

CANDIDATE DISCLOSURE AND QUALIFICATION STATEMENT

THIS DISCLOSURE STATEMENT IS MADE PURSUANT TO FARM CREDIT ADMINISTRATION REGULATIONS SECTION 620.21(d)(6) WHICH REQUIRES EACH CANDIDATE FOR ELECTION TO THE BOARD OF DIRECTORS OF THE FARM CREDIT BANK OF TEXAS (BANK) TO FURNISH A DISCLOSURE STATEMENT.

PLEASE COMPLETE THE INFORMATION ON THE FOLLOWING PAGES AS APPLICABLE, THEN SIGN AND DATE THE FORM AT THE BOTTOM IN THE SPACE PROVIDED. IF A PARTICULAR ITEM IS NOT APPLICABLE, PLEASE MARK IT "N/A".

RETURN TO THE NOMINATING COMMITTEE THROUGH THE FCBT ELECTION COMMITTEE AT THE FOLLOWING ADDRESS:

**Carolyn Owen
Farm Credit Bank of Texas
P.O. Box 202590
Austin, TX 78720-2590**

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT CAROLYN OWEN AT (512)465-0582, NINCI TUCKER AT (512) 465-1851, OR ALISA WALLS AT (512)465-0477.

CANDIDATE DISCLOSURE AND QUALIFICATION STATEMENT

1. **CANDIDATE'S NAME:** _____

2. **RESIDENCE ADDRESS:** _____

3. **BUSINESS ADDRESS:** _____

4. **CITIZENSHIP¹:**
 - a. Country: _____
 - b. How long: _____

5. **NAME OF ASSOCIATION²:** _____

6. **BUSINESS EXPERIENCE DURING LAST 5 YEARS (including principal occupation and employment and the type of any agriculture in which you are engaged):**

7. **OTHER RELEVANT EXPERIENCE/QUALIFICATIONS (List any other experience, education, training, or knowledge not described in No. 6 above or No. 8 below which may be relevant for consideration by the Nominating Committee under the Bank's Director Qualifications, Training & Evaluation Policy, including but not limited to, (a) experience, education, training, or knowledge of either public and corporate finance, financial reporting and disclosure, or accounting procedures, (b) experience as a board member or senior executive in a financial institution, whether System or non-System; (c) experience as a board member or senior executive in an agricultural or agribusiness enterprise with responsibility for finance, operations or marketing; (d) experience in government, particularly legislative or administrative experience related to agriculture, economics or banking; and (e) experience in academia, particularly in fields related to agriculture, economics, banking, finance, accounting and marketing):**

¹ FCBT bylaws require that stockholder have been a citizen of the United States for 10 years to be eligible for nomination as a stockholder-elected director

² FCBT bylaws require a stockholder-elected director to be a stockholder of a district association. This can be any association in the district provided that no more than one stockholder of an association (or an association under joint management) may serve on the bank board at any one time.

8. ENTITIES ON WHOSE BOARD OF DIRECTORS THE CANDIDATE SERVES OR IS OTHERWISE EMPLOYED IN A POSITION OF AUTHORITY OR OWNS A MATERIAL FINANCIAL INTEREST:

NAME OF ENTITY	PRINCIPAL TYPE OF BUSINESS	POSITION HELD
<hr/>	<hr/>	<hr/>
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9. LIST NAMES OF ANY IMMEDIATE FAMILY MEMBERS³ OR OTHER RELATIVES⁴, HOUSEHOLD MEMBERS, BUSINESS PARTNERS, AFFILIATED ORGANIZATIONS⁵, OR CONTROLLED ENTITIES⁶ WHO TRANSACT BUSINESS (INCLUDING LOANS) WITH THE BANK OR A DISTRICT ASSOCIATION OR WITH A BORROWER OF THE BANK OR A DISTRICT ASSOCIATION:

³ "Immediate family" means spouse, parents, siblings, children, mothers- and fathers-in-law, brothers- and sisters-in-law, and sons- and daughters-in-law

⁴ "Relative" means any member of the family of the individual or the individual's spouse, including parents, spouse, son, daughter, sibling, stepparent, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, uncle, aunt, nephew, niece, grandparent, grandson, granddaughter, and their spouses.

⁵ "Affiliated organization" means any organization, other than a Farm Credit organization, of which a director, senior officer or nominee for director of the reporting institution is a partner, director, officer, or majority shareholder.

⁶ "Controlled entity" means an entity in which the individual, directly or indirectly, or action through or in concert with one or more persons:

- (1) Owns 5 percent or more of the equity;
- (2) Owns, controls, or has the power to vote 5 percent or more of any class of voting securities; or
- (3) Has the power to exercise a controlling influence over the management of the policies of such entity.

10. **TRANSACTIONS OTHER THAN LOANS: BANK POLICY:** *Bank directors may enter into transactions with the Bank subject to the limitations imposed by the Bank's Standard of Conduct Policy.*

A. DO YOU, ANY MEMBER OF YOUR IMMEDIATE FAMILY (i.e., spouse, parents, siblings, children, or their spouses), OR ANY ORGANIZATION WITH WHICH YOU ARE AFFILIATED (i.e., partner, officer, or a majority shareholder) HAVE A NON-LOAN TRANSACTION OR SERIES OF SUCH TRANSACTIONS WITH THE BANK?

	YES	NO
CANDIDATE:	_____	_____
IMMEDIATE FAMILY	_____	_____
AFFILIATED ORGANIZATION	_____	_____

B. IF YOU ANSWERED 'YES' ABOVE, BRIEFLY DESCRIBE:

- (1) THE NATURE OF INTEREST IN THE TRANSACTION, AND
- (2) THE TERMS OF THE TRANSACTION.

(NOTE: NO INFORMATION NEED BE DISCLOSED IF (1) THE TRANSACTION INVOLVED COMPETITIVE BIDDING, (2) THE TRANSACTION AMOUNT DOES NOT EXCEED \$5000, OR (3) IF THE PERSON'S INTEREST IN THE TRANSACTION ARISES BECAUSE OF STOCK OWNERSHIP ONLY AND THE BENEFIT RECEIVED IS THE SAME AS THAT OF OTHER STOCKHOLDERS.)

11. **LOANS: BANK POLICY:** *All loans made by a Texas District Association to a director of the Bank are subject to the Bank's Policy for Standards for Loans to Directors and Employees of the Bank, which requires directors to maintain loans on which they are primarily or secondarily liable at an acceptable (risk rating 1-9) or OAEM (risk rating 10) classification at all times and to be subject to termination if such loans are adversely classified or become delinquent by more than 30 days unless an exception for extenuating circumstances is granted by the board.*

A. DO YOU, ANY MEMBER OF YOUR IMMEDIATE FAMILY, OR ANY AFFILIATED ORGANIZATION HAVE A LOAN OR LOANS WITH A TENTH DISTRICT ASSOCIATION?

CANDIDATE YES ____ NO ____

IMMEDIATE FAMILY YES ___ NO ___
AFFILIATED ORGANIZATION YES ___ NO ___

B. IF YOU ANSWERED 'YES' ABOVE, WERE THESE LOANS MADE IN THE ORDINARY COURSE OF BUSINESS AND WERE THEY MADE ON THE SAME TERMS, INCLUDING INTEREST RATE, AMORTIZATION SCHEDULE, AND COLLATERAL, AS THOSE PREVAILING AT THE TIME FOR COMPARABLE TRANSACTIONS WITH OTHER BORROWERS?

CANDIDATE YES ___ NO ___
IMMEDIATE FAMILY YES ___ NO ___
AFFILIATED ORGANIZATION YES ___ NO ___

C. DID ANY LOAN TO YOU, ANY MEMBER OF YOUR IMMEDIATE FAMILY WHO RESIDES IN THE SAME HOUSEHOLD OR IN WHOSE LOAN OR BUSINESS OPERATION YOU HAVE A MATERIAL FINANCIAL OR LEGAL INTEREST, OR ANY AFFILIATED ORGANIZATION INVOLVE MORE THAN THE NORMAL RISK OF COLLECTIBILITY?

(NOTE: THE "NORMAL RISK OF COLLECTIBILITY" MEANS THE ORDINARY RISK IN THE LENDING OPERATION, AND LOANS WITH MORE THAN THE NORMAL RISK OF COLLECTIBILITY INCLUDE ANY ADVERSELY CLASSIFIED LOANS.)

CANDIDATE YES ___ NO ___
IMMEDIATE FAMILY YES ___ NO ___
AFFILIATED ORGANIZATION YES ___ NO ___

IF STATEMENT "B" HAS BEEN MARKED "NO" OR IF STATEMENT "C" HAS BEEN MARKED "YES", OR BOTH, COMPLETE THE FOLLOWING FOR EACH SUCH LOAN:

(NOTE: USE ADDITIONAL PAGES IF NECESSARY.)

i. LARGEST AGGREGATE AMOUNT OF THE INDEBTEDNESS OUTSTANDING AT ANY TIME DURING THE LAST FISCAL YEAR

(1) \$ _____
(2) \$ _____

ii. NATURE (TYPE) OF LOAN

(1) _____
(2) _____

iii. AMOUNT OUTSTANDING AT LATEST PRACTICABLE DATE PRIOR TO DISCLOSURE

(1) \$ _____ as of _____
(2) \$ _____ as of _____

v. **REASONS WHY STATEMENT "B" HAS BEEN MARKED "NO" AND/OR STATEMENT "C" HAS BEEN MARKED "YES" ABOVE**

(1) _____

(2) _____

vi. **IF STATEMENT "B" ABOVE HAS BEEN MARKED "NO", THE APPLICABLE INTEREST RATE AND REPAYMENT TERMS ARE**

(1) _____

(2) _____

vii. **IF STATEMENT "C" ABOVE HAS BEEN MARKED "YES", THE AMOUNT PAST DUE, IF ANY, AND THE REASON THE LOAN IS DEEMED TO INVOLVE MORE THAN A NORMAL RISK OF COLLECTIBILITY**

(1) _____

(2) _____

12. **INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS:**

DESCRIBE ANY OF THE FOLLOWING EVENTS IF THEY HAVE OCCURRED DURING THE PAST FIVE YEARS AND ARE MATERIAL TO AN EVALUATION OF THE CANDIDATE'S ABILITY AND INTEGRITY (IF NOT APPLICABLE, MARK 'N/A'):

A. A PETITION UNDER FEDERAL BANKRUPTCY LAW, OR ANY STATE INSOLVENCY LAW WAS FILED BY OR AGAINST, OR A RECEIVER, FISCAL AGENT, OR SIMILAR OFFICER WAS APPOINTED BY A COURT FOR THE BUSINESS OR PROPERTY OF (1) THE CANDIDATE, OR (2) ANY

PARTNERSHIP IN WHICH THE CANDIDATE WAS A GENERAL PARTNER AT OR WITHIN 2 YEARS BEFORE THE TIME OF SUCH FILING, OR (3) ANY CORPORATION OF BUSINESS ASSOCIATION OF WHICH THE CANDIDATE WAS A SENIOR OFFICER AT OR WITHIN 2 YEARS BEFORE THE TIME OF SUCH FILING.

B. THE CANDIDATE WAS CONVICTED IN A CRIMINAL PROCEEDING OR IS A NAMED PARTY IN A PENDING CRIMINAL PROCEEDING (EXCLUDING TRAFFIC VIOLATIONS AND OTHER MISDEMEANORS).

C. THE CANDIDATE WAS THE SUBJECT OF ANY ORDER, JUDGMENT, OR DECREE, NOT SUBSEQUENTLY REVERSED, SUSPENDED, OR VACATED, BY ANY COURT OF COMPETENT JURISDICTION, PERMANENTLY OR TEMPORARILY ENJOINING OR OTHERWISE LIMITING THE CANDIDATE FROM ENGAGING IN ANY TYPE OF BUSINESS PRACTICE.

BY SIGNING BELOW, I HEREBY CERTIFY THAT THE INFORMATION SET FORTH IN THE ABOVE DISCLOSURE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

CANDIDATE'S SIGNATURE:

DATE: _____