

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 ⁽¹⁾	A	\$ 22.4	2,643	D
Class C Non-Voting Common Stock	08/30/2006		S ⁽¹⁾	D	\$ 27.5	643	D

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

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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 ⁽¹⁾	2,000	Date Exercisable: 05/31/2005 Expiration Date: 06/05/2008	Class C Non-Voting Stock	6,000

Reporting Owners

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

Signatures

Jerome G. Oslick, Attorney-in-fact for Glen O. Klippenstein
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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