



**National Rural Utilities  
Cooperative Finance Corporation**

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A Touchstone Energy® Cooperative 

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## **NRUCFC Board Approves Patronage Capital Retirement**

Herndon, VA – National Rural Utilities Cooperative Finance Corporation (CFC) announced today that its Board of Directors has approved distribution to members of \$71.2 million of 2005 patronage capital. This marks the 24<sup>th</sup> consecutive year that CFC will pay members cash to retire patronage capital. Since 1979, including the current distribution, CFC has retired patronage capital totaling more than \$1 billion to member cooperatives. CFC will make the patronage capital refunds on August 25.

According to CFC policy, this year's amount includes 70 percent—\$58.1 million—of the \$82.9 million in patronage capital allocated to members for FY05 and an additional \$13.1 million in prior year's patronage capital retired this year.

The distribution of patronage capital effectively reduces members' interest costs by an average of 37 basis points for the year and demonstrates CFC's commitment to providing low-cost financing to members.

CFC is a not-for-profit finance cooperative that serves the nation's rural utility systems, the majority of which are electric cooperatives and their subsidiaries. With approximately \$20 billion in assets, CFC provides its member-owners with an assured source of low-cost capital and state-of-the-art financial products and services.

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