

TERM SHEET

*Federal Farm Credit Banks  
Consolidated Systemwide  
Bonds*



This Term Sheet relates to the Bonds described below and should be read in conjunction with the Federal Farm Credit Banks Consolidated Systemwide Bonds and Discount Notes Offering Circular, dated June 18, 1999, as amended and supplemented by the Offering Circular Supplements dated August 20, 2001 and November 26, 2003 (the "Offering Circular"). The Fixed Rate Bonds described herein (the "Bonds") were sold to Morgan Stanley & Co. Incorporated (the "Dealer"), as principal, for resale to investors at varying prices according to prevailing market prices at the time of resale as determined by the Dealer. Terms set forth below unless otherwise defined have the meaning ascribed to them in the Offering Circular.

**Principal Amount:** \$30,000,000

**Denomination:** \$5,000 and integral multiples of \$1,000 in excess thereof

**Issue Price:** 100.000%

**Issue Date & Settlement Date:** May 11, 2006

**Maturity Date:** May 11, 2026

**Interest Rate:** 5.750%

**Day Count Basis:** Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

**Interest Payment Dates:** Each May 11 and November 11, beginning on November 11, 2006, and the Maturity Date

**Redemption:** The Bonds are not subject to redemption prior to the Maturity Date.

**Reopenings:** The outstanding principal amount of this issue may be increased from time to time.

**Underwriting Concession:** 0.35297%

**Selling Concession:** 0.000%

**CUSIP Number:** 31331V YY6

***Backup Withholding and Information Reporting***

The Jobs and Growth Tax Relief Reconciliation Act of 2003 lowered the backup withholding tax rate to 28%, effective January 1, 2003.

**DISTRIBUTION**

Morgan Stanley maintains two separate broker-dealer entities. Offerings are underwritten by Morgan Stanley & Co. Incorporated and distributed by both Morgan Stanley & Co. Incorporated and Morgan Stanley DW Inc.

**Morgan Stanley**

*The date of the Term Sheet is May 3, 2006.*