
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 1, 2024**

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION
(Exact name of registrant as specified in its charter)

District of Columbia
(state or other jurisdiction of
incorporation)

1-7102
(Commission
File Number)

52-0891669
(I.R.S. Employer
Identification No.)

20701 Cooperative Way
Dulles, VA
(Address of principal executive offices)

20166-6691
(Zip Code)

Registrant's telephone number, including area code: **(703) 467-1800**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
7.35% Collateral Trust Bonds, due 2026	NRUC 26	New York Stock Exchange
5.50% Subordinated Notes, due 2064	NRUC	New York Stock Exchange

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On February 1, 2024, National Rural Utilities Cooperative Finance Corporation (the “Company”) entered into an underwriting agreement (the “Underwriting Agreement”) with Mizuho Securities USA LLC, in connection with the issuance and sale of \$100,000,000 aggregate principal amount of 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 (Subordinated Deferrable Interest Notes) (the “Notes”). The offering closed on February 8, 2024.

Copies of the Underwriting Agreement and the Form of Global Certificate for the Notes are filed as Exhibits 1.1 and 4.1, respectively, and are incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibits are filed as part of this report.

Exhibit No.	Description
1.1	Underwriting Agreement, dated February 1, 2024, by and between the Company and Mizuho Securities USA LLC.
4.1	Form of the Global Certificate for the Notes.
5.1	Opinion of Hogan Lovells US LLP regarding the legality of the Notes.
8.1	Opinion of Hogan Lovells US LLP regarding certain tax matters in connection with the issuance and sale of the Notes.
23.1	Consent of Hogan Lovells US LLP (included in Exhibits 5.1 and 8.1).
104	Cover Page Interactive Data File (embedded within the inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATIONAL RURAL UTILITIES COOPERATIVE
FINANCE CORPORATION

By: /s/ Gary Bradbury
Gary Bradbury
Senior Vice President and Chief Operating Officer

Dated: February 8, 2024

National Rural Utilities
Cooperative Finance Corporation

\$100,000,000 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053
(Subordinated Deferrable Interest Notes)

Underwriting Agreement

February 1, 2024

Mizuho Securities USA LLC
1271 Avenue of the Americas
New York, New York 10020

As Representatives of the several Underwriters

Ladies and Gentlemen:

National Rural Utilities Cooperative Finance Corporation, a District of Columbia cooperative association (the "Company"), proposes to issue \$100,000,000 principal amount of its 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 (Subordinated Deferrable Interest Notes) (the "Subordinated Notes"), which will be part of the same series of subordinated notes as the \$300,000,000 aggregate principal amount of its 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 issued on May 26, 2023. The Subordinated Notes will be issued under an Indenture dated as of October 15, 1996, between the Company and U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"). Such Indenture, as amended by any supplemental indenture and supplemented by any officer's certificate thereunder, is hereinafter called the "Indenture". Certain terms used but not defined herein are defined in the Indenture. The Subordinated Notes are more fully described in the Registration Statement and in the Prospectus hereinafter mentioned. The Subordinated Notes will be issued in fully registered form only, in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

You have advised us (i) that you and any other firms and corporations named in Schedule I attached hereto (you and such firms and corporations being hereinafter called the "Underwriters", which term shall also include any underwriter substituted as provided in Section 14 hereof), acting severally and not jointly, are willing to purchase, on the terms and conditions hereinafter set forth, the principal amount of the Subordinated Notes specified in such Schedule I and (ii) that you are authorized, on behalf of yourselves and the other Underwriters, to enter into this Agreement.

1. Certain Representations and Warranties by the Company. As of the Applicable Time, as of the date hereof and as of the Closing Date, the Company represents and warrants to each Underwriter as follows:

(a) Registration Statement and Prospectus. The Company meets the requirements for the use of Form S-3 under the Securities Act of 1933, as amended (the "Securities Act"), and has filed with the Securities and Exchange Commission (the "Commission") an automatic shelf registration statement (No. 333-275151), as defined in Rule 405 under the Securities Act, on Form S-3, including a basic prospectus (the "Basic Prospectus"), for registration under the Securities Act of the offering and sale of the Subordinated Notes. Such registration statement, including any amendments thereto filed prior to the date and time that this Agreement is executed and delivered by the parties hereto (the "Execution Time"), became effective upon filing. The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) under the Securities Act objecting to the use of the automatic shelf registration statement form. The Company may have filed with the Commission, as part of an amendment to the registration statement or pursuant to Rule 424(b) under the Securities Act, one or more preliminary prospectus supplements, each of which has previously been furnished to you (the preliminary prospectus supplement to the Basic Prospectus relating to the Subordinated Notes used immediately prior to the filing of the Prospectus (as defined below), together with the Basic Prospectus, the "Preliminary Prospectus"). The Company will file with the Commission the prospectus relating to the Subordinated Notes in accordance with Rule 424(b) under the Securities Act (the prospectus supplement to the Basic Prospectus relating to the Subordinated Notes that is first filed pursuant to Rule 424(b) after the Execution Time, together with the Basic Prospectus, the "Prospectus"). As filed, the Prospectus shall contain all information required by the Securities Act and the rules promulgated thereunder, and, except to the extent the Representatives shall agree in writing to a modification, shall be in all substantive respects in the form furnished to you prior to the Execution Time. A term sheet, containing a description of the terms of the Subordinated Notes, substantially in the form of the Subordinated Notes Term Sheet set forth on Schedule II attached hereto and approved by you (the "Pricing Term Sheet"), has been prepared and will be filed pursuant to Rule 433(d) under the Securities Act, and all other material, if any, required to be filed by the Company pursuant to Rule 433(d) in connection with the offer and sale of the Subordinated Notes has been or will be so filed, in each case within the time period required under such Rule. The Company will not file any other amendment of such registration statement or prospectus or any supplement to such prospectus on or after the Applicable Time and prior to the date and time of delivery of and payment for the Subordinated Notes referred to in Section 3 hereof (the "Closing Date"), except with your approval. Such registration statement, including any amendments thereto, the financial statements and exhibits and any information contained or incorporated by reference in a prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act, to the extent such information is deemed pursuant to Rule 430B or Rule 430C under the Securities Act to be included in the registration statement at the time it became effective, is hereinafter called the "Registration Statement". Any reference in this Agreement to the Prospectus as amended or supplemented (including any preliminary prospectus supplement relating to the Subordinated Notes) shall include, without limitation, any prospectus or prospectus supplement filed with the Commission pursuant to Rule 424 under the Securities Act which amends or supplements the Prospectus.

All references in this Agreement to the Registration Statement, the Basic Prospectus, the Preliminary Prospectus or the Prospectus shall be deemed as of the relevant time and date to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3; all references in this Agreement to financial statements and schedules and other information that is “contained”, “included”, “stated” or “set forth” (and all other references of like import) in the Registration Statement, the Basic Prospectus, the Preliminary Prospectus or the Prospectus shall be deemed to mean and include all such financial statements and schedules and other information that are or are deemed to be incorporated by reference from time to time in the Registration Statement, the Basic Prospectus, the Preliminary Prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, the Basic Prospectus, the Preliminary Prospectus or the Prospectus shall be deemed to mean and include any document filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), after each date that the Registration Statement and any post-effective amendment or amendments thereto became or become effective or the issue date of the Basic Prospectus, the Preliminary Prospectus or the Prospectus, as the case may be, deemed to be incorporated therein by reference; *provided*, that any statement in a document incorporated or deemed to be incorporated in the Registration Statement or the Prospectus shall be deemed not to be contained in the Registration Statement or the Prospectus if such statement has been modified or superseded by any statement in the Registration Statement or the Prospectus when such documents became effective or were filed with the Commission, or in the Preliminary Prospectus at the Applicable Time (as defined below).

(b) Accuracy of Registration Statement and Prospectuses. The Preliminary Prospectus, together with the Pricing Term Sheet and any other Issuer Free Writing Prospectus listed on Schedule III hereto (collectively, the “Disclosure Package”), as of 3:50 P.M. (New York City time) on February 1, 2024 (the “Applicable Time”), did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; at all times at and subsequent to the Applicable Time up to and including the Closing Date, and when the Registration Statement and any post-effective amendment thereof became or shall become effective, the Registration Statement (and the Registration Statement as amended if any post-effective amendment thereof shall have become effective) complied and will comply in all material respects with the provisions of the Securities Act, the Exchange Act, the Trust Indenture Act (as hereinafter defined) and the rules and regulations thereunder and did not and will not contain an untrue statement of a material fact and will not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and, at all times at and subsequent to the Applicable Time up to and including the Closing Date, the Prospectus (and the Prospectus as amended or supplemented, if the Company shall have filed with the Commission any amendment thereof or supplement thereto) and the Disclosure Package complied and will fully comply with the provisions of the Securities Act, the Exchange Act, the Trust Indenture Act and the rules and regulations thereunder and did not and will not contain an untrue statement of a material fact and will not omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that none of the representations and warranties in this paragraph (b) shall apply to (i) that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification (Form T-1) under the Trust Indenture Act of 1939 (the “Trust Indenture Act”) of the Trustee or (ii) statements in, or omissions from, the Disclosure Package or the Prospectus, or any amendment thereof or supplement thereto, made in reliance upon and in conformity with information furnished as herein stated or otherwise furnished in writing to the Company by or on behalf of any Underwriter through you for use in connection with the preparation of the Registration Statement or the Prospectus, or any such amendment or supplement, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 15 hereof.

(c) Issuer Free Writing Prospectuses. The Company has not made, and will not make (other than the Pricing Term Sheet and any other documents listed on Schedule IV (each, a “Permitted Free Writing Prospectus”) attached hereto), any offer relating to the Subordinated Notes that would constitute a “free writing prospectus” (as defined in Rule 405 under the Securities Act) (any such free writing prospectus or any Permitted Free Writing Prospectus, an “Issuer Free Writing Prospectus”) without the prior consent of the Representatives; the Company will comply with the requirements of Rule 433 under the Securities Act with respect to any such Issuer Free Writing Prospectus; any such Issuer Free Writing Prospectus did not and will not, as of its issue date and through the Closing Date, include any information that conflicts with the information contained in the Registration Statement, the Preliminary Prospectus and the Prospectus, including any document incorporated therein and any prospectus supplement deemed to be a part thereof that has not been superseded or modified; any such Issuer Free Writing Prospectus, when taken together with the information contained in the Registration Statement, the Preliminary Prospectus and the Prospectus, did not, when issued or filed pursuant to Rule 433 under the Securities Act, and will not through the Closing Date contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The foregoing sentence does not apply to statements in or omissions from the Disclosure Package made in reliance upon and in conformity with information furnished as herein stated or otherwise furnished in writing to the Company by or on behalf of any Underwriter through you for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 15 hereof.

(d) WKSI Status. (i) At the time of filing the Registration Statement, (ii) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated reports filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), (iii) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c)) made any offer relating to the Subordinated Notes in reliance on the exemption in Rule 163 and (iv) at the time of execution of this Agreement, the Company was or is (as the case may be) a “well-known seasoned issuer” as defined in Rule 405.

(e) Not an Ineligible Issuer. (i) At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Securities Act) with respect to the Subordinated Notes and (ii) as of the Execution Time (with such date being used as the determination date for purposes of this clause (ii)), the Company was not and is not an “ineligible issuer” (as defined in Rule 405 under the Securities Act), without taking into account any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

(f) Accountant. The accountant who has certified or shall certify the financial statements filed and to be filed with the Commission as parts of the Registration Statement, Disclosure Package and the Prospectus is an independent registered public accounting firm with respect to the Company as required by the Securities Act and rules and regulations of the Commission thereunder and the rules and regulations of the Public Company Accounting Oversight Board.

(g) Due Incorporation. The Company has been duly incorporated and is now, and on the Closing Date will be, a validly existing cooperative association in good standing under the laws of the District of Columbia, duly qualified and in good standing in each jurisdiction in which the ownership or leasing of properties or the conduct of its business requires it to be qualified (or the failure to be so qualified will not have a material adverse effect upon the business or condition of the Company), and the Company has the corporate power and holds all valid permits and other required authorizations from governmental authorities necessary to carry on its business as now conducted and as to be conducted on the Closing Date and as contemplated by the Prospectus, except for those permits and other required authorizations for which the failure to hold would not have a material adverse effect on the condition, financial or other, or the results of operations of the Company or on the power or ability of the Company to perform its obligations under this Agreement or the Indenture.

(h) Material Changes. Since the respective dates as of which information is given in the Registration Statement, the Disclosure Package and the Prospectus, and except as set forth therein, there has not been any material adverse change in the financial condition or the results of operations of the Company, whether or not arising from transactions in the ordinary course of business.

(i) Litigation. On the date hereof, except as set forth in the Disclosure Package and the Prospectus, the Company does not have any legal or governmental actions, suits or proceedings pending or, to the best of the Company's knowledge, threatened which in the opinion of counsel for the Company referred to in Section 13(c) hereof could reasonably be expected to result in a judgment or decree having a material adverse effect on the condition, financial or other, or the results of operations of the Company or on the power or ability of the Company to perform its obligations under this Agreement or the Indenture.

(j) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(k) Legality. The Indenture has been duly authorized by the Company, has been duly qualified under the Trust Indenture Act, and has been duly executed and delivered by the Company and, assuming due authorization, execution and delivery by the Trustee, constitutes a legal, valid and binding instrument enforceable against the Company in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws affecting creditors' rights generally from time to time in effect and subject as to enforceability to general principles of equity, regardless of whether considered in a proceeding in equity or at law). The Indenture conforms in all material respects to all statements relating thereto contained in the Disclosure Package and the Prospectus. On the Closing Date, the Subordinated Notes will be duly and validly authorized, and when issued, authenticated and paid for in accordance with the terms of this Agreement and the Indenture, will be valid and binding obligations of the Company, enforceable in accordance with their terms, (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws affecting creditors' rights generally from time to time in effect and subject as to enforceability to general principles of equity, regardless of whether considered in a proceeding in equity or at law), and will be entitled to the benefits of the Indenture, and no further authorization, consent or approval of the members and no further authorization or approval of the Board of Directors of the Company or any committee thereof will be required for the issuance and sale of the Subordinated Notes as contemplated herein. The Subordinated Notes will conform in all material respects to all statements relating thereto contained in the Disclosure Package and the Prospectus.

(l) No Conflicts. Neither the issuance or sale of the Subordinated Notes nor the consummation of any other of the transactions herein contemplated will result in a violation of the District of Columbia General Cooperative Association Act of 2010 or the Articles of Incorporation or Bylaws of the Company or any provision of applicable law or any order, rule, or regulation of any court having jurisdiction over the Company or any of its properties or result in a breach by the Company of any terms of, or constitute a default under, any other agreement or undertaking of the Company.

(m) No Consents. No consent or action of, or filing or registration with, any governmental or public regulatory body or authority, is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, the Indenture or the Subordinated Notes, except such as have been obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under the securities or Blue Sky laws of the various states in connection with the offer and sale of the Subordinated Notes.

(n) No Stop Order. The Commission has not issued and, to the best knowledge of the Company, is not threatening to issue any order preventing or suspending the use of the Prospectus (as amended or supplemented, if the Company shall have filed with the Commission any amendment thereof or supplement thereto).

(o) Regulation. The Company is not required, and upon the issuance and sale of the Subordinated Notes as herein contemplated and the application of the net proceeds therefrom as described in the Registration Statement, the Disclosure Package and the Prospectus, will not be required to be registered as an investment company under the Investment Company Act of 1940, as amended.

(p) Compliance with the Exchange Act. The documents incorporated by reference in the Basic Prospectus, and any amendment or supplement thereto, as of the dates they were filed with the Commission, complied as to form in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission thereunder.

(q) Compliance with the Sarbanes-Oxley Act. The Company and its directors and officers, in their capacities as such, are in compliance in all material respects with (i) the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith and (ii) the applicable regulations of the New York Stock Exchange.

(r) Internal Controls. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, an internal audit function and legal and regulatory compliance controls that comply with applicable securities laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Since the most recent management report on the effectiveness of the Company's internal controls over financial reporting, (i) the Company has not identified any material weakness in the Company's internal controls over financial reporting (whether or not remediated) and (ii) there has been no change in the Company's internal controls over financial reporting that has materially adversely affected, or is reasonably likely to materially adversely affect, the Company's internal controls over financial reporting.

2. Agreement to Purchase.

Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to sell to you and any other Underwriters, severally and not jointly, and you and such other Underwriters, severally and not jointly, agree to purchase from the Company, at a purchase price of 102.650% of the principal amount of the Subordinated Notes, plus accrued interest thereon from September 15, 2023 to, but not including, the Closing Date, set forth opposite the names of the respective Underwriters in Schedule I hereto.

3. Closing.

Delivery of and payment for the Subordinated Notes shall be made at the offices of Hunton Andrews Kurth LLP, 200 Park Avenue, 52nd Floor, New York, New York 10166 at 9:00 a.m., New York City time, on February 8, 2024 or such later date (not later than February 19, 2024) or location as you, as the Representatives of the Underwriters, shall designate, which date and time may be postponed by agreement between you, as the Representatives, and the Company or as provided in Section 14 hereof. Delivery of the Subordinated Notes shall be made to you, for the respective accounts of the several Underwriters, against payment by the several Underwriters through you of the purchase price thereof, to or upon the order of the Company by certified or official bank check or checks payable, or wire transfers, in immediately available funds. The Subordinated Notes shall be delivered in definitive global form through the facilities of The Depository Trust Company ("DTC").

4. Prospectuses. The Company has caused to be delivered to you, as the Representatives of the Underwriters, written or electronic copies of the Prospectus and the Disclosure Package and has consented to the use of such copies for the purposes permitted by the Securities Act. The Company agrees to deliver to you, as the Representatives of the Underwriters, without charge, from time to time during such period as in the opinion of Hunton Andrews Kurth LLP, counsel for the Underwriters, the Prospectus as required by law to be delivered in connection with sales by an Underwriter or dealer, as many copies of the Preliminary Prospectus, the Prospectus and any Issuer Free Writing Prospectuses (and, in the event of any amendments or supplements thereto, such amended or supplemented Preliminary Prospectus, Prospectus or Issuer Free Writing Prospectus) as you, as the Representatives of the Underwriters, may reasonably request. If, at any time during the period in which the Company is (or but for the exemption in Rule 172 would be) required to deliver copies of a prospectus, as provided in this Section 4, any event known to the Company relating to or affecting the Company shall occur which should be set forth in an amendment of or supplement to the Disclosure Package or the Prospectus in order to make the statements in the Disclosure Package or the Prospectus not misleading in the light of the circumstances at the time it is delivered to the purchaser, or it shall be necessary to amend or supplement the Disclosure Package or the Prospectus to comply with law or with the rules and regulations of the Commission, the Company, at its expense, will promptly prepare and furnish to you for distribution to the Underwriters and dealers a reasonable number of copies of an amendment or amendments of or a supplement or supplements to the Disclosure Package or the Prospectus which will so amend or supplement the Disclosure Package or the Prospectus that, as amended or supplemented, it will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements in the Disclosure Package or the Prospectus not misleading in the light of the circumstances when it is delivered to a purchaser, and will comply with law and with such rules and regulations. The Company authorizes the Underwriters and all dealers effecting sales of the Subordinated Notes to use the Disclosure Package and the Prospectus, as from time to time amended or supplemented, in connection with the sale of the Subordinated Notes in accordance with applicable provisions of the Securities Act and the applicable rules and regulations thereunder for the period during which the Company is required to deliver copies of the Prospectus as provided in this Section 4.

5. Commission Proceedings as to Registration Statement. The Company agrees to advise you promptly, as the Representatives of the Underwriters, and to confirm such advice in writing (a) when any post-effective amendment of the Registration Statement shall have become effective and when any further amendment of or supplement to the Disclosure Package, Prospectus shall be filed with the Commission, (b) of any request by the Commission for any amendment of the Registration Statement, Disclosure Package or the Prospectus or for additional information and (c) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of the initiation of any proceedings for that purpose. The Company will use every reasonable effort to prevent the issuance of such a stop order and, if any such order shall at any time be issued, to obtain the withdrawal thereof at the earliest possible moment.

6. Blue Sky. The Company will diligently endeavor, when and as requested by you, to qualify the Subordinated Notes, or such portion thereof as you may request, for offering and sale under the securities or blue sky laws of any jurisdictions which you shall designate.

7. Earnings Statement. The Company agrees to make generally available to its securityholders, in accordance with Section 11(a) of the Securities Act and Rule 158 thereunder, an earnings statement of the Company (which need not be audited) in reasonable detail and covering a period of at least 12 months beginning after the effective date of the Registration Statement.

8. No Fiduciary Duty. The Company acknowledges and agrees that in connection with this offering, sale of the Subordinated Notes or any other services the Underwriters may be deemed to be providing hereunder, notwithstanding any preexisting relationship, advisory or otherwise, between the parties or any oral representations or assurances previously or subsequently made by the Underwriters: (i) no fiduciary or agency relationship between the Company, on the one hand, and the Underwriters, on the other, exists; (ii) the Underwriters are not acting as advisors, expert or otherwise, to the Company, including, without limitation, with respect to the determination of the public offering price of the Subordinated Notes, and such relationship between the Company, on the one hand, and the Underwriters, on the other, is entirely and solely commercial, based on arm's-length negotiations; (iii) any duties and obligations that the Underwriters may have to the Company shall be limited to those duties and obligations specifically stated herein; and (iv) the Underwriters and their respective affiliates may have interests that differ from those of the Company. The Company hereby waives any claims that the Company may have against the Underwriters with respect to any breach of fiduciary duty in connection with the foregoing matters in this Section 8.

9. Clearance and Settlement. The Company will cooperate with the Underwriters to permit the Subordinated Notes to be eligible for clearance and settlement through DTC.

10. Expenses. The Company agrees to pay all fees and expenses in connection with (a) the preparation, printing and filing of the Registration Statement (including all exhibits to the Registration Statement), the Basic Prospectus, the Preliminary Prospectus, the Prospectus, and any amendments thereof and supplements thereto, including any Issuer Free Writing Prospectus, and the furnishing of copies of each thereof to the Underwriters (including costs of mailing and shipment), (b) the issuance of the Subordinated Notes, (c) the required Commission filing fees relating to the Subordinated Notes, (d) the rating of the Subordinated Notes by rating agencies, (e) the delivery of the Subordinated Notes to you in New York City for the respective accounts of the several Underwriters, (f) the qualifying of the Subordinated Notes as provided in Section 6 hereof and the determination of the eligibility of the Subordinated Notes for investment under the laws of such jurisdictions as you may designate (including fees and disbursements of counsel for the Underwriters in connection therewith of not more than \$10,000), (g) the fees and disbursements of the accountants required to provide the letters identified in Section 13(d), (h) the fees and disbursements of the Company's counsel and other advisors, (i) the fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, (j) the fee of the Financial Industry Regulatory Authority, Inc. in connection with its review of the offering contemplated by this Agreement, if applicable, (k) any fees of a book-entry depository, listing agent, paying agent or transfer agent and (l) the cost of qualifying the Subordinated Notes with DTC.

11. No Sale of Similar Securities. The Company has agreed, for a period of 30 days from the date of this Agreement, to not, without the prior written consent of the Representatives, directly or indirectly, offer, sell, grant any option for the sale of, or otherwise dispose of any Subordinated Notes, any security convertible into, exchangeable into or exercisable for the Subordinated Notes or any subordinated debt securities substantially similar to the Subordinated Notes (except for Subordinated Notes issued pursuant to this Agreement). The Company and the Underwriters confirm that this Section 11 does not apply to any securities of the Company that are not the Subordinated Notes, that are not convertible into, exchangeable into or exercisable for the Subordinated Notes or that are not convertible into, exchangeable into or exercisable for any subordinated debt securities substantially similar to the Subordinated Notes, including, without limitation, any (i) senior indebtedness (as defined in the Indenture), (ii) the Company's commercial paper or other debt securities with scheduled maturities of less than one year, (iii) the Company's Medium Term Notes, (iv) the Company's Select Notes or (v) the Company's members' subordinated certificates or members' equity.

12. Indemnities.

(a) By the Company. The Company agrees to indemnify and hold harmless each Underwriter, its directors and officers, and each person who controls any Underwriter within the meaning of the Securities Act and the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act or any other statute or common law, and to reimburse the Underwriters and such controlling persons, as incurred, for any legal or other expenses incurred by them in connection with investigating any claims and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or in any amendment thereof or supplement thereto, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (as amended or supplemented, if the Company shall have filed with the Commission any amendment thereof or supplement thereto), any preliminary prospectus, the Disclosure Package, or any Issuer Free Writing Prospectus (listed on Schedule IV hereto or otherwise used within the period during which the Underwriters are authorized to use the Prospectus, any preliminary prospectus or the Disclosure Package), or the omission or alleged omission to state therein (if so used) a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however,* that the indemnity agreement contained in this Section 12(a) shall not apply to any such losses, claims, damages, liabilities or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon and in conformity with information furnished as herein stated in Section 15 for use in connection with the preparation of the Registration Statement or the Prospectus or any such amendment thereof or supplement thereto, any preliminary prospectus, the Disclosure Package, or the Pricing Term Sheet. The foregoing indemnity agreement shall be in addition to any liability which the Company may otherwise have.

(b) By the Underwriters. Each Underwriter severally and not jointly agrees, in the manner and to the same extent as set forth in Section 12(a) hereof, to indemnify and hold harmless the Company, each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act, the directors of the Company and those officers of the Company who shall have signed the Registration Statement, with respect to any statement in or omission from the Registration Statement or in any amendment thereof or supplement thereto, the Prospectus (as amended or supplemented, if the Company shall have filed with the Commission any amendment thereof or supplement thereto), any preliminary prospectus, the Disclosure Package or the Pricing Term Sheet, if such statement or omission was made in reliance upon and in conformity with information furnished as herein stated in Section 15 for use in connection with the preparation of the Registration Statement or the Prospectus or any such amendment thereof or supplement thereto or the Pricing Term Sheet. The foregoing indemnity agreement shall be in addition to any liability which the Underwriters may otherwise have.

(c) General. Each indemnified party will, within 10 days after the receipt of notice of the commencement of any action against such indemnified party in respect of which indemnity may be sought from an indemnifying party on account of an indemnity agreement contained in this Section 12, notify the indemnifying party in writing of the commencement thereof. The omission of any indemnified party so to notify an indemnifying party of any such action shall not relieve the indemnifying party from any liability which it may have to such indemnified party on account of the indemnity agreement contained in this Section 12 or otherwise. Except as provided in the next succeeding sentence, in case any such action shall be brought against any indemnified party and it shall notify an indemnifying party of the commencement thereof, such indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party, and after notice in writing from such indemnifying party to such indemnified party of its election so to assume the defense thereof, such indemnifying party will not be liable to such indemnified party under this Section 12 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. Such indemnified party shall have the right to employ its own counsel in any such action, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the employment of such counsel has been authorized in writing by the indemnifying party in connection with the defense of such action, (ii) such indemnified party shall have been advised by such counsel that there are material legal defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party) or (iii) the indemnifying party shall not have assumed the defense of such action and employed counsel therefor satisfactory to such indemnified party within a reasonable time after notice of commencement of such action, in any of which events such fees and expenses shall be borne by the indemnifying party. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include any statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any indemnified party. No indemnified party shall effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification may be sought hereunder without the consent of the indemnifying party (which consent shall not be unreasonably withheld).

(d) Contribution. If the indemnification provided for in this Section 12 shall for any reason be unavailable to an indemnified party under Section 12(a) or 12(b) hereof in respect of any loss, claim, damage or liability or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Subordinated Notes or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and the Underwriters on the other with respect to the statements or omissions which resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other with respect to such offering shall be deemed to be in the same proportion as the total net proceeds from the offering of the Subordinated Notes (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters with respect to such offering, in each case as set forth in the table on the cover page of the Prospectus. The relative fault of the Company on the one hand and the Underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 12(d) were to be determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 12(d) shall be deemed to include, for purposes of this Section 12(d), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 12(d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Subordinated Notes underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute as provided in this Section 12(d) are several in proportion to their respective underwriting obligations and not joint.

(e) Survival of Indemnities. The respective indemnity and contribution agreements of the Company and the Underwriters contained in this Section 12, and the representations and warranties of the Company set forth in Section 1 hereof, shall remain operative and in full force and effect, regardless of any termination or cancellation of this Agreement or any investigation made by or on behalf of any Underwriter or any such controlling person or the Company or any such controlling person, director or officer, and shall survive the delivery of the Subordinated Notes, and any successor of any Underwriter or of any such controlling person or of the Company, and any legal representative of any such controlling person, director or officer, as the case may be, shall be entitled to the benefit of the respective indemnity and contribution agreements.

13. Conditions to Underwriters' Obligations. The several obligations of the Underwriters hereunder are subject to the accuracy of and compliance with the representations and warranties of the Company contained in Section 1 hereof, as of the date hereof and as of the Closing Date, and to the following further conditions:

(a) Effectiveness of Registration Statement. No stop order suspending the effectiveness of the Registration Statement or qualification of the Indenture shall be in effect on the Closing Date, and no proceedings for the issuance of such an order shall be pending or, to the knowledge of the Company or you, threatened by the Commission on the Closing Date.

(b) Opinion of Counsel for the Underwriters. You, as the Representatives of the Underwriters, shall have received from Hunton Andrews Kurth LLP an opinion and letter, each dated the Closing Date and addressed to the Underwriters, with respect to the issuance and sale of the Subordinated Notes, the form of the Registration Statement, the Prospectus (other than the financial statements and other information of a statistical, accounting or financial nature included therein), the Disclosure Package as of the Applicable Time and other related matters as you may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(c) Opinions of Counsel for the Company. The Company shall have furnished to you, as the Representatives of the Underwriters, on the Closing Date, addressed to the Underwriters and dated the Closing Date, (i) the opinion and letter of Hogan Lovells US LLP, counsel for the Company, which opinion and letter shall be satisfactory in form and scope to counsel for the Underwriters, substantially to the effect set forth in Exhibit A-1 and Exhibit A-2 hereto and (ii) the opinion of Nathan Howard, Esq., General Counsel of the Company, which opinion shall be satisfactory in form and scope to counsel for the Underwriters substantially to the effect set forth in Exhibit B hereto.

(d) Accountant's Letters. On each of the date hereof and the Closing Date, KPMG LLP shall have furnished to the Representatives separate letters (which may refer to letters previously delivered to one or more of the Representatives), dated as of the date hereof and the Closing Date, in form and substance satisfactory to the Representatives, confirming that it is an independent registered public accounting firm within the meaning of the Securities Act and the Exchange Act and the respective applicable published rules and regulations thereunder and stating in effect that:

(i) in its opinion the audited consolidated financial statements included or incorporated by reference into the Registration Statement and the Prospectus and reported on by it comply in form in all material respects with the applicable accounting requirements of the Securities Act and the Exchange Act and the related published rules and regulations;

(ii) on the basis of a reading of the latest unaudited consolidated financial statements made available by the Company and its subsidiaries; carrying out certain specified procedures (but not an audit in accordance with generally accepted auditing standards) which would not necessarily reveal matters of significance with respect to the comments set forth in such letter; a reading of the minutes of the meetings of the members and directors of the Company and the audit and executive committees thereof and inquiries of certain officials of the Company who have responsibility for financial and accounting matters of the Company and its subsidiaries as to transactions and events subsequent to the date of the most recent audited consolidated financial statements included in or incorporated in the Prospectus, nothing came to its attention which caused it to believe that: (1) the unaudited consolidated financial statements of the most recent completed fiscal quarter included or incorporated in the Registration Statement and the Prospectus do not comply in form in all material respects with applicable accounting requirements and with the published rules and regulations of the Commission with respect to the financial statements included or incorporated in quarterly reports on Form 10-Q under the Exchange Act; and said unaudited consolidated financial statements are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited consolidated financial statements included or incorporated in the Registration Statement and the Prospectus; or (2) with respect to the period subsequent to the date of the most recent audited or unaudited consolidated financial statements incorporated in the Registration Statement and the Prospectus, there were, at a specified date not more than three business days prior to the date of the letter, any change in members' capital reserve, increase in long-term debt in excess of 2%, decrease in total assets in excess of 2%, any decreases in total equity, net interest income or net income of the Company, in which case the letter shall be accompanied by an explanation by the Company as to the significance thereof unless said explanation is not deemed necessary by the Representatives; and

(iii) it has performed certain other specified procedures as a result of which it determined that certain information of an accounting, financial or statistical nature (which is limited to accounting, financial or statistical information derived from the general accounting records of the Company and its subsidiaries) set forth in the Registration Statement and the Prospectus, including certain information included in the Company's Annual Report on Form 10-K and in the Company's Quarterly Reports on Form 10-Q incorporated in the Registration Statement and Prospectus, agrees with the accounting records of the Company and its subsidiaries, excluding any questions of legal interpretation. References to the Prospectus in this paragraph (d) include any supplement thereto at the date of the letter.

(e) Officer's Certificate. You shall have received, on the Closing Date, a certificate of the Company dated the Closing Date, signed on its behalf by the President, the Chief Executive Officer or a Vice President of the Company, to the effect that the signer of such certificate has examined the Registration Statement and the Prospectus and that (i) in such person's opinion, as of the effective date of the Registration Statement or any amendment thereto, the Registration Statement did not contain an untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, as of the Applicable Time, the Disclosure Package did not contain an untrue statement of a material fact and did not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and the Prospectus as of its date and as of the Closing Date did not contain an untrue statement of a material fact and did not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (ii) the representations and warranties of the Company herein are true and correct as of the Closing Date and (iii) the Company has complied with and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date.

(f) (i) The Company shall not have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, exclusive of any amendment or supplement thereto after the date hereof, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Disclosure Package or the Prospectus; (ii) since such date there shall not have been any change in the members' equity or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, member's equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Disclosure Package or the Prospectus, the effect of which, in any such case described in clauses (i) or (ii), is, in your reasonable judgment, so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Subordinated Notes on the terms and in the manner contemplated in the Disclosure Package and the Prospectus or (iii) on or after the date hereof: (a) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Section 3(a)(62) under the Exchange Act or (b) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities.

(g) On or after the date hereof, there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities of the Company or generally on The New York Stock Exchange, (ii) a banking moratorium on commercial banking activities in New York declared by Federal or state authorities, (iii) any outbreak of hostilities involving the United States, any escalation of hostilities involving the United States, any attack on the United States or any act of terrorism in which the United States is involved, (iv) any major disruption in the settlement of securities in the United States or any other relevant jurisdiction or a declaration of a national emergency or war by the United States or (v) such a material adverse change in general economic, political or financial conditions domestically or internationally (or the effect of international conditions on the financial markets in the United States or the effect of conditions in the United States on international financial markets shall be such) the effect of which, in any such case described in clauses (iii) or (iv), is, in your reasonable judgment, to make it impracticable or inadvisable to proceed with the public offering or delivery of the Subordinated Notes on the terms and in the manner contemplated in the Disclosure Package and the Prospectus.

(h) Miscellaneous. The Company shall have taken, on or prior to the Closing Date, all other action, if any, which it is stated in the Registration Statement (or any post-effective amendment thereof), the Prospectus (as amended or supplemented, if so amended or supplemented) or the Disclosure Package that the Company will take prior to or concurrently with the issuance and delivery of the Subordinated Notes, and all agreements herein contained to be performed on the part of the Company on or prior to the Closing Date shall have been so performed.

(j) Other Documents. The Company shall have furnished to you and to Hunton Andrews Kurth LLP such further certificates and documents as you or they may have reasonably requested prior to the Closing Date.

If any of the conditions specified in this Section 13 shall not have been fulfilled when and as required by this Agreement to be fulfilled, this Agreement and all obligations of the Underwriters hereunder may be canceled on, or at any time prior to, the Closing Date by you, as the Representatives of the Underwriters. Notice of such cancellation shall be given to the Company in writing, or by telegraph, telephone or telex confirmed in writing.

14. Substitution of Underwriters. If any one or more of the Underwriters shall fail or refuse on the Closing Date to purchase and pay for the Subordinated Notes which it or they have agreed to purchase hereunder, then (a) if the aggregate principal amount of the Subordinated Notes which the defaulting Underwriter or Underwriters so agreed to purchase shall not exceed 10%, the nondefaulting Underwriters shall be obligated to purchase the Subordinated Notes from the Company, in proportion to their respective obligations hereunder and upon the terms herein set forth or (b) if the aggregate principal amount of the Subordinated Notes which the defaulting Underwriter or Underwriters so agreed to purchase shall exceed 10%, either you, as the Representatives of the Underwriters, or the Company shall have the right at any time prior to 9:30 a.m., New York City time, on the next business day after the Closing Date to procure one or more of the other Underwriters, or any others, to purchase such Subordinated Notes from the Company, in such amounts as may be agreed upon and upon the terms herein set forth. If within such specified time neither you, as the Representatives, nor the Company shall have procured such other Underwriters or any others to purchase the Subordinated Notes agreed to be purchased by the defaulting Underwriter or Underwriters, this Agreement shall terminate without liability on the part of any nondefaulting Underwriter or of the Company. In the event of a default by any Underwriter or Underwriters, as set forth in this Section 14, the Closing Date may be postponed for such period, not exceeding seven days, as you, as the Representatives, shall determine in order that any required changes in the Registration Statement, the Prospectus or the Disclosure Package or in any other documents or arrangements may be effected. Any action taken or termination of this Agreement under this Section 14 shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

15. Information Furnished by Underwriters. The Company acknowledges that (i) the second paragraph related to offering price, concessions and reallowances, (ii) the fifth paragraph related to stabilization, syndicate covering transactions and penalty bids and (iii) the first sentence of the sixth paragraph related to market making under the heading "Underwriting" in the prospectus supplement portion of the Prospectus, and the last paragraph under the heading "Plan of Distribution" in the Basic Prospectus, constitute the only information furnished in writing by you, on behalf of the Underwriters, for inclusion therein, and you, as the Representatives of the Underwriters, confirm that such statements are correct.

16. Research Analyst Independence. The Company acknowledges that the Underwriters' research analysts and research departments are required to be independent from their respective investment banking divisions and are subject to certain regulations and internal policies, and that such Underwriters' research analysts may hold views and make statements or investment recommendations and/or publish research reports with respect to the Company and/or the offering of the Subordinated Notes that differ from the views of their respective investment banking divisions. The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Underwriters with respect to any conflict of interest that may arise from the fact that the views expressed by their independent research analysts and research departments may be different from or inconsistent with the views or advice communicated to the Company by such Underwriters' investment banking divisions. The Company acknowledges that each of the Underwriters is a full service securities firm and as such from time to time, subject to applicable securities laws, may effect transactions for its own account or the account of its customers and hold long or short positions in debt or equity securities of the Company.

17. Termination. This Agreement shall be subject to termination by you, by notice given to the Company prior to delivery of and payment for the Subordinated Notes, if prior to such time any of the events described in Sections 13(f) or 13(g) occurs.

18. Definition of Certain Terms. If the firms listed in Schedule I hereto include only the Representative listed in Schedule I hereto, then the terms "Underwriters," "Underwriter" and "Representatives" as used herein shall each be deemed to refer to such single firm, and reference to "Underwriters" shall be revised as appropriate in the particular context to be reference to the single Underwriter.

19. Miscellaneous.

(a) Except as otherwise expressly provided in this Agreement, (i) whenever notice is required by all the provisions of this Agreement to be given to the Company, such notice shall be in writing addressed to the Company at its office, 20701 Cooperative Way, Dulles, Virginia 20166, attention of the Chief Executive Officer and (ii) whenever notice is required by the provisions of this Agreement to be given to you, as the Representatives of the Underwriters or of any of them, such notice shall be in writing addressed to the offices of Mizuho Securities USA LLC, at 1271 Avenue of the Americas, New York, New York 10020, Attention: Debt Capital Markets, Fax No. (212) 205-7812.

(b) The Company agrees to furnish to you and to Hunton Andrews Kurth LLP, without charge, a signed copy of the Registration Statement and each amendment thereof, including all financial statements and all exhibits thereto (except such financial statements and exhibits as are incorporated therein by reference and which shall have been previously furnished to you), and to furnish to each of the other Underwriters, without charge, a copy of the Registration Statement and each amendment thereof, including all financial statements (except such financial statements as are incorporated therein by reference) but without exhibits.

(c) This Agreement is made solely for the benefit of the several Underwriters and the Company and their respective successors and assigns, and, to the extent provided in Section 12 hereof, any controlling person referred to in such Section 12 and the directors of the Company and those officers of the Company who shall have signed the Registration Statement, and their respective legal representatives, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successor" or the term "successors and assigns" as used in this Agreement shall not include any purchaser, as such purchaser, from any of the Underwriters of the Subordinated Notes.

(d) If this Agreement shall be canceled or terminated by the Underwriters on any of the grounds referred to or specified in Section 13 hereof or because of any failure or refusal on the part of the Company to comply with any of the terms or to fulfill any of the conditions of this Agreement, the Company will reimburse the Underwriters severally for all their out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by them in connection with the subject matter of this Agreement.

(e) The term "business day" as used in this Agreement shall mean any day on which the New York Stock Exchange is open for trading.

(f) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS.

(g) Section headings have been inserted in this Agreement as a matter of convenience of reference only and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provision of this Agreement.

(h) This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or any other rapid transmission device designed to produce a written record of the communication transmitted shall be as effective as delivery of a manually executed counterpart thereof.

The words “execution,” “executed,” “signed,” “signature,” and words of like import in this Agreement or in any other certificate, agreement or document related to this Agreement shall include images of manually executed signatures transmitted by facsimile, email or other electronic format (including, without limitation, “pdf,” “tif” or “jpg”) and other electronic signatures (including, without limitation, DocuSign and AdobeSign). The use of electronic signatures and electronic records (including, without limitation, any contract or other record created, generated, sent, communicated, received, or stored by electronic means) shall be of the same legal effect, validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

(i) Recognition of the U.S. Special Resolution Regimes.

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

(iii) For purpose of this Section 19(i), (A) the term “BHC Act Affiliate” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k); (B) the term “Covered Entity” means any of the following: (1) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (2) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (3) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b); (C) the term “Default Rights” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable; and (D) the term “U.S. Special Resolution Regime” means each of (1) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (2) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

Please confirm that you are acting on behalf of yourselves and the other several Underwriters and that the foregoing correctly sets forth the agreement between the Company and the several Underwriters.

Very truly yours,

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE
CORPORATION

by /s/ Ling Wang

Name: Ling Wang

Title: Senior Vice President and Chief Financial Officer

[Signature Page to Underwriting Agreement]

Acting on behalf of ourselves and the other several Underwriters named in Schedule I attached hereto, we hereby confirm as of the date hereof that this letter correctly sets forth the agreement between the Company and the several Underwriters:

MIZUHO SECURITIES USA LLC

by /s/ Timothy Blair

Name: Timothy Blair

Title: Managing Director

[Signature Page to Underwriting Agreement]

SCHEDULE I

Underwriting Agreement dated February 1, 2024

NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION

		\$100,000,000 Principal Amount of 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 to be Purchased
Underwriter		
Mizuho Securities USA LLC	\$	100,000,000
Total	\$	100,000,000

SCHEDULE II

Underwriting Agreement dated February 1, 2024

NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION
FORM OF FINAL TERM SHEET
\$100,000,000

7.125% FIXED-TO-FIXED RESET RATE SUBORDINATED NOTES DUE 2053
(SUBORDINATED DEFERRABLE INTEREST NOTES)

Security:	7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 (Subordinated Deferrable Interest Notes) (the "Notes")
Issuer:	National Rural Utilities Cooperative Finance Corporation (the "Company")
Principal Amount:	\$100,000,000 The Notes constitute an additional issuance of the Company's 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053, \$300,000,000 of which were previously issued on May 26, 2023 and are currently outstanding
Expected Security Ratings:	Intentionally Omitted
Trade Date:	February 1, 2024
Settlement Date:	February 8, 2024 (T+5)
Public Offering Price:	103.5% of Principal Amount plus accrued interest of \$2,830,208.33 in the aggregate from September 15, 2023 to the Settlement Date
Maturity Date:	September 15, 2053 (unless redeemed by the Company as described below under "Optional Redemption")
Ranking:	The Notes will be unsecured and will rank subordinate in right of payment to all of the Company's current and future senior indebtedness. The Notes will be senior to the Company's members' subordinated certificates. The Notes will rank equal in right of payment and upon liquidation to the Company's outstanding subordinated deferrable debt and any other equally-ranked subordinated debt the Company may issue.
Interest Rate:	From and including the Settlement Date to, but excluding, September 15, 2028 (the "First Reset Date"), at an annual rate of 7.125%. From and including the First Reset Date, during each Reset Period (as defined in the Preliminary Prospectus Supplement), at an annual rate equal to the Five-year U.S. Treasury Rate (as defined in the Preliminary Prospectus Supplement) as of the most recent Reset Interest Determination Date (as defined in the Preliminary Prospectus Supplement), plus a spread of 3.533%, to be reset on each Reset Date.
Interest Payment Dates:	March 15 and September 15 beginning March 15, 2024

Optional Interest Deferral:	So long as no event of default (as defined in the Preliminary Prospectus Supplement) with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more Optional Deferral Periods (as defined in the Preliminary Prospectus Supplement) of up to 20 consecutive semi-annual Interest Payment Periods (as defined in the Preliminary Prospectus Supplement) each, except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an Interest Payment Date. No interest will be due or payable on the Notes during any such Optional Deferral Period, subject to certain exceptions described in the Preliminary Prospectus Supplement. The Company may elect, at its option, to extend the length of any Optional Deferral Period that is shorter than 20 consecutive semi-annual Interest Payment Periods (so long as the entire Optional Deferral Period does not exceed 20 consecutive semi-annual Interest Payment Periods or extend beyond the final maturity date of the Notes) and to shorten the length of any Optional Deferral Period. The Company cannot begin a new Optional Deferral Period until it has paid all accrued and unpaid interest on the Notes from any previous Optional Deferral Periods. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period, interest on the deferred interest will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded semi-annually, to the extent permitted by applicable law.
Certain Restrictions During Optional Deferral Period:	During an Optional Deferral Period, the Company may not declare or pay any interest on, or principal of, or redeem, purchase, acquire or make a liquidation payment with respect to, any of its members' subordinated certificates.
Optional Redemption:	<p>The Company may, at its option, redeem the Notes:</p> <ul style="list-style-type: none"> • in whole or from time to time in part, on any day during any Par Call Period at a redemption price in cash equal to 100% of the principal amount of Notes to be redeemed; or • in whole but not in part, at any time within 120 days after a Tax Event (as defined in the Preliminary Prospectus Supplement), at a redemption price in cash equal to 100% of the principal amount of Notes to be redeemed; or • in whole but not in part, at any time within 120 days after a Rating Agency Event (as defined in the Preliminary Prospectus Supplement), at a redemption price in cash equal to 102% of the principal amount of Notes to be redeemed <p>plus, in each case, all accrued and unpaid interest on the Notes to be redeemed to, but excluding, such redemption date.</p>
Par Call Period:	With respect to any Reset Date, including the First Reset Date, the period from and including the June 15 immediately preceding such Reset Date through and including such Reset Date.
Reset Date:	The First Reset Date and September 15 of every fifth year after 2028
Denominations:	\$2,000 and any integral multiples of \$1,000 in excess thereof
CUSIP/ISIN:	637432 PB5 / US637432PB56
Sole Book-Running Manager:	Mizuho Securities USA LLC

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

It is expected that delivery of the Notes will be made against payment therefor on or about February 8, 2024 which is the fifth trading day following the date hereof (such settlement cycle being referred to as T+5). Purchasers of Notes should note that the ability to settle secondary market trades of the Notes effected on the date of pricing or the next two succeeding business days may be affected by the T+5 settlement. Accordingly, purchasers who wish to trade the Notes on the date of pricing or the next two succeeding business days will be required to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own legal advisors.

The Issuer has filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (SEC) for this offering. Before you invest, you should read the prospectus for this offering in that registration statement, and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by searching the SEC online database (EDGAR®) at www.sec.gov. Alternatively, you may obtain a copy of the prospectus from Mizuho Securities USA LLC by calling toll-free at 1-866-271-7403.

SCHEDULE III

- Pricing Term Sheet as per Schedule II
-

SCHEDULE IV

- None
-

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Company or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Certificate No.: 2
CUSIP No.: 637432 PB5
ISIN No.: US637432PB56

7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053
(Subordinated Deferrable Interest Notes) (the “Notes”)

7.125% FIXED-TO-FIXED RESET RATE SUBORDINATED NOTES DUE 2053
(SUBORDINATED DEFERRABLE INTEREST NOTES)

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, a cooperative association duly organized and existing under the laws of the District of Columbia (herein referred to as the “Company,” which term includes any successor Person under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of \$100,000,000 on September 15, 2053 and to pay interest thereon as set forth herein. If such day is not a Business Day (as defined in the Indenture), payment of principal and interest will be postponed to the next Business Day and no interest will accrue as a result of that postponement.

The Notes will bear interest (i) from and including September 15, 2023 to, but excluding September 15, 2028 (the “First Reset Date”), at an annual rate of 7.125%, and (ii) from and including September 15, 2028, during each Reset Period (as defined herein), at an annual rate equal to the Five-year U.S. Treasury Rate (as defined herein) as of the most recent Reset Interest Determination Date (as defined herein) plus a spread of 3.533%, to be reset on each Reset Date (as defined herein). Interest will be payable semi-annually in arrears on March 15 and September 15 of each year (each, an “Interest Payment Date”), beginning on March 15, 2024. Such interest payments will be made to the persons in whose names the Notes are registered at the close of business on the Business Day immediately preceding such Interest Payment Date if the Notes are in book-entry only form (or on the 15th calendar day preceding such Interest Payment Date if the Notes are not in book-entry only form) (whether or not a Business Day), provided that interest payable at maturity or on a redemption date will be paid to the person to whom principal is payable.

The applicable interest rate for each Reset Period will be determined by the Calculation Agent (as defined herein), as of the applicable Reset Interest Determination Date. Promptly upon such determination, the Calculation Agent will notify the Company of the interest rate for the Reset Period and the Company will promptly notify, or cause the Calculation Agent to promptly notify, the Trustee and Paying Agent of such interest rate. The Calculation Agent's determination of any interest rate and its calculation of the amount of interest beginning on or after the First Reset Date will be on file at the Company's principal offices, will be made available to any Holder or beneficial owner of the Notes upon request, and will be final and binding in the absence of manifest error.

The Company will give notice of the relevant Five-year U.S. Treasury Rate as soon as reasonably practicable following each Reset Interest Determination Date to the Trustee and Paying Agent.

So long as no Event of Default with respect to the Notes has occurred and is continuing, the Company may, at its option, defer interest payments on the Notes, from time to time, for one or more deferral periods of up to 20 consecutive Interest Payment Periods (as defined herein) (each such deferral period, commencing on the Interest Payment Date on which the first such deferred interest payment otherwise would have been made, an "Optional Deferral Period"), except that no such Optional Deferral Period may extend beyond the final maturity date of the Notes or end on a day other than the day immediately preceding an Interest Payment Date. During any Optional Deferral Period, interest on the Notes will continue to accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes). In addition, during any Optional Deferral Period interest on the deferred interest ("compound interest") will accrue at the then-applicable interest rate on the Notes (as reset from time to time on any Reset Date occurring during such Optional Deferral Period in accordance with the terms of the Notes), compounded semi-annually, to the extent permitted by applicable law.

No interest will be due or payable on the Notes during an Optional Deferral Period, except upon a redemption of any Notes on any redemption date during such Optional Deferral Period (in which case all accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on the Notes to be redeemed to, but excluding, such redemption date will be due and payable on such redemption date), or unless the principal of and interest on the Notes shall have been declared due and payable as the result of an Event of Default with respect to the Notes (in which case all accrued and unpaid interest, including, to the extent permitted by applicable law, any compound interest, on the Notes shall become due and payable). All references in this Note and, insofar as relates to the Notes, the Indenture to “interest” on the Notes shall be deemed to include any such deferred interest and, to the extent permitted by applicable law, any compound interest, unless otherwise expressly stated or the context otherwise requires.

Before the end of any Optional Deferral Period that is shorter than 20 consecutive Interest Payment Periods, the Company may elect, at its option, to extend such Optional Deferral Period, so long as the entire Optional Deferral Period does not exceed 20 consecutive Interest Payment Periods or extend beyond the final maturity date of the Notes. The Company may also elect, at its option, to shorten the length of any Optional Deferral Period. No Optional Deferral Period (including as extended or shortened) may end on a day other than the day immediately preceding an Interest Payment Date. At the end of any Optional Deferral Period, if all amounts then due on the Notes, including all accrued and unpaid interest thereon (including, without limitation and to the extent permitted by applicable law, any compound interest), are paid, the Company may elect to begin a new Optional Deferral Period; provided, however, that, without limitation of the foregoing, the Company may not begin a new Optional Deferral Period unless the Company has paid all accrued and unpaid interest on the Notes (including, without limitation and to the extent permitted by applicable law, any compound interest) from any previous Optional Deferral Periods.

During any Optional Deferral Period the Company may not declare or pay any interest on, or principal of, or redeem, purchase, acquire or make a liquidation payment with respect to, any of its members' subordinated certificates.

The Company shall give the Holders of the Notes and the Trustee notice of its election of, or any shortening or extension of, an Optional Deferral Period at least ten Business Days prior to the earlier of (i) the next Interest Payment Date and (ii) the date upon which the Company is required to give notice to any applicable self-regulatory organization or to Holders of the Notes of such next succeeding record or payment date for such interest payment. The record date for the payment of deferred interest and, to the extent permitted by applicable law, any compound interest payable on the Interest Payment Date immediately following the last day of an Optional Deferral Period will be the regular record date with respect to such Interest Payment Date.

“Calculation Agent” means U.S. Bank Trust Company, National Association, or any other firm appointed by the Company, acting as calculation agent. The Company or any of its affiliates may assume the duties of the Calculation Agent.

“Five-year U.S. Treasury Rate” means, as of any Reset Interest Determination Date, as applicable, an interest rate (expressed as a decimal) determined to be the per annum rate (i) equal to the average of the yields on actively traded U.S. treasury securities adjusted to constant maturity, for five-year maturities, for the five Business Days appearing (or, if fewer than five Business Days appear, such number of Business Days appearing) under the caption “Treasury Constant Maturities” in the most recent H.15 as of 5:00 p.m. (Eastern Time); or (ii) if there are no such published yields on actively traded U.S. treasury securities adjusted to constant maturity, for five-year maturities, then the rate will be determined by interpolation between the average of the yields on actively traded U.S. treasury securities adjusted to constant maturity for two series of actively traded U.S. treasury securities, (A) one maturing as close as possible to, but earlier than, the Reset Date following the next succeeding Reset Interest Determination Date and (B) the other maturing as close as possible to, but later than, the Reset Date following the next succeeding Reset Interest Determination Date, in each case for the five Business Days appearing (or, if fewer than five Business Days appear, such number of Business Days appearing) under the caption “Treasury Constant Maturities” in the most recent H.15 as of 5:00 p.m. (Eastern Time) as of any date of determination.

“H.15” means the statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System (or any successor thereto).

“Interest Payment Period” means the semi-annual period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date, except for the first Interest Payment Period which shall be the period from and including September 15, 2023 to but excluding September 15, 2028.

The “most recent H.15” means the H.15 published closest in time but prior to the close of business on the Reset Interest Determination Date.

“Reset Date” means the First Reset Date and September 15 of every fifth year after 2028.

“Reset Interest Determination Date” means, in respect of any Reset Period, the day that is two Business Days prior to the first day of such Reset Period.

“Reset Period” means the period from and including the First Reset Date to, but excluding, the next following Reset Date and thereafter each period from and including a Reset Date to, but excluding, the next following Reset Date.

If the Calculation Agent determines that the Five-year U.S. Treasury Rate cannot be determined pursuant to the methods described above, the Calculation Agent may determine whether there is an industry-accepted successor rate to the Five-year U.S. Treasury Rate. If the Calculation Agent determines that there is such an industry-accepted successor rate, then the Five-year U.S. Treasury Rate shall be such successor rate and, in that case, the Calculation Agent may adjust the spread and may determine and adjust the Business Day convention, the definition of a “Business Day” and the Reset Interest Determination Date to be used and any other relevant methodology for determining or otherwise calculating such successor rate, including any adjustment factor needed to make such successor rate comparable to the Five-year U.S. Treasury Rate in each case, in a manner that is consistent with industry-accepted practices for the use of such successor rate. If the Calculation Agent determines that there is no industry-accepted successor rate, then the Five-year U.S. Treasury Rate will be the same interest rate determined for the prior Reset Interest Determination Date or, if this sentence is applicable with respect to the first Reset Interest Determination Date, 3.592%.

The amount of interest payable for any interest period (or portion thereof) will be computed on the basis of a 360-day year consisting of twelve 30-day months. If any Interest Payment Date, redemption date or the maturity date of the Notes is not a Business Day at any place of payment, then payment of the principal, premium, if any, and interest will be made on the next Business Day at that place of payment. In that case, no interest will accrue on the amount payable for the period from and after the applicable Interest Payment Date, redemption date or maturity date, as the case may be.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE
CORPORATION

By: _____
Gary Bradbury
Senior Vice President and Chief Operating Officer

(Seal)

Attest:

By: _____
Assistant Secretary-Treasurer

Trustee's Certificate of
Authentication

This is one of the securities
of the series designated herein,
described in the within-
mentioned Indenture

Dated:

By: U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, Trustee

By: _____
Authorized Officer

REVERSE OF NOTE

This security is one of a duly authorized issue of securities of the Company (herein called the "Notes"), issued and to be issued in one or more series under an Indenture, dated as of October 15, 1996, as amended (herein called the "Indenture," which term shall have the meaning assigned to it in such instrument), between the Company and U.S. Bank Trust Company, National Association, as successor trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof as 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 (Subordinated Deferrable Interest Notes) (the "Notes") which series is unlimited in aggregate principal amount. The principal amount of the Notes, designated on the face hereof as \$100,000,000, may be increased from time to time pursuant to Section 301 of the Indenture. All Notes need not be issued at the same time and such series may be reopened at any time, without the consent of any Holder, for issuance of additional Notes. Any such additional Notes will have the same terms and conditions and the same CUSIP number as set forth herein (except for the issue price, issue date and, if applicable, the initial interest accrual date and initial Interest Payment Date, and except that provisions of the Notes specifying the rate of interest thereon to but excluding the First Reset Date shall not be applicable to any such additional Notes whose issue date is on or after the First Reset Date). No Notes shall be authenticated and delivered in excess of the principal amount so increased except in accordance with the Indenture. No additional Notes shall be authenticated and delivered unless such additional Notes would be fungible with all Notes for United States federal income tax purposes.

The Company may, at its option, redeem the Notes, in whole or from time to time in part, on any day during any Par Call Period (as defined herein) at a redemption price in cash equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest, if any, thereon to, but excluding, the redemption date.

The Company may, at its option, redeem the Notes, in whole but not in part, at any time within 120 days after a Tax Event (as defined herein) at a redemption price in cash equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest, if any, thereon to, but excluding, the redemption date.

The Company may, at its option, redeem the Notes, in whole but not in part, at its option, at any time within 120 days after a Rating Agency Event (as defined herein), at a redemption price in cash equal to 102% of the principal amount of the Notes, plus accrued and unpaid interest, if any, thereon to, but excluding, the redemption date.

Installments of interest on the Notes that are due and payable on any Interest Payment Date falling on or prior to a redemption date for the Notes will be payable on that Interest Payment Date to the registered Holders thereof as of the close of business on the relevant record date according to the terms of the Notes and the Indenture, except that, if the redemption date for any Notes falls on any day during an Optional Deferral Period, accrued and unpaid interest (including, to the extent permitted by applicable law, any compound interest) on such Notes will be paid on such redemption date to the persons entitled to receive the redemption price of such Notes. For the avoidance of doubt, the Interest Payment Date falling immediately after the last day of an Optional Deferral Period shall not be deemed to fall on a day during such Optional Deferral Period.

Notice of any redemption will be sent at least 10 days but not more than 60 days before the date of redemption to each Holder of the Notes to be redeemed.

In the event of redemption of this Note in part only, a new Note or Notes of this series and of the like tenor of the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof. So long as the Notes are represented by a global security, if the Company elects to redeem these Notes in part, then the particular interest in the Notes to be redeemed will be determined by lot. If the Company elects to redeem less than all of the Notes at a time when the Notes are not represented by a global security, then the Trustee will select the particular Notes to be redeemed in a manner it deems appropriate and fair.

The indebtedness evidenced by this Note is, to the extent provided in the Indenture, subordinated and subject in right of payment to the prior payment in full of all Senior Indebtedness, and this Note is issued subject to the provisions of the Indenture with respect thereto. Each Holder of this Note, by accepting the same, (a) agrees to and shall be bound by such provisions, (b) authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to acknowledge or effectuate the subordination so provided and (c) appoints the Trustee his attorney-in-fact for any and all such purposes. Each Holder hereof, by his acceptance hereof, hereby waives all notice of the acceptance of the subordination provisions contained herein and in the Indenture by each Holder of Senior Indebtedness, whether now outstanding or hereafter incurred, and waives reliance by each such Holder upon said provisions.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Note upon compliance with certain conditions set forth in the Indenture.

If an Event of Default with respect to the Notes shall occur and be continuing, the principal of the Notes may be declared due and payable in the manner and with the effect provided in the Indenture. Solely for purposes of the Notes, Section 801 of the Indenture shall be deleted and replaced by the following:

SECTION 801. EVENTS OF DEFAULT.

“Event of Default”, wherever used herein with respect to the Notes, means any one of the following events:

- (a) failure to pay interest, if any, on any Note within 60 days after the same becomes due and payable (whether or not payment is prohibited by the provisions of Article Fifteen of the Indenture); provided, however, that a valid extension of the interest payment period by the Company as contemplated in Section 312 of the Indenture shall not constitute a failure to pay interest for this purpose; or
 - (b) failure to pay the principal of or premium, if any, on any Note at its Maturity (whether or not payment is prohibited by the provisions of Article Fifteen of the Indenture); or
-

(c) the entry by a court having jurisdiction in the premises of (1) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (2) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition by one or more Persons other than the Company seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official for the Company or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and any such decree or order for relief or any such other decree or order shall have remained unstayed and in effect for a period of 90 consecutive days; or

(d) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in a case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the authorization of such action by the Board of Directors.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

The Notes of this series are issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor and of authorized denominations, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the absolute owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

The following terms shall have the following meanings:

“Par Call Period” means any period from and including the June 15 immediately preceding a Reset Date through and including such Reset Date.

“Rating Agency Event” means, as of any date, a change, clarification or amendment in the methodology published by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities and Exchange Act of 1934, as amended (or any successor provision thereto), that then publishes a rating for the Company (together with any successor thereto, a “rating agency”) in assigning equity credit to securities such as the Notes, (i) as such methodology was in effect on February 1, 2024, in the case of any rating agency that published a rating for the Company as of February 1, 2024, or (ii) as such methodology was in effect on the date such rating agency first published a rating for the Company, in the case of any rating agency that first publishes a rating for the Company after February 1, 2024 (in the case of either clause (i) or (ii), the “current methodology”), that results in (a) any shortening of the length of time for which a particular level of equity credit pertaining to the Notes by such rating agency would have been in effect had the current methodology not been changed or (b) a lower equity credit (including up to a lesser amount) being assigned by such rating agency to the Notes as of the date of such change, clarification or amendment than the equity credit that would have been assigned to the Notes by such rating agency had the current methodology not been changed.

“Tax Event” means that the Company has received an opinion of counsel experienced in such matters after the occurrence of any of the events set forth below to the effect that:

(i) there is more than an insubstantial risk that the Company would lose its status as a 501(c)(4) tax-exempt entity pursuant to the Internal Revenue Code of 1986, as amended, as a result of:

- (a) any amendment to or change or announced proposed change in the laws or regulations of the United States or any of its political subdivisions or taxing authorities affecting taxation;
- (b) any amendment to or change in an interpretation or application of such laws or regulations by any legislative body, court, governmental agency or regulatory authority; or
- (c) any official administrative interpretation or official administrative pronouncement that provides for a position with respect to those laws or regulations that differs from the generally accepted position on the date the Notes are issued;

which amendment or change becomes effective or proposed change, pronouncement, interpretation, action or decision is announced on or after February 1, 2024; and

(ii) there is more than an insubstantial risk that interest payable on the Notes is not or within 120 days of the date of the opinion would not be currently deductible as such interest accrues, in whole or in part, by the Company for United States federal income tax purposes as a result of:

- (a) any amendment to or change or announced proposed change in the laws or regulations of the United States or any of its political subdivisions or taxing authorities affecting taxation;
- (b) any amendment to or change in an interpretation or application of such laws or regulations by any legislative body, court, governmental agency or regulatory authority; or
- (c) any official administrative interpretation or official administrative pronouncement that provides for a position with respect to those laws or regulations that differs from the generally accepted position on the date the Notes are issued;

which amendment or change becomes effective or proposed change, pronouncement, interpretation, action or decision is announced on or after February 1, 2024.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Each Holder of the Notes will, by accepting the Notes or a beneficial interest therein, be deemed to have agreed that the Holder intends that the Notes constitute indebtedness and will treat the Notes as indebtedness for all United States federal, state and local tax purposes.



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February 8, 2024

Board of Directors
National Rural Utilities Cooperative Finance Corporation
20701 Cooperative Way
Dulles, VA 20166-6691

To the addressee referred to above:

We are acting as counsel to National Rural Utilities Cooperative Finance Corporation, a District of Columbia cooperative association (the “**Company**”), in connection with its Registration Statement on Form S-3 (No. 333-275151) (the “**Registration Statement**”), filed with the Securities and Exchange Commission (the “**Commission**”) under the Securities Act of 1933, as amended (the “**Act**”), relating to the proposed public offering of \$100,000,000 aggregate principal amount of 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 (Subordinated Deferrable Interest Notes) (the “**Securities**”) of the Company pursuant to the terms of the Underwriting Agreement, dated as of February 1, 2024 (the “**Agreement**”), between the Company and Mizuho Securities USA LLC. This opinion letter is furnished to you at your request to enable you to fulfill the requirements of Item 601(b)(5) of Regulation S-K, 17 C.F.R. § 229.601(b)(5), in connection with the Registration Statement.

For purposes of this opinion letter, we have examined copies of such agreements, instruments and documents as we have deemed an appropriate basis on which to render the opinions hereinafter expressed. In our examination of the aforesaid documents, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents, and the conformity to authentic original documents of all documents submitted to us as copies (including pdfs and conformed copies provided through the EDGAR System of the Commission). As to all matters of fact, we have relied on the representations and statements of fact made in the documents so reviewed, and we have not independently established the facts so relied on. This opinion letter is given, and all statements herein are made, in the context of the foregoing.

This opinion letter is based as to matters of law solely on the applicable provisions of the following, as currently in effect: (i) the District of Columbia General Cooperative Association Act of 2010 (the “**Cooperative Association Act**”) and (ii) the laws of the State of New York (but not including any laws, statutes, ordinances, administrative decisions, rules or regulations of any political subdivision below the state level). We express no opinion herein as to any other statutes, rules, regulations or decisional law (and in particular, we express no opinion as to any effect that such other statutes, rules, regulations or decisional law may have on the opinions expressed herein). As used herein, the term “Cooperative Association Act” includes the statutory provisions contained therein, all applicable provisions of the District of Columbia Home Rule Act and reported judicial decisions interpreting these laws.

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For the purposes of this opinion letter, we have assumed that (i) U.S. Bank Trust Company, National Association, as successor trustee (the “**Trustee**”), has all requisite power and authority under all applicable law and governing documents to execute, deliver and perform its obligations under the Indenture dated as of October 15, 1996 (the “**Indenture**”) between the Company and the Trustee and has complied with all legal requirements pertaining to its status as such status relates to the Trustee’s right to enforce the Indenture against the Company, (ii) the Trustee has duly authorized, executed and delivered the Indenture, (iii) the Trustee is validly existing and in good standing in all necessary jurisdictions, (iv) the Indenture constitutes a valid and binding obligation, enforceable against the Trustee in accordance with its terms, (v) there has been no mutual mistake of fact or misunderstanding or fraud, duress or undue influence in connection with the negotiation, execution or delivery of the Indenture, and the conduct of the Trustee has complied with any requirements of good faith, fair dealing and conscionability, (vi) at the time of offer, issuance and sale of any Securities, the Registration Statement will have been declared effective under the Act and no stop order suspending its effectiveness will have been issued and remain in effect, (vii) there are and have been no agreements or understandings among the parties, written or oral, and there is and has been no usage of trade or course of prior dealing among the parties (and no act or omission of any party) that would, in any such case, define, supplement or qualify the terms of the Indenture, (viii) no event of default by the Company under the Indenture has occurred and is continuing, (ix) the Indenture has not been amended, restated, modified or supplemented, except by the establishment, in officers’ certificates and in accordance with the terms of the Indenture, of the terms of series of subordinated notes prior to the date hereof, or terminated, and no rights under the Indenture have been waived by any action or inaction of any party thereto since the date of execution and delivery of the Indenture and (x) the representations and statements of fact set forth in the Indenture continue to be true and correct as of the date hereof. We also have assumed the validity and constitutionality of each relevant statute, rule, regulation and agency action covered by this opinion letter.

Based upon, subject to and limited by the foregoing, we are of the opinion that, following (i) receipt by the Company of the consideration for the Securities specified in applicable resolutions of the Board of Directors of the Company and (ii) the due execution, authentication, issuance and delivery of the Securities pursuant to the terms of the Indenture and the Agreement, the Securities will constitute valid and binding obligations of the Company.

This opinion letter has been prepared for use in connection with the filing by the Company of a Current Report on Form 8-K on the date hereof, which Form 8-K will be incorporated by reference into the Registration Statement and speaks as of the date hereof. We assume no obligation to advise of any changes in the foregoing subsequent to the delivery of this opinion letter.

In addition to the qualifications, exceptions and limitations elsewhere set forth in this opinion letter, our opinion expressed above is also subject to the effect of: (a) bankruptcy, insolvency, reorganization, receivership, moratorium and other laws affecting creditors’ rights and remedies (including, without limitation, the effect of statutory and other law regarding fraudulent conveyances and fraudulent, preferential or voidable transfers), and (b) the exercise of judicial discretion and the application of principles of equity, good faith, fair dealing, reasonableness, conscionability and materiality (regardless of whether the applicable agreements are considered in a proceeding in equity or at law), including, without limitation, principles limiting the availability of specific performance and injunctive relief.

We hereby consent to the filing of this opinion letter as Exhibit 5.1 to the above-described Form 8-K and to the reference to this firm under the caption “Legal Matters” in the Prospectus and the Prospectus Supplement, each of which constitutes a part of the Registration Statement. In giving this consent, we do not thereby admit that we are an “expert” within the meaning of the Act.

Very truly yours,

/s/ HOGAN LOVELLS US LLP

HOGAN LOVELLS US LLP



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February 8, 2024

Board of Directors
 National Rural Utilities Cooperative Finance Corporation
 20701 Cooperative Way
 Dulles, VA 20166-6691

To the addressee referred to above:

We are acting as counsel to National Rural Utilities Cooperative Finance Corporation, a District of Columbia cooperative association (the “**Company**”), in connection with its registration statement on Form S-3 (No. 333-275151) (the “**Registration Statement**”), filed with the Securities and Exchange Commission, relating to the public offering of subordinated notes of the Company that may be offered and sold by the Company from time to time as set forth in the prospectus dated October 24, 2023 (the “**Prospectus**”), and as may be set forth from time to time in one or more supplements to the Prospectus. This opinion letter is rendered in connection with the proposed public offering of up to \$100,000,000 aggregate principal amount of the Company’s 7.125% Fixed-to-Fixed Reset Rate Subordinated Notes due 2053 (Subordinated Deferrable Interest Notes) (the “**Securities**”), as described in a prospectus supplement to the Prospectus dated February 1, 2024 (the “**Prospectus Supplement**”). This opinion letter is furnished to you at your request to enable you to fulfill the requirements of Item 601(b)(8) of Regulation S-K, 17 C.F.R. §229.601(b)(8), in connection with the Registration Statement. Capitalized terms used in this letter and not otherwise defined herein shall have the meanings set forth in the Prospectus Supplement.

This opinion letter is based as to matters of law solely on the Internal Revenue Code of 1986, as amended, its legislative history, judicial authority, current administrative rulings and practice, and existing and proposed Treasury Regulations, all as in effect and existing on the date hereof (collectively, “federal income tax laws”). These provisions and interpretations are subject to changes, which may or may not be retroactive in effect, that might result in material modifications of our opinion. We express no opinion herein as to any other laws, statutes, regulations, or ordinances. Our opinion does not foreclose the possibility of a contrary determination by the Internal Revenue Service (the “**IRS**”) or a court of competent jurisdiction, or of a contrary position by the IRS or the Treasury Department in regulations or rulings issued in the future. In this regard, although we believe that our opinion set forth herein will be sustained if challenged, an opinion of counsel with respect to an issue is not binding on the IRS or the courts and is not a guarantee that the IRS will not assert a contrary position with respect to such issue or that a court will not sustain such a position asserted by the IRS.

In rendering the following opinion, we have examined such statutes, regulations, records, certificates and other documents as we have considered necessary or appropriate as a basis for such opinion, including (but not limited to) the following: (i) an executed copy of the Registration Statement; (ii) the Prospectus and the Prospectus Supplement; (iii) specimen copies of the Securities; and (iv) an executed copy of the Indenture, dated as of October 15, 1996, between the Company and U.S. Bank Trust Company, National Association, as successor trustee.

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In our review, we have assumed that all of the representations and statements set forth in such documents are true and correct, and all of the obligations imposed by any such documents on the parties thereto have been and will continue to be performed or satisfied in accordance with their terms. We also have assumed the genuineness of all signatures, the proper execution of all documents, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents, and the conformity to authentic original documents of all documents submitted to us as copies (including pdfs). This opinion letter is given, and all statements herein are made, in the context of the foregoing.

For purposes of rendering our opinion, we have not made an independent investigation of the facts set forth in any of the above-referenced documents, including the Prospectus and the Prospectus Supplement. We have consequently relied upon representations and information presented in such documents.

Based upon, and subject to, the foregoing, we are of the opinion that the discussion in the Prospectus Supplement under the heading "Certain Material U.S. Federal Tax Considerations," to the extent that it describes provisions of federal income tax law, represents our opinion as to the material federal income tax considerations of the matters discussed therein, as of the date hereof.

We assume no obligation to advise you of any changes in the foregoing subsequent to the effective date of the Registration Statement. This opinion letter has been prepared solely for your use in connection with the filing of a Current Report on Form 8-K on the date of this opinion letter in connection with the issuance and sale of the Securities, incorporated by reference in the Registration Statement, and should not be quoted in whole or in part or otherwise referred to, nor filed with or furnished to, any other governmental agency or other person or entity without the prior written consent of this firm.

We hereby consent to the filing of this opinion letter as an exhibit to the above-described Form 8-K and the incorporation hereof into the Registration Statement. In giving such consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended.

Very truly yours,

/s/ HOGAN LOVELLS US LLP

HOGAN LOVELLS US LLP
