



Information Needed to Begin Processing an Application

1. An application must be fully completed and signed by all applicant(s).
2. A balance sheet (enclosed) and tax return (most current) will be needed for loans over \$100,000 and for consumer-purpose loans to be secured by a dwelling.
3. Appraisal Disclosure – Please sign and return the enclosed form.
4. ESIGN Act Disclosure – Please sign and return the enclosed form.
5. Environmental Questionnaire (enclosed) to be completed and signed, if applicable (required on all real estate secured loans).
6. Legal description of land offered as security (required on all real estate secured loans.) *This can be provided later.*
7. Copy of sales contract (required on all real estate purchase transactions). *This can be provided later.)*
8. Copy of most recent paystub (if you are a salaried employee).

Submitting the Application

After completing your application, you can submit it to us three ways:

1. **Hard copy:** Print your application and deliver or mail it to your loan officer or [branch office](#).
2. **Fax:** Fax it to your [branch office](#).
3. **Upload:** Securely transmit your application using our [ShareFile website](#).

Note: To send an application using ShareFile, you need to first save the application to your hard drive. You will also need the e-mail address of your loan officer. Find contact information for your branch office [here](#).

Important: Please do not send the application to us using your regular e-mail service. E-mail is not a secure way to send financial information.

We will review and contact you as soon as possible.

Submitting the information referenced above does not mean that your application is complete. Depending on the type of loan that you are requesting, we may need additional information from you in order to complete your application.



APPLICATION AND AUTHORIZATION FORM

Existing Central Texas Farm Credit Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No						
Personal Information						
1. Primary Applicant:			2. Date of Birth:		3. SSN/Tax ID #:	
4. Co-Applicant:			5. Date of Birth:		6. SSN/Tax ID #:	
7. Mailing address:			City:		State:	Zip:
8. Home Phone #:			Business Phone #:		Cell Phone #:	
9. Email Address:			Marital Status (optional):		U.S citizen?	
10. Total Acres in your operation that you now			Own:		Lease:	
11. Year you began farming:			Principal agricultural product produced:		Average Checking Balance:	
12. Operation method of agricultural land owned (select 1): <input type="checkbox"/> Operator <input type="checkbox"/> Landlord <input type="checkbox"/> Combination						
13. Employer:			Years of Service:		Salary:	
Position/Title/Type of Business:						
Employer Address:			City:		State:	Zip:
If less than two years, previous employer:						
14. Co-applicant employer:			Years of Service:		Salary:	
Position/title/type of business:						
Employer Address:			City:		State:	Zip:
If less than two years, previous employer:						
Income and Financials						
Income		Financial Statement				
15.	Most Recent Calendar/Fiscal Year	Assets	Value	Liabilities	(Payment/Frequency)	Balance Due
Net Non-Farm Income:		Cash and Savings:		Credit Cards and other short term debt:		
Gross Farm Income:		Equipment and Livestock:		Equipment, livestock and other intermediate debt:		
Net Farm Income:		Real Estate:		Real Estate and other long term debt:		
Interest Expense (Farm and Business):		Other:		Other:		
Depreciation (Farm and Business):		Total:		Total:		
Taxes Paid						
Loan Information						
16. I (we) the undersigned, hereby apply for a loan from the above named institution in the amount of (\$_____) plus the required Association stock or participation certificates, and processing and closing fees:						
17. Requested rate product:			Requested payment frequency:		Term in years:	
18. Purpose of loan (select 1): <input type="checkbox"/> Purchase <input type="checkbox"/> Refinance <input type="checkbox"/> Improvements <input type="checkbox"/> Other						
Provide Description of property to be used to secure the Loan*:						
<small>*If property securing the Loan is to be real estate, provide location, number of acres and description of improvements, as applicable. If property securing Loan is to be personal property, such as equipment, provide a brief description of the type, model, year or quantity, as applicable</small>						



19. I (we) agree to provide all financial and income information required by Central Texas Farm Credit, ACA, and its wholly-owned subsidiaries, Central Texas Land Bank, FLCA and Central Texas PCA (collectively, the "Association") to evaluate my (our) credit request and hereby represent that all of the statements contained herein are true and correct (including any statements contained in any financial statements, financial statement schedules, tax returns or any other documents transmitted or delivered to the Association which are intended to be considered as part of this loan application), having the same legal effect of a sworn representation; that no information has been withheld or suppressed which would adversely affect the value of, or my title to property offered as security; that there are no suits pending or unsatisfied judgments against me other than those shown on my financial statements, and that all encumbrances or liens against said property are valid and have been shown. If you are applying for credit individually and are not offering any of your property as security to repay the requested loan, you are not required to furnish any information regarding your spouse. If you are offering any property as security for repayment of the requested loan, the only information about your spouse required to be furnished is whether you are unmarried, married, or separated. For purposes of this loan application "unmarried" includes single, divorced, and widowed persons. Note: Alimony, child support, or separated maintenance income need not be included if you do not wish to have it considered for repaying this loan. If this application is approved for a loan in an amount agreeable to me, I agree to furnish, if required and at my expense, a mortgagee's title insurance policy, or other evidence of title acceptable to said Association, covering any property offered as security, and any easements required for access. I agree to pay all costs incident to the obtaining and recording of legal instruments required in connection with the loan approval hereunder, whether or not such loan is ultimately closed, and I agree to pay the application fee properly charged in connection with this application. I apply for membership in the Association herein named and agree to (1) purchase the required shares of capital stock or participation certificates of said Association, (2) be bound by the bylaws adopted by the Board of Directors of said Association.
20. I (we) understand and agree that the Association may without liability withdraw from negotiations regarding this loan application at any time and that the approval for a loan in any amount resulting from this loan application will be evidenced ONLY by a written notice from the Association and that I am not entitled to rely upon any oral statements regarding the likelihood that this application will be approved.
21. Each of the undersigned hereby acknowledges and agrees that the Association, and its successors and assigns, may verify or re-verify any information contained in this application (including any information contained in any financial statements, financial statement schedules, tax returns or any other documents transmitted or delivered to the Association which is intended to be considered as part of this loan application), or obtain any information or data relating to the loan request, for any legitimate purpose through any source, including a source named in this application or a consumer reporting agency.

Authorization

I (we) have applied for a loan with the Association. I/We authorize the Association to obtain credit reports, employment and income verifications, or any other information relating to my/our financial position as the Association may require in connection with this loan application, or any future loan application that I/we may make to the Association, or in connection with the review or collection of any loan resulting therefrom and any and all future renewals and extensions of any loan resulting from any application, and hereby direct any credit reporting agency, including a consumer credit reporting agency, or any other person or firm to provide such credit report or other information to the Association as requested for such purposes. Under 18 USC § 1041, it is a crime to make a false statement or report or to willfully overvalue any property or security in connection with this loan application. By execution hereof I/we acknowledge that I/we have completed and reviewed lines 1-21 of this application.

I (We) authorize the Association to share any information provided by applicants, other authorized sources or obtained by the Association from credit reporting agencies with an affiliate under the same corporate control unless specifically directed in writing not to share this information. This information may be shared with an affiliate in order to make available this or other financial services and products.

A copy of this authorization (being a copy of the signatures (s) of the undersigned) may be deemed to be the equivalent of the original and may be used as a duplicate original, further, my (our) transmission of this Central Texas Farm Credit Authorization Form as an "electronic record" containing my (our) "electronic signature," as those terms are described in applicable federal and state laws (excluding audio and video recordings), or my (our) facsimile transmission of this application containing a facsimile of this signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my (our) original written signatures(s). Thank you.

Applicant signature	Date
Co-Applicant signature	Date
Related party signature	Date
Related party signature	Date
Related party signature	Date
Related party signature	Date

Name(s) _____
For the purpose of procuring credit, the undersigned hereby submits the following statement of condition as of _____, _____.
The undersigned certifies that the below statement, schedules on reverse side and attachments (if any) are a true and correct account of the conditions of my/our business on the above stated day.

ASSETS	AMOUNT	LIABILITIES	AMOUNT
1. Cash (Checking Acct.)	\$ _____	Current (Less than 1 year)	\$ _____
2. Savings & C.D.s	_____	Lender: Int. Rate Final Maturity Date Payment prin. & int.	Current Debt
3. Stocks and bonds (Sched. 4)	_____		
4. Livestock held for sale (Sched. 2A)	_____		
5. Farm products on hand (Sched. 3)	_____		
6. Receivable-Accts. notes (Sched. 5)	_____		
7. _____	_____		
8. _____	_____		
9. _____	_____		
10. _____	_____		
11. Cash Value Insurance	_____	Borrowings on life ins. Interest rate _____	
12. TOTAL CURRENT	\$ _____	TOTAL CURRENT Intermediate (1-7 years)	\$ _____
13. Machinery & Equip. (Sched.1)	_____	Lender: Int. Rate Final Maturity Date Payment prin. & int.	Current Debt
14. Breeding livestock (Sched. 2B)	_____		
15. Stock in Cooperatives	_____		
16. Household goods	_____		
17. Automobiles (list)	_____		
18. _____	_____		
19. _____	_____		
20. _____	_____		
21. _____	_____		
22. TOTAL Intermediate	\$ _____	TOTAL Intermediate	\$ _____
23. Real Estate	_____	Real Estate Liens	
24. Acres County or Location	Market Value	Lien Holder: Int. Rate Final Maturity Date Payment prin. & int.	Current Debt
25. _____	_____		
26.* _____	_____		
27. _____	_____		
28. _____	_____		
29. _____	_____		
30. _____	_____		
31. _____	_____		
32. _____	_____		
33. _____	_____		
34. _____	_____		
35. _____	_____		
36. _____	_____		
37. _____	_____		
38. Other Fixed Assets	_____	Other Long-Term Debts	
39. _____	_____		
40. _____	_____		
41. _____	_____		
42. _____	_____		
43. TOTAL FIXED	\$ _____	TOTAL LONG-TERM	\$ _____
44. TOTAL ASSETS	\$ _____	TOTAL LIABILITIES	\$ _____
*Security to be mortgaged if now owned		NET WORTH (TOTAL ASSETS-MINUS TOTAL LIABILITIES)	\$ _____

45. Have you been the beneficiary of a loan restructuring, debt forgiveness, deed in lieu of foreclosure ("dation en paiement" in Louisiana) or subject to foreclosure within the past 7 years? Yes ☐ No ☐ If Yes, state which action and date. _____

46. Judgments and suits are pending against me as follows (attach copies): _____

47. Have you ever gone through bankruptcy? Yes ☐ No ☐ When _____

48. Value of growing or unharvested crops \$ _____ Crops ☐ are ☐ are not insured. Amount of insurance _____

49. I own an interest in the following: ☐ Partnership, ☐ Corporation, ☐ Trust, ☐ Estate, ☐ not applicable.

50. Is any part of the downpayment borrowed? Yes ☐ No ☐

51. Are you liable on any notes by endorsement or guaranty in relation to any entities or businesses in which you claim an interest or to accommodate other people? Yes ☐ No ☐

If yes, show amount, interest rate, due date and amount of payment (not included in the above statement).

Amount	Int. Rate	Due Date	Amount of Payment
_____	_____	_____	_____
_____	_____	_____	_____

SCHEDULE 1-MACHINERY AND EQUIPMENT					SCHEDULE 2-LIVESTOCK				
No	Item	Make	Year and Model	Present Value (\$)	Number of Head	Kind	Breed	Market Value Per Head	Amount
					Held For Sale: Schedule 2A				
							@		
							@		
							@		
							@		
							@		
							@		
							@		
							@		
							@		
							@		
							@		
					Total to line 4				\$
					Held for Breeding (including dairy) SCHEDULE 2B				
							@		
							@		
							@		
							@		
							@		
							@		
							@		
							@		
							@		
Total to line 13					Total to line 14				
\$					\$				

Appraisal Disclosure¹

If the loan for which you have applied will (1) be secured by a first lien on your dwelling or (2) be secured by a lien (including a subordinate lien) on your principal dwelling, for a personal, family, or household purpose, and will have an interest rate that is higher than certain average rates in the market (*i.e.*, if the loan for which you have applied will be a “higher-priced mortgage loan”), then the following disclosure applies to you:

WE MAY ORDER AN APPRAISAL TO DETERMINE THE VALUE OF THE PROPERTY THAT YOU INTEND TO PLEDGE AS COLLATERAL AND CHARGE YOU FOR THIS APPRAISAL. WE MAY ALSO PERFORM AN INTERNAL VALUATION TO DETERMINE THE VALUE OF THE PROPERTY THAT YOU INTEND TO PLEDGE AS COLLATERAL, BUT YOU WILL NOT BE CHARGED FOR THIS VALUATION. WE WILL PROMPTLY GIVE YOU A COPY OF ANY APPRAISAL/VALUATION OBTAINED ON YOUR PROPERTY, EVEN IF YOUR LOAN DOES NOT CLOSE.

YOU CAN PAY FOR AN ADDITIONAL APPRAISAL FOR YOUR OWN USE AT YOUR OWN COST.

*Upon your receipt of the above disclosure, please sign where indicated below and return to the Association along with your completed application.
Please retain a copy of the disclosure for your records.*

By signing below I acknowledge receipt of the above disclosure and understand, acknowledge, and agree that: (1) you may obtain an appraisal/valuation on our property; (2) I may be charged for the appraisal; (3) I may be entitled to receive a copy of the appraisal/valuation in accordance with applicable law; and (4) I can pay for an additional appraisal at my/our own cost.

APPLICANT SIGNATURE:

Print Name:

Date:

¹ This disclosure is being made pursuant to the Equal Credit Opportunity Act, 12 CFR § 10025.14, and the Truth in Lending Act, 12 CFR § 1026.35(c)(5), as applicable.

AGREEMENT TO ACCEPT COMMUNICATIONS ELECTRONICALLY
in compliance with the Electronic Signatures in Global and National Commerce (ESIGN) Act

In accordance with the ESIGN Act, we want to advise you of your rights concerning your agreement to accept notices, disclosures, statements, and any other correspondence and documents ("Communications") in electronic format. In this Agreement, the terms "you" and "your" refer to each borrower, and the terms "we," "us," and "our" refer to Central Texas Farm Credit, ACA, hereafter referred to as the "Association".

CONFIRMATION OF CONSENT

You acknowledge and agree that your consent to receive Communications electronically is being provided in connection with one or more transactions that are subject to the ESIGN Act and that you and we both intend that the ESIGN Act apply to the fullest extent possible to allow us the ability to conduct business via electronic means. You acknowledge and agree that your consent to receive Communications electronically applies to all Communications to be sent to you by the Association.

UPDATING YOUR RECORDS

The Association must have your current email address in order to provide you with Communications electronically. It is your responsibility to provide us with an accurate and complete email address. You must promptly inform the Association of any change to your email address in order to continue receiving Communications electronically. You can update your email address by contacting the Association at (325) 625-2165.

WITHDRAWAL OF YOUR CONSENT TO RECEIVE ELECTRONIC COMMUNICATIONS

Your ongoing consent to receive Communications is voluntary and may be withdrawn at any time. You may withdraw your consent by contacting the Association at (325) 625-2165 or mailing your withdrawal to Central Texas Farm Credit, ACA, 215 West Elm Street, Coleman, Texas 76834. By withdrawing your consent to receive Communications electronically, you will receive Communications via mail, overnight delivery, facsimile, hand delivery, or as otherwise required by law. We may treat an invalid email address or the subsequent malfunction of a previously valid email address as a withdrawal of your consent. If you withdraw your consent to receive Communications electronically, then the withdrawal will become effective after your request is processed.

AMENDMENTS

We may amend or supplement this Agreement from time to time by providing notice to you, which notice shall be effective when sent or as otherwise required by law.

ASSOCIATION TERMINATION

We reserve the right, at our sole discretion, to change or terminate the terms and conditions under which we provide Communications to you electronically or to discontinue providing Communications to you electronically. We will provide you with advance notice of any such change or termination. To the extent we change or terminate the terms and conditions under which we provide Communications to you electronically, your decision to continue receiving Communications electronically will constitute your agreement to any such changes.

REQUESTING PAPER COPIES

To request a paper copy of any Communication provided to you electronically, you may either print the electronic communication on your own equipment or contact the Association at (325) 625-2165. A paper

copy of any Communication provided to you electronically may be provided to you by the Association, if available, upon your request. Notwithstanding anything to the contrary, nothing herein shall modify the Association's document retention policy.

HARDWARE AND SOFTWARE REQUIREMENTS

In order to access, view, and retain Communications electronically, you must have at least the following hardware and/or software:

- A personal computer or similar access device with an operating system (*e.g.*, Windows or Mac OS) and an internet connection that is capable of receiving, accessing, displaying, and either printing or storing Communications that you receive from the Association;
- An up-to-date Internet browser (*e.g.*, Internet Explorer, Google Chrome, Firefox); and
- An email address.

A detailed copy of hardware and software minimum requirements will be provided to you upon request. We will provide you with notice of any change in the hardware and/or software needed in order to access, view, and print or store Communications that you receive from the Association electronically. Your decision to continue receiving Communications electronically will constitute your agreement to such changes.

ACCEPTANCE OF THIS AGREEMENT

By signing below, you: (1) consent to the Association sending you Communications electronically; (2) agree to and accept the terms and conditions set forth herein; (3) confirm that you are able to meet the hardware and software requirements necessary to access, view, and print or store Communications sent to you electronically; and (4) certify that the email address that you provide below is accurate, complete, and private. Please note that any Communications sent to an email address obtained through your place of employment may be subject to discovery and may not be private.

Please return a signed copy of this Agreement to the Association.

Please retain a copy of this agreement for your records.

APPLICANT SIGNATURE:

Print Name:

Date:

Email Address:

ENVIRONMENTAL QUESTIONNAIRE

App./Loan #

Date

Applicant/Borrower

Number years owned this property

Current Owner (If Different)

Number years owned this property

Previous Owner

Number years owned this property

Description of Security (brief description giving area, location, size, etc.)

1.

Have you received notice from any governmental authority concerning any toxic or hazardous material on the property? YES ☐ NO ☐ If yes, explain
2.

Is the property or any adjacent property on any Federal, State or Local Hazardous waste list or record? YES ☐ NO ☐ If yes, explain
3.

Are there any underground or aboveground storage tanks other than water on the property? YES ☐ NO ☐

If yes, complete:

Number of tanks

Location

Size of tanks

Material presently stored

Past uses

Present or past leaks

Are tanks in compliance with regulations and permits obtained?
4.

Are there any open pits, active or abandoned covered dumps, debris or trash piles, abandoned machinery or vehicles on this property? YES ☐ NO ☐ If yes, explain
5.

Are there any pesticides, herbicides, chemicals, paint, petroleum products, hazardous materials or empty containers stored on or disposed of on the property? YES ☐ NO ☐ If yes, explain
6.

Is a custom chemical application business being operated or has one previously been operated on this property? YES ☐ NO ☐ If yes, explain
7.

Is there or has there been an oil, gas or chemical pipeline crossing this property? YES ☐ NO ☐

If yes, complete: Pipeline Company

Material transported

Have there ever been any leaks? YES ☐ NO ☐ If yes, explain
8.

Is a livestock operation or livestock facility such as dairy barn, hog farrowing/feeding houses, poultry houses, etc. on this property?YES ☐NO ☐ If yes, explain
9.

Are there any chemical holding ponds or lagoons of any type on this property? YES ☐ NO ☐

If yes, explain

YOUR INVESTMENT IN THE AGRICULTURAL CREDIT ASSOCIATION OR FEDERAL LAND CREDIT ASSOCIATION

As a member, you should be aware that your Federal Land Credit Association or Agricultural Credit Association (association) is part of the System serving local agriculture in the Tenth Farm Credit District through Agricultural Credit Associations (ACAs), Federal Land Credit Associations (FLCAs) and Production Credit Associations (PCAs). The FLCAs originate agricultural mortgage loans directly and make available to their members financially-related services. Since your FLCA or ACA are organized as cooperatives, you invest in the capital stock or participation certificates of the association as a condition to receiving an agricultural loan from the association or to qualify for financially-related services. Borrowers are issued stock in the FLCA, or in its parent ACA, if one exists. Associations in turn invest in the capital of the FCB. This means that only persons eligible to hold stock or participation certificates can borrow from the FLCA and that borrowers are a major source of capital for an association. In addition, that one person who holds stock or participation certificates can qualify for financially-related services. To assist you in understanding how stock and participation certificates work at your association, the most common questions and their answers are listed below. If you have additional questions, please contact your association.

Q. WHAT IS VOTING STOCK AND WHO CAN BUY IT?

- A. Voting stock is stock required to be purchased as a condition to receiving a loan carrying the right to vote on all matters which stockholders have the right to decide under the Farm Credit Act, Farm Credit Administration regulations or your association's bylaws. Voting stock can be purchased only by farmers, ranchers or producers or harvesters of aquatic products. Following cooperative principles, each member normally has only one vote regardless of the number of shares owned. The only exception is when stockholders authorize the issuance of preferred stock, when each stockholder's vote is weighted according to the number of shares owned. The par value of each share is \$5.00, which is also the purchase price.

Q. WHAT DOES VOTING STOCK OWNERSHIP GIVE ME?

- A. A holder of voting stock is entitled to nominate and vote in the election of directors to the association's board of directors, to vote to select members of the Nominating Committee, to make motions and second motions at the annual stockholders meeting, to vote on measures brought before the meeting, and to vote on certain other matters relating to corporate governance. In addition, a voting stockholder is generally eligible to serve as a director or as a member of the Nominating Committee.

Q. WHAT ARE PARTICIPATION CERTIFICATES?

- A. Your association may make rural home loans and certain farm-related business loans. These borrowers are not eligible to hold voting stock but must instead purchase participation certificates as a condition of receiving a loan. In addition, persons who are eligible to borrow may purchase participation certificates in order to qualify for financially-related services. Owners of participation certificates do not have voting rights except when stockholders authorize the issuance of preferred stock and are not eligible to serve on the association's board of directors. In all other respects, stock and participation certificates have the same rights and restrictions.

Q. WHAT DETERMINES THE AMOUNT OF STOCK I MUST BUY?

- A. The minimum level of stock purchase requirements for loans and financially-related services is determined from time to time by the association board of directors within a range set forth in the association's capitalization bylaws which are subject to the approval of stockholders.

Q. HOW DO I BUY STOCK?

- A. The money needed to buy the required amount of voting stock or participation certificates can be included in your association loan request. If your loan request includes stock, the promissory note that you sign will include the amount necessary to purchase the required stock or participation certificates. In that case, you will also pay interest on the stock portion of your loan. The total amount of your loan, including stock or participation certificates, must be repaid in full. Under certain circumstances stock or participation certificates may be purchased during the life of the loan. Such purchases may be paid for in cash or by adding the purchase price to your loan. Purchases of stock or participation certificates to qualify for financially-related services shall be paid for in cash.

Q. IN WHAT FORM IS MY STOCK ISSUED?

- A. Your association issues a receipt for stock and participation certificates at the time they are issued. Ownership of the stock or participation certificates is recorded on the books of the association.

Q. DOES VOTING STOCK EARN DIVIDENDS OR PATRONAGE REFUNDS?

- A. Ownership of voting stock may make you eligible to receive patronage refunds based on business done with the association or dividends based on the number of shares of voting stock or participation certificates you hold when the association board, at its sole discretion and upon review of the association's financial performance, declares a dividend or patronage distribution.

Q. *DOES STOCK CHANGE IN VALUE?*

- A. The \$5.00 per share par value of your association stock or the \$5.00 face value of your participation certificates does not change, but the book value could increase or decrease depending on the financial condition of your association. Any retirement, however, will be at the lower cost of par value or book value.

Q. *HOW DOES DEFAULT AFFECT MY INVESTMENT?*

- A. The bank and/or the association have a first lien on your stock or certificates as additional collateral for your loan(s) or any other indebtedness to the bank, FLCA, PCA or the FLBA. In the event of a default on the loan(s), all or part of the stock may be applied to the loan(s), or under certain circumstances, may be otherwise disposed of when approved by the lender.

Q. *IS THERE A RISK ASSOCIATED WITH MY STOCK INVESTMENT?*

- A. Yes. Your ownership of stock or participation certificates in an association is an investment that allows you to share in the association's earnings through patronage refunds and/or dividends, but which is also subject to certain risks that could result in a partial or complete loss of the investment. It is not a compensating balance. The ultimate value of the stock is dependent on the future financial performance and condition of the association over time. Therefore, you cannot assume that stock will be redeemed on demand or upon a date certain or upon the happening of any event, such as repayment of the loan (as could be the case if the investment were considered a compensating balance). You are responsible for the full amount of your loan including the amount borrowed to pay for your stock or certificates, regardless of their book value.

Borrowers are advised to review the financial statements of their association, the association's capitalization bylaws and other available information about the Farm Credit System, copies of which are provided herewith and are available from the association upon request.

Q. *WHAT HAPPENS TO THE STOCK IF AN ASSOCIATION IS LIQUIDATED?*

- A. If an association is liquidated, the law prohibits stock retirements until the assets of the association are used to meet liabilities of the association. The assets of the association which remain when the liquidation is completed are all divided on a pro rata basis among current stockholders according to the proportion of stock they own.

Q. *WHAT HAPPENS TO MY STOCK WHEN THE LOAN IS REPAYED?*

- A. Provided that the capital strength of your association permits it and unless used by you to capitalize other indebtedness, your stock may, in the board's sole discretion, be retired and the proceeds repaid to you upon final payment of the indebtedness or upon termination or completion of the financially-related services or at such future date as the board may determine that the association's financial strength permits.

Under the Farm Credit Act of 1971, as amended, Farm Credit Administration regulations and the association's capitalization bylaws, stock may be retired only at the sole discretion of the association's board of directors and not on demand, a date certain, or upon the happening of any event, such as repayment of the loan. The Act and regulations prohibit retirement of stock when the association fails to meet its minimum capital adequacy standard as established by the Farm Credit Administration and the bylaws prohibit retirement when the association does not meet any higher board-established capital adequacy standard. The association board will maintain a capital plan and implement policies and procedures which will allow for the orderly retirement of stock, when requested by a stockholder, in a safe and sound manner consistent with FCA's capital adequacy requirements. In the association's capital plan, a capital adequacy standard will be established by the association board of directors. The board will not approve the retirement of any equities, dividends or payment of patronage distributions in cash in excess of the minimum to qualify the refund as a deductible patronage distribution for federal income tax purposes, unless after the retirement and/or distribution the association would continue to meet its established capital adequacy standards, and in no event will the board retire equities if the minimum permanent capital standard established by the Farm Credit Administration is not met.

Q. *DOES THE ASSOCIATION MEET ITS CAPITAL ADEQUACY STANDARDS?*

- A. As of the date of this disclosure, the association meets or exceeds the minimum permanent capital adequacy standard established by the Farm Credit Administration and the standard set by the association board. The association board of directors knows of no reason that would cause the association to fail to meet the capital standard established by the board or the minimum established by Farm Credit Administration at fiscal year-end. However, as discussed in the annual report, uncertainties exist regarding matters that could have an impact on the association's capital adequacy which the association board cannot determine at this time.



Administrative Office

215 West Elm Street • P.O. Box 511 • Coleman, Texas 76834

Dear Customer:

In accordance with the Safe Act, Central Texas Farm Credit, ACA is a registered lending institution in the Nationwide Mortgage Licensing System and Registry (NMLS). Please feel free to research our institution and our registered Mortgage Loan Originators (MLOs) in the NMLS Database at nmlsconsumeraccess.org using the following unique identifying NMLS numbers:

- Central Texas Farm Credit: 469508
- Travis McKinney: 508124
- Scott Ogden: 508125
- Dale Bullinger: 508126
- Brian Meeks: 508127
- Marcus Amthor: 508131
- Andrew Young: 508132
- Jeff Bedwell: 612338
- Jessica Railsback: 1166353
- Matthew Iley: 430168
- Rachael Sides: 1209413

Please contact Zach May at zach.may@farmcreditbank.com or (325) 625-2165 if you have any questions regarding anything in this communication.

Sincerely,

Boyd J. Chambers, CEO
Central Texas Farm Credit, ACA

Phone (325) 625-2165 • FAX (325) 625-2166 • Toll Free (877) 229-0221