGIONAL BA NKS OR FINANCIAL SERVICES COMPANIES THESE COMPANIES WERE CHOSEN BECAUSE THEIR BUSINESSES ARE SIMILAR TO CFC'S, ALTHOUGH CFC IS NOT FOCUSED ON PROFITS LIKE THE INSTITUTIONS IN THE PEER GROUP, THE COMPENSATION COMMITTEE BELIEVES THAT THESE COMPANIES EMPLOY EXECUTIVES THA T HAVE SKILLS AND EXPERTISE CONSISTENT WITH WHAT CFC WOULD SEEK IF IT HAD TO REPLACE THE C EO THE TARGETED COMPANIES HAD ASSETS RANGING FROM APPROXIMATELY 50 PERCENT TO 200 PERCENT OF CFC'S DECEMBER 2010 TOTAL ASSETS OF $20,560 MILLION, AND INCLUDED SEVEN COMPANIES WITH GREATER TOTAL ASSETS THAN CFC'S THE COMPARATOR GROUP CONSISTED OF FINANCIAL SERVICES ORG ANIZATIONS NEW YORK COMMUNITY BANCORP, INC , ASTORIA FINANCIAL CORP , NELNET, INC , WEBSTE R FINANCIAL CORP , FLAGSTAR BANCORP, PEOPLE'S UNITED FINANCIAL CORP , WASHINGTON FEDERAL I NC , HUDSON CITY BANCORP INC , FIRST NIAGARA FINANCIAL GROUP, AND FEDERAL AGRICULTURAL MOR TGAGE CORPORATION, AS WELL AS THREE FARM CREDIT SYSTEM PEERS ALTHOUGH HUDSON CITY BANCORP INC 'S 2010 ASSETS ARE OUTSIDE OF THE NORMAL TARGETED ASSET RANGE, THE INDEPENDENT CONSUL TANT RECOMMENDED THAT THIS COMPANY REMAIN IN THE PEER GROUP THE INDEPENDENT CONSULTANT LE D THE COMPENSATION COMMITTEE THROUGH AN ASSESSMENT OF CEO COMPENSATION DATA AT THE COMPARI SON GROUP COMPANIES USING BOTH A ONE-YEAR AND A THREE-YEAR COMPENSATION ANALYSIS THE INDE PENDENT CONSULTANT'S DATA INCLUDED BOTH ACTUAL COMPENSATION AND TARGET COMPENSATION BASED ON INFORMATION OBTAINED FROM EACH COMPARATOR GROUP COMPANY'S MOST RECENT ANNUAL REPORT OR PROXY STATEMENT THE ELEMENTS OF COMPENSATION REVIEWED INCLUDE CURRENT BASE SALARY AS WEL L AS ANY ADDITIONAL BONUS, INCENTIVES OR SPECIAL AWARDS THE COMPENSATION COMMITTEE REVIEW ED TOTAL COMPENSATION DATA FOR THE COMPARATOR GROUP FOR INFORMATIONAL PURPOSES AND USED TH IS DATA SOLELY TO DETERMINE THE COMPETITIVENESS OF OUR CEO BASE PAY AFTER REVIEWING THE P ERFORMANCE OF THE ORGANIZATION AND THE EVALUATION OF THE CEO'S PERFORMANCE BY EACH BOARD M EMBER, IT WAS THE ASSESSMENT OF THE COMMITTEE THAT THE CEO AND THE ORGANIZATION PERFORMED EXTREMELY WELL DURING ANOTHER VOLATILE BUSINESS YEAR THE COMMITTEE ALSO TOOK INTO CONSIDE RATION THE INFORMATION PROVIDED BY THE INDEPENDENT CONSULTANT, INDICATING THAT EXECUTIVE P AY INCREASES WERE PROJECTED TO AVERAGE ABOUT 3 PERCENT FOR CALENDAR YEAR 2011 THEREFORE, IN RECOGNITION OF HIS STRONG PERFORMANCE AND LEADERSHIP, THE COMPENSATION COMMITTEE INCREA SED THE CEO'S BASE PAY 3 PERCENT TO $813,700, EFFECTIVE JANUARY 1, 2012 IN ADDITION, IN R ECOGNITION OF THE CEO'S SUCCESSFUL LEADERSHIP AND STRATEGIC GUIDANCE OF CFC THROUGH THE RE CENT DOWN ECONOMY, THE BOARD OF DIRECTORS AUTHORIZED A ONE-TIME CASH AWARD OF $100,000 PAI D TO THE CEO IN DECEMBER 2011 CFC'S SHORT-TERM CASH INCENTIVE PROGRAM IS A ONE-YEAR CASH INCENTIVE THAT IS TIED TO THE ANNUAL PERFORMANCE OF THE ORGANIZATION AS A WHOLE CORPORATE PERFORMANCE IS MEASURED USING A BALANCED SCORECARD APPROVED BY THE BOARD OF DIRECTORS PRI OR TO THE START OF THE FISCAL YEAR THE BALANCED SCORECARD IS A PERFORMANCE MANAGEMENT TOO L THAT ARTICULATES THE CORPORATE STRATEGY INTO SPECIFIC, QUANTIFIABLE, MEASURABLE GOALS T HE SCORECARD IS DIVIDED INTO FOUR QUADRANTS, REFLECTING CRUCIAL AREAS OF BUSINESS PERFORMA NCE SPECIFIC GOALS ARE ESTABLISHED WITHIN THOSE QUADRANTS TO FOCUS ALL EMPLOYEES ON THE T ARGET RESULTS AND MEASURES THAT MUST BE ACHIEVED IF WE ARE TO SUCCEED AT REALIZING OUR STR ATEGIC PLAN THE INTENT IS TO ALIGN ORGANIZATIONAL, DEPARTMENTAL AND INDIVIDUAL INITIATIVE S TO ACHIEVE A COMMON SET OF GOALS EVERY EMPLOYEE PARTICIPATES IN THE SHORT-TERM INCENTIV E PROGRAM, AND THE CORPORATE STRATEGIC GOALS ARE THE SAME FOR ALL EMPLOYEES, INCLUDING THE NAMED EXECUTIVE OFFICERS THE BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15A	ESTABLISHES CORPORATE GOALS AND MEASURES THAT THEY BELIEVE ARE ACHIEVABLE ONLY IF EACH IND IVIDUAL PERFORMS WELL IN HIS OR HER ROLE AND CFC MEETS ITS INTERNAL BUSINESS PLAN GOALS T HE SHORT-TERM INCENTIVE PROGRAM PROVIDES ANNUAL CASH INCENTIVE OPPORTUNITIES BASED UPON TH E LEVEL OF THE POSITION WITHIN CFC'S BASE PAY STRUCTURE, RANGING FROM 15% - 25% OF BASE PA Y THE CEO IS ELIGIBLE FOR AN ANNUAL INCENTIVE OPPORTUNITY AT 25% OF HIS BASE PAY THE LON G-TERM INCENTIVE PROGRAM IS A THREE-YEAR PLAN THAT IS TIED TO CFC'S LONG-TERM STRATEGIC OB JECTIVES THE MEASURE FOR ALL ACTIVE LONG-TERM INCENTIVE PLANS IS THE ACHIEVEMENT OF BOND RATING TARGETS FOR CFC'S SENIOR SECURED DEBT BY RATING AGENCIES STANDARD & POOR'S CORPORA TION AND MOODY'S INVESTORS SERVICE ELIGIBLE PARTICIPANTS IN THE PLAN CYCLE WILL RECEIVE P ERFORMANCE UNITS THAT ARE CALCULATED AT 15% - 25% OF BASE PAY, DIVIDED BY THE TARGET OBJEC TIVE, CURRENTLY $100 THE CEO'S PERFORMANCE UNITS ARE CALCULATED AT 25% OF HIS BASE PAY DI VIDED BY THE TARGET OBJECTIVE THE COMMITTEE ALSO CONSIDERS PERQUISITES FOR THE CEO IN CON NECTION WITH ITS ANNUAL REVIEW OF THE CEO'S TOTAL COMPENSATION PACKAGE DESCRIBED ABOVE TH E PERQUISITES PROVIDED TO CFC'S CEO ARE LIMITED TO AN ANNUAL AUTOMOBILE ALLOWANCE AS WELL AS AN ANNUAL SPOUSAL AIR TRAVEL ALLOWANCE TO PROVIDE THESE PERQUISITES IN AN EFFICIENT FA SHION, THE BOARD AUTHORIZES AN ANNUAL ALLOWANCE RATHER THAN PROVIDING UNLIMITED REIMBURSEM ENT OR USE OF A COMPANY-OWNED VEHICLE THE AMOUNT OF EACH ALLOWANCE IS AUTHORIZED ANNUALLY BY THE BOARD AND IS DETERMINED BASED ON THE ESTIMATED COST FOR OPERATION AND MAINTENANCE OF AN AUTOMOBILE AND THE ANTICIPATED COST OF AIR TRAVEL BY THE CEO'S SPOUSE ADDITIONALLY, CFC'S CEO RECEIVES AN ANNUAL EXECUTIVE PHYSICAL PAID FOR BY CFC THE COMMITTEE DESIGNATES THE POWER TO REVIEW AND APPROVE ALL EMPLOYEE COMPENSATION TO THE CEO, WHO EXERCISES HIS J UDGMENT TO SET THE ANNUAL BASE PAY FOR THE OTHER NAMED EXECUTIVE OFFICERS AND KEY EMPLOYEE S, AS WELL AS EACH EMPLOYEE BASED ON GENERAL MARKET DATA, OVERALL PERFORMANCE AND LEADERSH IP ACCOMPLISHMENTS IN DETERMINING THE BASE COMPENSATION PAID TO CFC'S EXECUTIVE OFFICERS AND KEY EMPLOYEES, THE CEO REVIEWED NATIONAL, CREDIBLE COMPENSATION SURVEYS FOR FINANCIAL SERVICES ORGANIZATIONS OF SIMILAR ASSET SIZE TO OBTAIN A GENERAL UNDERSTANDING OF CURRENT COMPENSATION PRACTICES AND TO ENSURE THAT THE BASE PAY COMPONENT IS COMPETITIVE, MEANING G ENERALLY WITHIN THE 50TH PERCENTILE OF COMPARATIVE PAY FOR SIMILAR POSITIONS THE CEO DID NOT REVIEW OR CONSIDER THE UNDERLYING ORGANIZATIONS COMPRISING THE SURVEY INFORMATION, BUT INSTEAD CONSIDERED ONLY THE AGGREGATE COMPENSATION DATA EACH EXECUTIVE OFFICER AND KEY E MPLOYEE IS ELIGIBLE TO PARTICIPATE IN CFC'S SHORT TERM AND LONG TERN INCENTIVES PLANS AS D ESCRIBED ABOVE WITH RESPECT TO CFC'S CEO CFC DOES NOT PROVIDE SIGNIFICANT PERQUISITES OR PERSONAL BENEFITS TO ITS EXECUTIVE OFFICERS OR KEY EMPLOYEES

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	CFC'S BYLAWS, AS AMENDED, AND ANNUAL AND PERIODIC FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC THROUGH THE SECURITIES AND EXCHANGE COMMISSION'S ("SEC") WEBSITE CFC'S ARTICLES OF INCORPORATION AND BYLAWS, AS AMENDED, ARE ALSO AVAILABLE ON CFC'S WEBSITE AT WWW NRUCFC COOP CFC'S CONFLICT OF INTEREST POLICY, TITLED THE RELATED PERSONS TRANSACTIONS AND RELATED CREDITS POLICY, IS ALSO AVAILABLE ON CFC'S WEBSITE AT WWW NRUCFC COOP CFC'S BYLAWS ARE FILED AS EXHIBIT 3 2 TO THE FORM 10-Q FOR THE QUARTER ENDED FEBRUARY 28, 2011, FILED ON APRIL 13, 2011 CFC'S ANNUAL AND PERIODIC FINANCIAL STATEMENTS ARE PERIODICALLY FILED WITH THE SEC ON FORM 10-K AND FORM 10-Q CFC'S ARTICLES OF INCORPORATION ARE FILED AS EXHIBIT 3 1 TO REGISTRATION STATEMENT NO 2-46018, FILED ON OCTOBER 12, 1972, HOWEVER, THIS FILING IS NOT CURRENTLY PUBLICLY AVAILABLE

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	PATRONAGE CAPITAL DISTRIBUTION -46,220,572 MEMBERSHIP FEES 1,000 OTHER COMPREHENSIVE INCOME -559,249 EDUCATION FUND -71,744 DERIVATIVE FORWARD VALUE -216,243,594 FAIR VALUE ADJ FORECLOSED ASSETS -47,714,845 INTEGRITY FUND 596,545 TOTAL TO FORM 990, PART XI, LINE 5 -310,212,459

Identifier	Return Reference	Explanation
ORGANIZATION'S FINANCIAL STATEMENTS AUDITED BY INDEPENDENT ACCOUNTANTS	FORM 990, PART XI, LINE 2C	WHILE THERE IS NO A SEPERATE AUDIT PERFORMED OF THE CFC FINANCIAL STATEMENTS, THE CFC FINANCIAL STATEMENTS ARE CONSOLIDATED WITH THE STATEMENTS OF NATIONAL COOPERATIVE SERVICES CORPORATION AND RURAL TELEPHONE FINANCE COOPERATIVE THE CONSOLIDATED FINANCIAL STATEMENTS ARE AUDITED CFC'S AUDIT COMMITTEE IS SOLELY RESPONSIBLE FOR THE NOMINATION, APPROVAL, COMPENSATION, EVALUATION AND DISCHARGE OF THE INDEPENDENT PUBLIC ACCOUNTANTS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS REPORT DIRECTLY TO THE AUDIT COMMITTEE AND THE AUDIT COMMITTEE IS RESPONSIBLE FOR THE RESOLUTION OF DISAGREEMENTS BETWEEN MANAGEMENT AND THE INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS CONSISTENT WITH SECURITIES AND EXCHANGE COMMISSION REQUIREMENTS, THE AUDIT COMMITTEE HAS ADOPTED A POLICY TO PRE-APPROVE ALL AUDIT AND PERMISSIBLE NON-AUDIT SERVICES PROVIDED BY THE INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS THE POLICY PROVIDES THAT PRE-APPROVAL IS NOT REQUIRED FOR CERTAIN PERMISSIBLE NON-AUDIT SERVICES OF A DE MINIMIS AMOUNT THE COMMITTEE MEETS WITH OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM, INTERNAL AUDITORS, CHIEF EXECUTIVE OFFICER AND FINANCIAL MANAGEMENT EXECUTIVES TO REVIEW THE SCOPE AND RESULTS OF AUDITS AND RECOMMENDATIONS MADE BY THOSE PERSONS WITH RESPECT TO INTERNAL AND EXTERNAL ACCOUNTING CONTROLS AND SPECIFIC ACCOUNTING AND FINANCIAL REPORTING ISSUES AND TO ASSESS CORPORATE RISK THE BOARD HAS ADOPTED A WRITTEN CHARTER FOR THE AUDIT COMMITTEE WHICH MAY BE FOUND ON OUR WEBSITE, WWW NRUCFC COOP THE PROCESS HAS NOT CHANGED FROM THE PRIOR PERIOD

Identifier	Return Reference	Explanation
POLICY OR PROCEDURE REGARDING JOINT VENTURE ARRANGEMENTS	FORM 990, PART VI, QUESTION 16B	PART VI , SECTION B , QUESTION 16 AS A LENDER, CFC, FROM TIME TO TIME, MAY HAVE TO FORECLOSE ON THE ASSETS OF A BORROWER AS PART OF SUCH ACTIONS, THE COMPANY MAY RECEIVE INTERESTS IN JOINT VENTURES WITH TAXABLE ENTITIES CFC TAKES SUCH INTERESTS ONLY IN THE INTEREST OF MAXIMIZING ITS RECOVERY ON THE LOAN RECEIVABLE CFC DOES NOT ENTER INTO JOINT VENTURES WITH TAXABLE ENTITIES AS PART OF ITS CORE LENDING BUSINESS TO DATE, THE COMPANY'S INVESTMENT IN THESE JOINT VENTURES HAS BEEN NOMINAL CFC HAS DEVELOPED A WRITTEN POLICY THAT REQUIRES THE COMPANY TO EVALUATE ITS PARTICIPATION IN JOINT VENTURE ARRANGEMENTS AND TAKE STEPS TO SAFEGUARD THE COMPANY'S 501(C)(4) TAX EXEMPT STATUS

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

Employer identification number
52-0891669

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) CFC ADVANTAGE LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 20-5755206	BUY AND SELL LOANS	VA	0	33,873	N/A
(2) DENTON REALTY PARTNERS LP C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 06-2967876	HOLDING COMPANY	DE	0	21,409,317	DENTON REALTY HOLDINGS LLC AND DENTON REALTY INVESTORS LLC
(3) DENTON REALTY HOLDINGS LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 06-1673239	HOLDING COMPANY	DE			N/A
(4) DENTON REALTY INVESTORS LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166	HOLDING COMPANY	DE			N/A
(5) CARIBBEAN ASSET HOLDINGS LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 26-4752447	HOLDING COMPANY	DE	0	264,465,000	N/A
(6) DRP COUNTRY LAKES LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 27-2847626	OWN OPERATE MANAGE AND SELL IMPROVE REAL PROPERTY	TX	0	5,138,054	N/A

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization Yes	No

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) DTR HOLDINGS LLC C/O CAH 20701 COOPERATIVE WAY DULLES, VA 20166 66-0728522	HOLDING COMPANY	VQ	CARIBBEAN ASSET HOLDINGS LLC	C		244,178,000	100 000 %
(2) VI POWERNET LLC C/O DTR HOLDINGS LLC 20701 COOPERAT DULLES, VA 20166 66-0728523	HOLDING COMPANY	VQ	DTR HOLDINGS LLC	C		20,412,000	100 000 %
(3) BVI ASSET HOLDINGS LLC C/O CAH 20701 COOPERATIVE WAY DULLES, VA 20166 26-4752636	HOLDING COMPANY	DE	CARIBBEAN ASSET HOLDINGS LLC	C		6,236,000	100 000 %
(4) STM ASSET HOLDINGS LLC C/O CAH 20701 COOPERATIVE WAY DULLES, VA 20166 26-4752724	HOLDING COMPANY	DE	CARIBBEAN ASSET HOLDINGS LLC	C		13,846,000	100 000 %

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h		No
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations by related organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n		No
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p		No
q Other transfer of cash or property to related organization(s)	1q		No
r Other transfer of cash or property from related organization(s)	1r		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	**(b)** Transaction type(a-r)	**(c)** Amount involved	**(d)** Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	**(b)** Primary activity	**(c)** Legal domicile (state or foreign country)	**(d)** Predominant income(related, unrelated, excluded from tax under sections 512-514)	**(e)** Are all partners section 501(c)(3) organizations?		**(f)** Share of total income	**(g)** Share of end-of-year assets	**(h)** Disproprtionate allocations?		**(i)** Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	**(j)** General or managing partner?		**(k)** Percentage ownership
				Yes	**No**			**Yes**	**No**		**Yes**	**No**	

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 52-0891669
Name: NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION

Form 990, Schedule R, Part I - Identification of Disregarded Entities

(a) Name, address, and EIN of disregarded entity	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Total income ($)	(e) End-of-year assets ($)	(f) Direct Controlling Entity
CFC ADVANTAGE LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 20-5755206	BUY AND SELL LOANS	VA	0	33,873	N/A
DENTON REALTY PARTNERS LP C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 06-2967876	HOLDING COMPANY	DE	0	21,409,317	DENTON REALTY HOLDINGS LLC AND DENTON REALTY INVESTORS LLC
DENTON REALTY HOLDINGS LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 06-1673239	HOLDING COMPANY	DE			N/A
DENTON REALTY INVESTORS LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166	HOLDING COMPANY	DE			N/A
CARIBBEAN ASSET HOLDINGS LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 26-4752447	HOLDING COMPANY	DE	0	264,465,000	N/A
DRP COUNTRY LAKES LLC C/O NRUCFC 20701 COOPERATIVE WAY DULLES, VA 20166 27-2847626	OWN OPERATE MANAGE AND SELL IMPROVE REAL PROPERTY	TX	0	5,138,054	N/A

Additional Data

Software ID:
Software Version:
EIN: 52-0891669
Name: NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code) (Expenses $ 2,579,584 including grants of $ 1,378,844) (Revenue $)

GUARANTEE LOSS PROVISION - WE MAINTAIN A GUARANTEE LIABILITY THAT REPRESENTS OUR CONTINGENT AND NON-CONTINGENT EXPOSURE RELATED TO GUARANTEES AND STANDBY LIQUIDITY OBLIGATIONS ASSOCIATED WITH OUR MEMBER'S DEBT THE GUARANTEE LIABILITY IS INCLUDED IN THE OTHER LIABILITIES LINE ITEM ON THE CONSOLIDATED BALANCE SHEET, AND THE PROVISION FOR GUARANTEE LIABILITY IS REPORTED IN NON-INTEREST EXPENSE AS A SEPARATE LINE ITEM ON THE CONSOLIDATED STATEMENT OF OPERATIONS THE CONTINGENT PORTION OF THE GUARANTEE LIABILITY REPRESENTS MANAGEMENT'S ESTIMATE OF OUR EXPOSURE TO LOSSES WITHIN THE GUARANTEE PORTFOLIO THE METHODOLOGY USED TO ESTIMATE THE CONTINGENT GUARANTEE LIABILITY IS CONSISTENT WITH THE METHODOLOGY USED TO DETERMINE THE ALLOWANCE FOR LOAN LOSS GRANTS - AS A COOPERATIVE FORMED UNDER THE LAWS OF THE DISTRICT OF COLUMBIA, CFC IS REQUIRED TO ALLOCATE A MINIMUM OF 1/4 OF 1% OF ITS NET EARNINGS TO AN EDUCATIONAL FUND COOPERATIVES ARE REQUIRED BY THIS ACT TO MAKE GRANTS IN SUPPORT OF EDUCATING THE PUBLIC ABOUT COOPERATIVE PRINCIPLES THE EDUCATION FUND GRANTS MADE BY CFC ARE MAINLY TO STATEWIDE MEMBERSHIP ORGANIZATIONS THAT USE THESE GRANTS TO EDUCATE CUSTOMERS AND CITIZENS ABOUT COOPERATIVE PRINCIPLES ADDITIONALLY, CFC MANAGES A VOLUNTARY FUND ESTABLISHED FOR THE PURPOSE OF ASSISTING COOPERATIVES IN DEFENDING THEIR COOPERATIVE TERRITORIES AND PROTECTING COOPERATIVE PRINCIPLES LOSS ON WHOLE LOAN SALE - CFC ACCOUNTS FOR THE SALE OF LOANS IN SECURITIZATION TRANSACTIONS BY DERECOGNIZING FINANCIAL ASSETS WHEN CONTROL HAS BEEN SURRENDERED DEFERRED TRANSACTION COSTS AND UNAMORTIZED DEFERRED LOAN ORIGINATION COSTS RELATED TO THE LOANS SOLD ARE INCLUDED IN THE CALCULATION OF THE GAIN OR LOSS ON THE SALE CREDIT LOSS ALLOWANCE - AS PART OUR SERVICES WE MAY ENTER INTO ARRANGEMENTS FOR UNADVANCED COMMITMENTS WITH OUR MEMBERS UNADVANCED COMMITMENTS REPRESENT AMOUNTS FOR WHICH WE HAVE APPROVED AND EXECUTED LOAN CONTRACTS, BUT FUNDS HAVE NOT BEEN ADVANCED WE DO NOT MAINTAIN AN ALLOWANCE FOR THE MAJORITY OF OUR UNADVANCED LOAN COMMITMENTS AS THE LOANS ARE GENERALLY SUBJECT TO MATERIAL ADVERSE CHANGE CLAUSES THAT WOULD NOT REQUIRE US TO LEND OR CONTINUE TO LEND TO A BORROWER EXPERIENCING A MATERIAL ADVERSE CHANGE IN THEIR BUSINESS OR CONDITION, FINANCIAL OR OTHERWISE THE METHODOLOGY USED TO DETERMINE AN ESTIMATE OF PROBABLE LOSSES FOR UNADVANCED COMMITMENTS RELATED TO COMMITTED LINES OF CREDIT THAT ARE NOT SUBJECT TO MATERIAL ADVERSE CHANGE CLAUSE AT THE TIME OF EACH LOAN ADVANCE IS CONSISTENT WITH THE METHODOLOGY USED TO DETERMINE THE ALLOWANCE FOR LOAN LOSSES THE ALLOWANCE FOR UNADVANCED COMMITMENTS IS INCLUDED IN THE OTHER LIABILITIES LINE ITEM ON THE CONSOLIDATED BALANCE SHEET CHANGES TO THE ALLOWANCE FOR UNADVANCED COMMITMENTS ARE RECORDED IN THE CONSOLIDATED STATEMENT OF OPERATIONS IN OTHER NON-INTEREST EXPENSE

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
FREDERICK C ANDERSON DIRECTOR	8 40	X						42,350	0	0
RAY BEAVERS DIRECTOR	7 80	X						36,850	0	0
FRED BROG DIRECTOR	11 60	X						39,650	0	0
RAPHAEL BRUMBELOE DIRECTOR	6 80	X						40,550	0	0
GRANT CLAWSON DIRECTOR	4 30	X						31,450	0	0
WALTER K CROOK DIRECTOR	8 40	X						35,450	0	0
JAMES DOERSTLER DIRECTOR	9 70	X						42,050	0	0
JIMMY EWING JR DIRECTOR	6 00	X						40,700	0	0
MICHAEL J GUIDRY DIRECTOR	5 60	X						26,500	0	0
CHRISTOPHER L HAMON DIRECTOR	15 00	X						41,450	0	0
MIKE CAMPBELL DIRECTOR	0 00	X						0	0	0
SCOTT W HANDY DIRECTOR	8 40	X						40,100	0	0
JIM C HERRON DIRECTOR	2 10	X						12,000	0	0
WILLIAM A KOPACZ DIRECTOR	11 10	X						41,450	0	0
LYLE KORVER DIRECTOR	6 80	X						40,700	0	0
GLENN MILLER DIRECTOR	7 20	X						42,500	0	0
RANDY D RENTH DIRECTOR	8 60	X						41,150	0	0
DWIGHT ROSSOW DIRECTOR	9 90	X						36,800	0	0
R WAYNE STRATTON DIRECTOR	3 70	X						37,600	0	0
J DAVID WASSON JR DIRECTOR	8 30	X						45,100	0	0
CURTIS NOLAN DIRECTOR	5 70	X						22,800	0	0
KIRK THOMPSON DIRECTOR	7 70	X						26,800	0	0
DELBERT MARVIN CRANFORD PRESIDENT-DIRECTOR	10 40	X		X				47,350	0	0
BURNS MERCER VICE PRESIDENT-DIRECTOR	5 40	X		X				44,950	0	0
JOEL CUNNINGHAM SECRETARY/TREASURER-DIRECTOR	10 40	X		X				39,950	0	0

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
SHELDON PETERSEN GOVERNOR AND CEO	65 00			X				1,511,720	0	109,608
RICHARD LAROCHELLE SVP CORPORATE RELATIONS	60 00			X				722,551	0	104,714
JOHN EVANS EVP OPERATIONS	55 00			X				653,278	0	100,451
JOHN LIST SVP & GENERAL COUNSEL	60 00			X				644,299	0	94,548
STEVEN LILLY SVP & CHIEF FINANCIAL OFF	60 00			X				627,261	0	107,680
LAWRENCE ZAWALICK SVP AFFILIATE ORGANIZATIONS	55 00			X				481,259	0	91,143
JONATHON ANDREW DON SVP TREASURER	60 00			X				373,726	0	79,773
JOHN BORAK SVP CREDIT RISK MGMT	60 00			X				351,195	0	95,310
KRISHNA MURTHY VP PORTFOLIO MANAGEMENT	48 00				X			286,672	0	149,603
JOHN SUTER VP CAPITAL MARKET FUNDING	50 00				X			262,954	0	105,580
STEVEN KETTLER VP PORTFOLIO MANAGEMENT	65 00					X		382,457	0	52,960
ROBERTA ARONSON VP DEPUTY GENL COUNSEL	55 00					X		341,016	0	91,584
MICHAEL CARR VP CHIEF INFORMATION OFF	50 00					X		300,341	0	72,428
JOSEPH SIEKIERSKI VP CORPORATE SERVICES	40 00					X		281,778	0	86,057
ROBIN REED VP PORTFOLIO MANAGEMENT	55 00					X		266,647	0	63,357