

OFFICE LOCATIONS

CANTON BRANCH OFFICE

335 WEST DALLAS STREET

CANTON, TX 75103

(903) 567-2251

GILMER BRANCH OFFICE

1261 HIGHWAY 271 SOUTH

GILMER, TX 75645

(903) 734-5550

KAUFMAN BRANCH OFFICE

201 WEST MULBERRY

KAUFMAN, TX 75142

(972) 932-3610

LONGVIEW BRANCH OFFICE

2002 JUDSON ROAD

SUITE 204

LONGVIEW, TX 75605

(903) 307-9173

SULPHUR SPRINGS

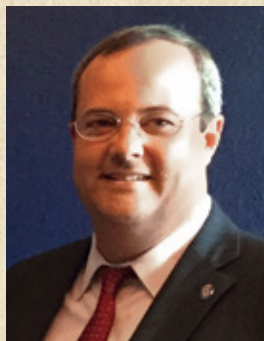
BRANCH AND

ADMINISTRATIVE OFFICE

303 CONNALLY STREET

SULPHUR SPRINGS, TX 75482

(903) 885-9566



## Serving Those Who Serve the Nation

Farm Credit has been serving veterans for as long as we've been around.

Nearly a century ago, the United States entered World War I, sending more than 2 million troops to Europe over 19 months. Many of those soldiers and sailors were young farm people, and when they came home, some turned to their local Farm Credit

cooperatives, established during the war, for financing to purchase land.

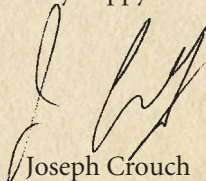
Since then, millions more young people from rural areas have fought to protect our nation's freedom. Even today, over 40 percent of the men and women who serve in the U.S. military come from rural communities, although just 16 percent of the American population lives in rural areas.

Coming home and building a new career can be difficult, and rural America is one place where they can start. As a cooperative lending organization that is owned by farmers and ranchers, Farm Credit has always worked hard to meet the financing needs of returning veterans.

Legacy Ag Credit, ACA is honored that we could help support the construction of veterans' memorials in Sulphur Springs and Canton, which recognize those who have served this great nation. We are also proud of and thankful for the service members and veterans who are part of our stockholder base, staff and board.

Veterans Day was just a few weeks ago, but appreciating veterans' service — and providing service to them — is not limited to one day a year at Farm Credit. If you, or someone you know, is a veteran or current member of the U.S. military, please let us know. We'll be happy to offer guidance in making a home or a career in rural America.

Thank you to all of our vets — and best wishes to our customers and our friends for a very happy holiday season.



Joseph Crouch  
Chief Executive Officer



# COWBOYS ON CAPITOL HILL



*Legacy Ag Credit directors and management visited elected officials in Washington, D.C., in June. From left to right are Legacy Ag Credit CEO Joseph Crouch, Director Paul Nicklas, Board Chairman Jerry Cordell, U.S. Rep. Jeb Hensarling, Director Ron Gabriel and Director A.G. Sandifeer in the congressman's Washington, D.C., office.*

On June 22, the cowboys arrived on Capitol Hill when Legacy Ag Credit directors Jerry Cordell, Ron Gabriel, Paul Nicklas and A.G. Sandifeer met with our elected representatives on behalf of Farm Credit. This was a first-time experience for the four board members, all cattle producers, who helped raise awareness about Farm Credit's important role both in their own lives and in serving agriculture and rural America.

The directors, who were accompanied by Legacy CEO Joseph Crouch and Farm Credit Bank of Texas staff members Caroline Rydell and Lisa Schriver, had a full schedule in Washington, D.C. Over the next two days they met with U.S. senators, congressmen and congressional staff, and attended a National Council of Farmer Cooperatives luncheon, where House Agriculture Committee Chairman Mike Conaway delivered a powerful message about the importance of communicating with representatives and the future of our country.

On a visit with Sen. John Cornyn of Texas, the group discussed the current state of agriculture, local issues, common interests and regulatory issues such as the Dodd-Frank Act. Legacy Chairman Cordell, who has been a Farm Credit member since 1972, had the opportunity to share his story with Sen. Cornyn.

"When I was just a young man starting out wanting to buy some land, I was referred to the local Farm Credit office," Cordell explained. That was the beginning of a long relationship with Farm Credit, he said, during which he has purchased additional

property and financed a feed store in Kaufman that his family still owns and operates today. Cordell has served on Legacy's board of directors since 1979.

Later that day, the group met with Rep. John Ratcliffe and discovered that the northeast Texas congressman and his family are friends with some of Ron Gabriel's family members.

"This was probably one of the best trips I've been on," said Gabriel, who has been a Farm Credit member since 1991 and a Legacy director since 2011. "To see how Congress works was a great experience, and our meetings reminded me how important it is for us to communicate with our elected representatives."

Finally, the group visited the office of Rep. Jeb Hensarling, whose congressional district encompasses much of Legacy's territory. There the directors had the opportunity to discuss the association's patronage program, which distributed \$1.6 million in 2015, benefiting more than 1,100 members.

Hensarling expressed surprise that the group wasn't in Washington, D.C., to request something.

"So, you guys just want to be left alone, nothing broke to fix?" Hensarling asked the visitors.

"Yes, sir," Cordell replied. "We have operated under the cooperative model for nearly 100 years, and it's working just fine!"

Director Nicklas, who has known Hensarling for some time, told the congressman that when he was looking for a lender for his livestock operation, he was directed to Legacy Ag Credit.

“Many local lenders won’t lend for livestock and farm operations, but Farm Credit will,” said Nicklas, who has been a Legacy Ag Credit member for over 10 years and a director since 2013. “That’s a big benefit of Farm Credit.”

Crouch, the association’s CEO, later talked about the value of the visit.

“The trip established open communication between Legacy members and our representatives in D.C.,” Crouch said. “It gave us the opportunity to tell our personal stories, and served to remind representatives of how beneficial Farm Credit is to those involved in agriculture, producing the food and fiber for this country.”

Crouch also said that everywhere the group went, people noticed those cowboy hats and stopped the visitors to ask where they were from.

“It felt like I was traveling with celebrities,” Crouch said. “By the end of the trip, I wanted to ask for their autographs.”

Director Sandifeer, who has been a Farm Credit member since 1991 and a director since 2001, said that what he enjoyed most was discussing current issues with local representatives.

“And I learned that if you wear a cowboy hat in Washington, D.C., you are going to get noticed!”



*From left to right are Director A.G. Sandifeer, Board Chairman Jerry Cordell, Director Ron Gabriel, U.S. Rep. John Ratchiffe, Director Paul Nicklas and Legacy Ag Credit CEO Joseph Crouch.*



*From left to right are Legacy Ag Credit CEO Joseph Crouch, Director A.G. Sandifeer, U.S. Sen. John Cornyn, Director Ron Gabriel, Director Paul Nicklas and Board Chairman Jerry Cordell.*

# CELEBRATE THE PAST, EMBRACE THE FUTURE

Excitement is building at Legacy Ag Credit, ACA in anticipation of the Farm Credit System’s 100th anniversary in 2016.

We are eager to celebrate the day when President Woodrow Wilson signed the Farm Credit Act on July 17, 1916, creating the Farm Credit System. On that day, farmers and ranchers across the country gained a new source of financing that would support agriculture in good times and bad.

The System’s longevity has much to do with how it was structured by Congress nearly a century ago. Congressional lawmakers chose a cooperative structure, wherein members would have a say in how their lending institution is run and would share in its benefits.

Legacy Ag Credit is proud to be a part of this System and to have been able to help agricultural producers, decade after decade.

Be on the lookout for future communications regarding our centennial plans.

We hope you will help us celebrate the Farm Credit centennial in 2016, and we look forward to working with you and future generations for another 100 years!



# Legacy Ag Credit Controller Participates in Farm Credit Leadership Program



*Farm Credit employees visited Washington, D.C., and New York City, in the background, during the Association Leadership Program in July.*

**A**nually, the Farm Credit Bank of Texas (FCBT) hosts the Association Leadership Program, which takes Farm Credit employees to New York City and Washington, D.C., for four days.

Program participants have the opportunity to meet some of the bond dealers, financial experts and policymakers responsible for the continuous flow of funds from Wall Street to farms and ranches served by Legacy Ag Credit, ACA.

Controller Becky Sikes was Legacy Ag Credit's representative at the program this year. While in New York and New Jersey, participants visited the Federal Farm Credit Banks Funding Corporation and Daiwa Capital Markets America, a Wall Street brokerage firm that trades Farm Credit securities.

"What stood out the most to me was how quiet the trading floor is," remarked Sikes. "Due to the computer tracking system in place at Daiwa, there is far less verbal communication than I had envisioned. I expected it to be a loud, frantic environment — but it wasn't at all. Employees were seated quietly at their desks in front of massive computer screens."

In both New York and Washington, participants had free time to explore the cities.

"Both places are so unique and exciting," Sikes said. "We saw the New York Stock Exchange and were able to take pictures with the Wall Street Bull. In D.C., we took a bus tour to many historic sites and memorials. The veterans' and war memorials are amazing, and it was humbling to experience."

In Washington, D.C., participants met with representatives of the Farm Credit Council and the Farm Credit Administration, and were also able to meet with the senators and congressmen who represent their states.

"We weren't able to meet with the senators from Texas, John Cornyn or Ted Cruz; however, we did meet with their staff," said Sikes. "We were lucky enough to meet with congressman John Ratcliffe, and it was an outstanding meeting. Congressman Ratcliffe is very familiar with Farm Credit and the services we provide."

"It was just such a great experience to see all of the people and organizations it takes to make the process flow properly," Sikes said of the program. "I really enjoyed meeting all of the other association leaders. It was truly a great group of people and a wonderful experience."



*Legacy Ag Credit Controller Becky Sikes, far right, visits congressman John Ratcliffe, second from right, along with association leaders Chad Stephenson of Heritage Land Bank, far left, and Mike Stankovich of Texas Farm Credit.*