

FEDERAL AGRICULTURAL MORTGAGE CORP  
 Form 4  
 August 31, 2006

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KLIPPENSTEIN GLEN**

2. Issuer Name and Ticker or Trading Symbol  
**FEDERAL AGRICULTURAL MORTGAGE CORP [AGM]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
**08/30/2006**

Director  10% Owner  
 Officer (give title below)  Other (specify below)

**PO BOX 457**

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**MAYSVILLE, MO 64469**

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
|                                 |                                      |  |                                | Code  | V   | Amount   |                                   |
| Class C Non-Voting Common Stock | 08/30/2006                           |  | M <sup>(1)</sup>               | A   | \$ 22.4   | 2,643  | D                                 |
| Class C Non-Voting Common Stock | 08/30/2006                           |  | S <sup>(1)</sup>               | D   | \$ 27.5   | 643  | D                                 |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Employee Stock Option (Right to Buy)       | \$ 22.4  | 08/30/2006                           |  | M <sup>(1)</sup>               | 2,000   | 05/31/2005 06/05/2008                                    | Class C Non-Voting Stock                                      | 6,000                      |

## Reporting Owners

| Reporting Owner Name / Address                         | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| KLIPPENSTEIN GLEN<br>PO BOX 457<br>MAYSVILLE, MO 64469 | X             |           |         |       |

## Signatures

Jerome G. Oslick, Attorney-in-fact for Glen O. Klippenstein  
 Signature: \_\_\_\_\_ Date: 08/31/2006

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This report reflects (on Table 1) (i) the acquisition of 2,000 shares of Class C Non-Voting Common Stock through a partial exercise of a previously unexercised employee stock option acquired by the reporting person in June 2003 pursuant to Rule 16b-3; and (ii) the sale of 2,000 shares of Class C Stock; and (on Table 2) the partial closing of the June 2003 employee stock option. The exercise of the June 2003 employee stock option is exempt under Section 16(b) under Rule 16b-6, but is reported herein pursuant to Rule 16a-4.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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