



## *Proud to Serve Farm Families*

When it comes to agriculture and rural communities, it's all about family. We see evidence of that every day in our offices. There are families that Farm Credit has been serving for generations, and we know them so well, we feel like they are an extension of our own family. When new customers come in, they are welcomed like family. And among our staff, we refer to ourselves as a family, too.

A report released recently from USDA's Economic Research Service reinforced the idea.

According to their findings, most U.S. farms — 98 percent in 2007 — are family-run operations. They vary greatly in characteristics like size, profitability and production, but they share that one distinguishing trait of generations working together.

Having such a close connection to agricultural families is one of the reasons I enjoy working for Great Plains Ag Credit. We value the many contributions of agricultural producers and strive to be there for them to help them succeed. Our goal is to stay ahead of the lending needs of agricultural producers and agribusiness owners, so that we can offer the right loan products and services to best fit their situations. Unlike many commercial lenders, at Great Plains Ag Credit, we understand commodity prices and the cash cycles of crop production. We put that knowledge to work, creating loan packages that suit individual situations.

Great Plains Ag Credit has been around since 1934. In all that time, ag and rural lending has been our only mission. We truly are specialists in ag lending, and every day, we put that expertise to work for you.

Our success was shown again in our performance during the first half of this year. Due to favorable weather conditions and good performance by area producers in 2009, loan volume is down for Great Plains compared to the end of the second quarter of last year. However, we have seen improved net income for the same time period, up \$1.20 million over 2009. We are extremely pleased with the growth in our capital; as of June 30, 2010, our net worth had increased by \$3.31 million since year-end 2009. All factors are pointing to a highly successful year for your association.

We are ever mindful that success does not come at the cost of our customer service. At Great Plains, we work hard to be a friendly place to do business, whose staff cares as much about your family as your finances.

If you work in agriculture, I want to sincerely thank you for the work you do. If we can help you with any of your other financing needs, please call us. At Great Plains Ag Credit, we want to be your full-service lender.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim McDonald'. The signature is fluid and cursive, with a large loop at the beginning.

Tim McDonald  
President & CEO

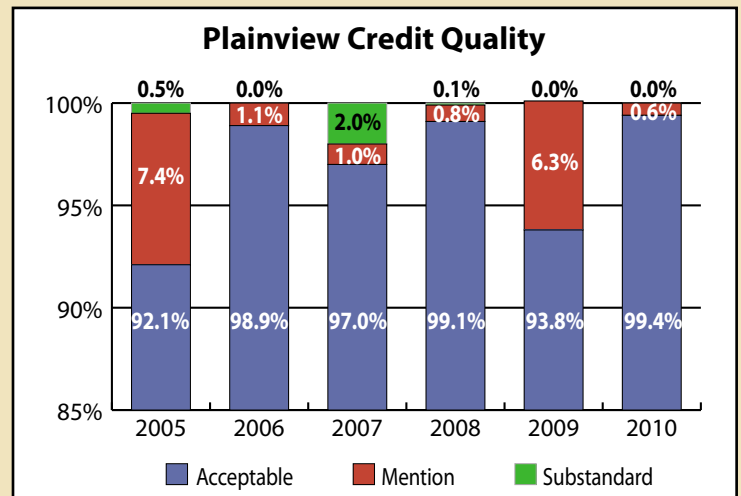


# Ag Producers Appreciation Luncheon

When Plainview Branch Manager Cliff Daniel throws a party, folks know to show up! At the Plainview Ag Producer Appreciation Luncheon on Aug. 20, held at the Ollie Liner Center, 215 stockholders, guests and staff of Great Plains Ag Credit attended.

After everyone enjoyed a delicious steak dinner, Great Plains CEO Tim McDonald gave a short presentation of mid-year financial results for the association. He also shared good news about the Plainview branch office. Stockholders in the area are strong and experienced, which is evident in Plainview's nearly 100 percent acceptable credit quality.

Numbers were drawn for door prizes, and everyone walked away with a new cap. However, those in attendance seemed to most enjoy playing with new grandbabies, visiting with old friends and catching up with the neighbors. Yes, Cliff does know how to throw a party.



Kyle, Rosemary and Michael Peggram



More than 200 stockholders, guests and staff of Great Plains Ag Credit attended the luncheon.



Aspen and Adrienne Struve, daughters of Tullie and Valerie Struve; and Will Lawson, son of Leonard and Shelly Lawson

# Where Does My Loan Come From?

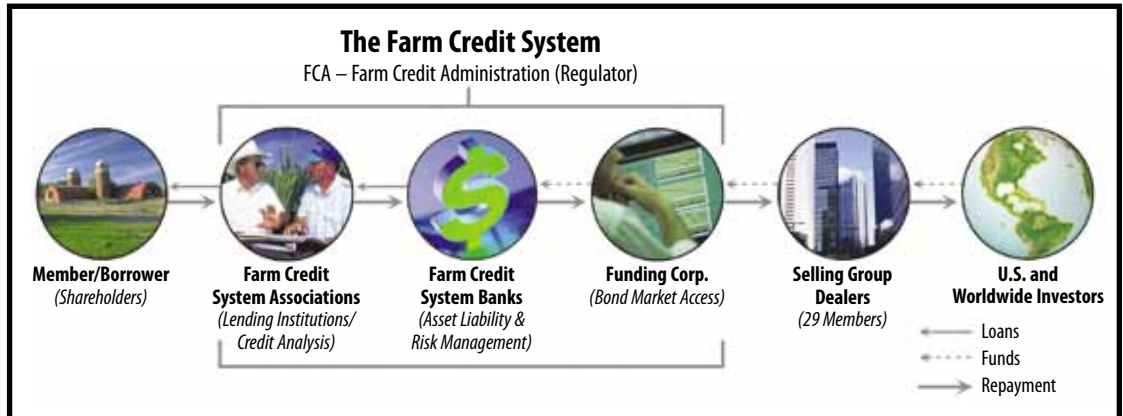
Most banks loan money from the deposits that people make, but Great Plains Ag Credit has a different structure. Unlike other banks, we are only a lender. In other words, we don't accept deposits, so the money we loan to customers like you has to come from somewhere else.

The loan you receive as a Farm Credit customer ultimately comes from the sale of Farm Credit securities in the nation's money markets. However, it takes a little trip before it gets to you. It's what we call our flow of funds.

The Federal Farm Credit Banks Funding Corporation (Funding Corp.) manages the sale of Farm Credit Systemwide debt securities. The money from these transactions goes to the wholesale Farm Credit System banks. Each bank serves a particular region. Great Plains' wholesale bank is the Farm Credit Bank of Texas.

Great Plains Ag Credit receives money from the Farm Credit Bank of Texas, and we use those funds to make loans to customers.

Interestingly, ownership within the Farm Credit System follows a pattern that is opposite from the flow of funds. Customers of each Farm Credit cooperative association, including Great Plains Ag Credit, own the co-op. The local lending co-ops, in turn, own their wholesale bank. In our case, Great Plains owns part of the Farm Credit Bank of Texas, which, along with four other wholesale banks, owns the Funding Corp.



## FFA Students Told Jobs Abound in Agriculture

Between 2010 and 2015, there will be more jobs in the agriculture industry than qualified people to fill them, according to a recent study by Purdue University and the U.S. Department of Agriculture. That was a message that Stan Ray, chief administrative officer of the Farm Credit Bank of Texas, shared recently with more than 12,000 people attending the 2010 Texas FFA Convention.

“It’s an exciting time to be in agriculture, and FFA is doing a great job of preparing young people to fill those positions,” said Ray, who also is a Texas FFA Foundation board member and a former Texas FFA state officer.

“Regardless of what you end up doing in life, your chances of success are greater because of your involvement with this organization,” he told participants. “Farm Credit is proud to be a part of that.”

Farm Credit and Justin Brands were title co-sponsors of the convention, which was held July 13-16 in Corpus Christi. This is the fifth consecutive year that Farm Credit has been a title co-sponsor of the event. In addition to the sponsorship, four \$2,000 scholarships, which are funded by participating Farm Credit cooperatives in Texas, were also presented during the convention.

In addition to sharing in the sponsorship of the state FFA convention, Great Plains contributes to buyers’ clubs in our territory. If



The Vega FFA Ag Mechanics team displays the rewards of their successful competitions.

we can help out your local buyers’ club, please contact your local Great Plains office or e-mail [carolyn.brand@farmcreditbank.com](mailto:carolyn.brand@farmcreditbank.com).

A successful group that we have helped sponsor in recent years is the Vega FFA Ag Mechanics. Donations help to fund students’ trips to the San Antonio and Houston Ag Mechanics shows. In addition, contributions help to build their program. As you can see in the photo above, the group has been highly successful, and the prizes they have won will help them continue to educate those who are the “Future of Farming” for years to come.

# Ag Secretary Vilsack Meets With Farm Credit Leaders

With a very small percentage of the U.S. population actively engaged in farming, it's becoming increasingly important for those in agriculture to educate the urban and suburban population about the industry's significant contribution to the economy. This was the message Secretary of Agriculture Tom Vilsack shared with participants of the Farm Credit Association Leadership Program during a recent meeting in Washington, D.C.

Debra Wilfong, a vice president in Great Plains Ag Credit's Amarillo office, was among the program's participants who traveled to New York City and Washington, D.C., recently to get a "behind the scenes" look at how Wall Street and Capitol Hill impact the Farm Credit System.

A total of 19 employees from Farm Credit institutions in Alabama, Louisiana, Mississippi, New Mexico and Texas participated in this year's Association Leadership Program.

While in New York, the delegates toured a Wall Street brokerage firm that trades Farm Credit debt. They also visited the Federal Farm Credit Banks Funding Corporation in New Jersey and met with CEO Jamie Stewart. The group then traveled to Washington, D.C., where they met with the board of the Farm Credit Administration. The whirlwind week concluded with a breakfast meeting with the National Council for Farmer Cooperatives, where they heard from Secretary Vilsack, followed by congressional visits on Capitol Hill. Employees met with Senate Agriculture Committee staff and visited their respective congressional offices to talk about the value Farm Credit provides rural America.



*Debra Wilfong, front row, second from left, represented Great Plains Ag Credit at a recent Farm Credit leadership program.*

"This trip is a great opportunity for employees throughout our territory to be exposed to the national issues surrounding the Farm Credit System," said Stan Ray, who hosted the event on behalf of the Farm Credit Bank of Texas. "The hands-on educational experience and the relationships that are established will add value to both the participants and the communities they serve for years to come," he said.

## Loans for Your Land, Your Business and Your Life

Great Plains Ag Credit finances rural property and all aspects of agricultural production. This includes rural real estate loans; operating loans to cover expenses, such as feed, seed or fertilizer; and loans for equipment and facilities.

In addition, Great Plains can make a variety of other loans to full-time agricultural producers. These lifestyle loans can be made for most purposes, including vehicle purchases, college expenses and home improvements.

Great Plains Ag Credit has the strength and depth to cover all of your rural financing needs. If you have a loan with us, talk with us about other financing needs you have. We'd love to be your full-service lender. Let us know how we can better serve you.

And when it comes to full service, don't forget that we have insurance products available to help you manage risk in your operation.

### **Crop Insurance is available through:**

ARMtech Insurance Services  
Producers Ag Insurance Group (ProAg)  
Rural Community Insurance Services (RCIS)

### **Livestock Insurance is available through:**

The Hartford

### **Life Insurance is available through:**

Minnesota Life – both term and credit life



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