

**Meeting Between Federal Reserve Bank of Chicago Staff
And Representatives of John Deere
April 29, 2011**

Participants: Doug Kasl, Andre Reynolds, Craig Volk, Angie Wuand Sarah Mangi
(Federal Reserve Bank of Chicago)

John Brown, Kathy Kearney, Mike Matera and Larry Sidwell (John Deere);
and Bill Boyd (Nyemaster Goode)

Summary: Staff from the Federal Reserve Bank of Chicago (“Reserve Bank”) provided representatives of John Deere with an overview of the Federal Reserve’s role as consolidated supervisor for bank holding companies (“BHCs”) and, beginning July 21, 2011, savings and loan holding companies (“SLHCs”). Reserve Bank representatives explained the Federal Reserve’s intent, as set in the recently released notice of intent on SLHC supervision, to apply its current BHC supervisory programs to SLHCs, where possible, taking into consideration differences between the BHC Act and the Home Owners Loan Act (“HOLA”) for thrifts as well as the uniqueness of certain types of SLHCs. The Reserve Bank also noted the general purpose for establishing an intermediate holding company (“IHC”), the Federal Reserve’s efforts to look into considerations associated with IHCs, as well as the need for the Federal Reserve to fulfill its responsibilities as consolidated supervisor for IHCs. As part of this discussion, representatives of John Deere provided the Reserve Bank staff with an overview of the company.

Representatives of John Deere presented their views about the potential establishment of IHCs identified in the Dodd-Frank Act. John Deere’s representatives discussed how the company’s activities and structure should fit into an IHC structure, and expressed the view that any final IHC rule should require IHCs to be established over a “significant portion” of the company’s financial activity, rather than 100 percent of the activities. John Deere’s representatives also noted concerns with the definition of “affiliates” under 23A as it might be applied to John Deere if it is required to establish an IHC.

The meeting participants also discussed the capital planning and dividend approval expectations for SLHCs, with John Deere’s representatives emphasizing the need for clarity regarding these capital issues. John Deere’s representatives expressed concerns with the March 31, 2012, effective date for the holding company regulatory reports such as the impact of the absence of IHC rules and the redundancy in reporting for entities that report on a fiscal year that is different than a calendar year. There also was general discussion about the concept of “source of strength” and the types of information that the Federal Reserve might need to assess a parent company over an IHC. Finally, the meeting concluded with a discussion about how to provide comments during the rulemaking process.