



TEXAS FARM CREDIT

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CONTINUING TO SERVE YOU AS TEXAS FARM CREDIT

On Jan. 1, 2014, Texas AgFinance and AgriLand Farm Credit finalized a merger to become Texas Farm Credit Services. With this merger, we are proud to be able to service 100 Texas counties and deliver even greater value to our customers. This merger will allow our association the opportunity to expand our product offering throughout our combined territory and provide improved operational efficiencies, portfolio growth and diversity, and new and expanded loan products and services for our customers.

With the merger, the Texas AgFinance and AgriLand boards of directors became one. The new board of directors consists of seven board members from each association for a total of 14 board members, with John Prukop as chairman and James Dawley as vice chairman.

One of the duties of the board of directors is to decide how much of our income needs to be maintained as capital to fund our growth, and then return the remainder to our customers through our patronage program. When Texas Farm Credit does well financially, you benefit. That's the basic philosophy behind the patronage program, and it's also a basic financial reason for doing business with the Farm Credit lending cooperative. Every borrower also is a stockholder of the cooperative and receives a part of the earnings. The more you borrow, the bigger your share of earnings.

Based on the two associations' 2013 pre-merger solid financial results, the Texas Farm Credit Board of Directors was pleased to declare a \$13.3 million patronage. Of this amount, \$4.65 million was returned to our customers as cash, and the remainder will be retained as allocated surplus.

At Texas Farm Credit, we are honored to be a part of the Farm Credit System's upcoming centennial. We recently celebrated our 80th anniversary as a lending cooperative and have achieved very positive financial results, in spite of an ongoing drought that impacted many of our customers. Agriculture and rural America need a reliable source of financing. Our cooperatively owned System has continued to meet that need as the most effective way of delivering credit to farmers and ranchers. By creating a single cooperative to serve 100 counties from the Red River to the Rio Grande Valley, Texas Farm Credit looks forward to continuing to deliver superior credit and outstanding value to our customer-owners for well beyond another 80 years!

Your board of directors and association staff thank you for contributing to the success of both Texas AgFinance and AgriLand in 2013, and we look forward to growing with you as Texas Farm Credit in 2014.

Mark Miller
Chief Executive Officer

SERVING RURAL AMERICA SINCE 1933

As we move into the next era of Texas Farm Credit, under the leadership of Mark Miller, we can be proud of the rich history of our great organization. It is quite an accomplishment, considering where we started and the road map that got us to the point where we are today. Take a moment to look at all we have accomplished and imagine what the future holds. With our strong foundation and leadership, the opportunities for success are endless.

TEXAS FARM CREDIT LEADERSHIP



Mark Miller, *Chief Executive Officer*



Keith Ibrom, *Chief Financial Officer*



John Holland, *Chief Operating Officer*



John O'Brien, *Chief Credit Officer*



Joe Valladares, *Director of Audit*

GETTING TO KNOW THE NEW TEXAS FARM CREDIT ASSOCIATION

In November of 2013, the stockholders of Texas AgFinance and AgriLand Farm Credit approved a merger of the two cooperatives. After also being approved by their regulator, the Farm Credit Administration, the resulting organization, Texas Farm Credit, was born.

“This merger allows our association the opportunity to expand our product offering throughout our combined territory, to grow our market share and to increase our efficiency,” said CEO Mark Miller. Texas Farm Credit now serves 100 of Texas’ 254 counties.

This year brings about great opportunity for Texas Farm Credit. The benefits of this union include an opportunity for improved operational efficiencies, portfolio growth and diversity, and new and expanded loan products and services. In fact, on Jan. 10, Texas Farm Credit was granted the authority by the Farm Credit Administration to accept home loan applications within city limits, in addition to making rural home loans. This has opened up an entirely new market for Texas Country Mortgage, a division of Texas Farm Credit, and is just one example of the growth potential of the newly merged association.

Customers of Texas Farm Credit can still expect the same products and services that they always have enjoyed — superior credit, outstanding value, and a knowledgeable and friendly staff. Now with expanded boundaries, Texas Farm Credit can become an even stronger and more reliable lender for generations of rural Texans to come.

NEW MISSION STATEMENT AND CORE VALUES

MISSION:

To be the preferred provider of sound, dependable and competitive agricultural credit and related services.

CORE VALUES:

We serve our customers and work together as a team, abiding by certain values in all that we do.

Our culture is supported by the following **Core Values**:

- 1. Excellence:** To achieve extraordinary results in all we do.
- 2. Integrity:** To be honest, fair and consistent in all we do.
- 3. Respect:** To maintain a professional atmosphere where all people are respected.
- 4. Employee Focus:** To provide employees meaningful career opportunities in a diverse and inclusive work environment.
- 5. Community Involvement:** To be good corporate citizens within the communities we serve.

OUR SERVICES

LOAN PROGRAMS:

- Real Estate Loans
- Agriculture Loans
- Agribusiness Loans
- Home Loans
- Refinancing
- Young, Beginning and Small Farmers and Ranchers (YBS) Loans
- Youth Loan Program

BANKING SERVICES:

- Checking/Funding Account
- Trust Services
- Retirement Services
- Investment Services
- Cash Management Services
- Internet Banking

INSURANCE PROGRAMS:

- Pasture, Rangeland and Forage Insurance
- Crop Insurance
- Annual Forage Insurance
- Livestock Risk Protection
- Life Insurance

QUICK FACTS ABOUT TEXAS FARM CREDIT

- Combined assets of \$769 million
- 19 branch locations serving 100 counties from the Rio Grande Valley to the Red River
- Headquartered in Robstown with an administrative office in Tyler
- More than 100 employees
- A member-owned cooperative
- When Texas Farm Credit succeeds, its members benefit through patronage.



SERVING 100 TEXAS COUNTIES AND DELIVERING EVEN GREATER VALUE TO OUR CUSTOMERS

Athens

520 E. Tyler St.
Athens, Texas 75751
(903) 675-9388

Bandera

3272 Hwy. 16 South
Bandera, Texas 78003
(830) 796-9201

Beaumont

1305 South Major Drive
Suite A
Beaumont, Texas 77707
(409) 861-1900

Bonham

112 East Highway 82
Bonham, Texas 75418
(903) 583-3217

Brenham

201 West Main St.
Brenham, Texas 77833
(979) 836-2572

Clarksville

401 N. Locust
Clarksville, Texas 75426
(903) 427-5675

Fairfield

314 W. Hwy. 84
Fairfield, Texas 75840
(903) 389-8738

Gainesville

206 South Dixon, Suite 104
Gainesville, Texas 76240
(940) 665-0715

Hebbroville

610 N. Smith Street, Suite 7
Hebbroville, Texas 78361
(361) 527-3297

Nacogdoches

2200 N.W. Stallings Drive
Nacogdoches, Texas 75964
(936) 564-0448

Paris

3743 Lamar Avenue
Paris, Texas 75460
(903) 784-4383

Pleasanton

802 West Oaklawn
Pleasanton, Texas 78064
(830) 569-8741

Raymondville

137 South Eighth St.
Raymondville, Texas 78580
(956) 689-5502

Robstown

545 S. Hwy. 77
Robstown, Texas 78380
(361) 387-3534

San Antonio

16011 Via Shavano
San Antonio, Texas 78249
(210) 798-6280

Sulphur Springs

1305 Shannon Road E.
Sulphur Springs, Texas 75482
(903) 885-7608

The Woodlands

8505 Technology Forest Place
Suite 601
The Woodlands, Texas 77381
(936) 344-9400

Tyler

6760 Old Jacksonville Road
Suite 105
Tyler, Texas 75703
(903) 593-0151

Uvalde

244 North Getty St.
Uvalde, Texas 78801
(830) 278-3212

Weslaco

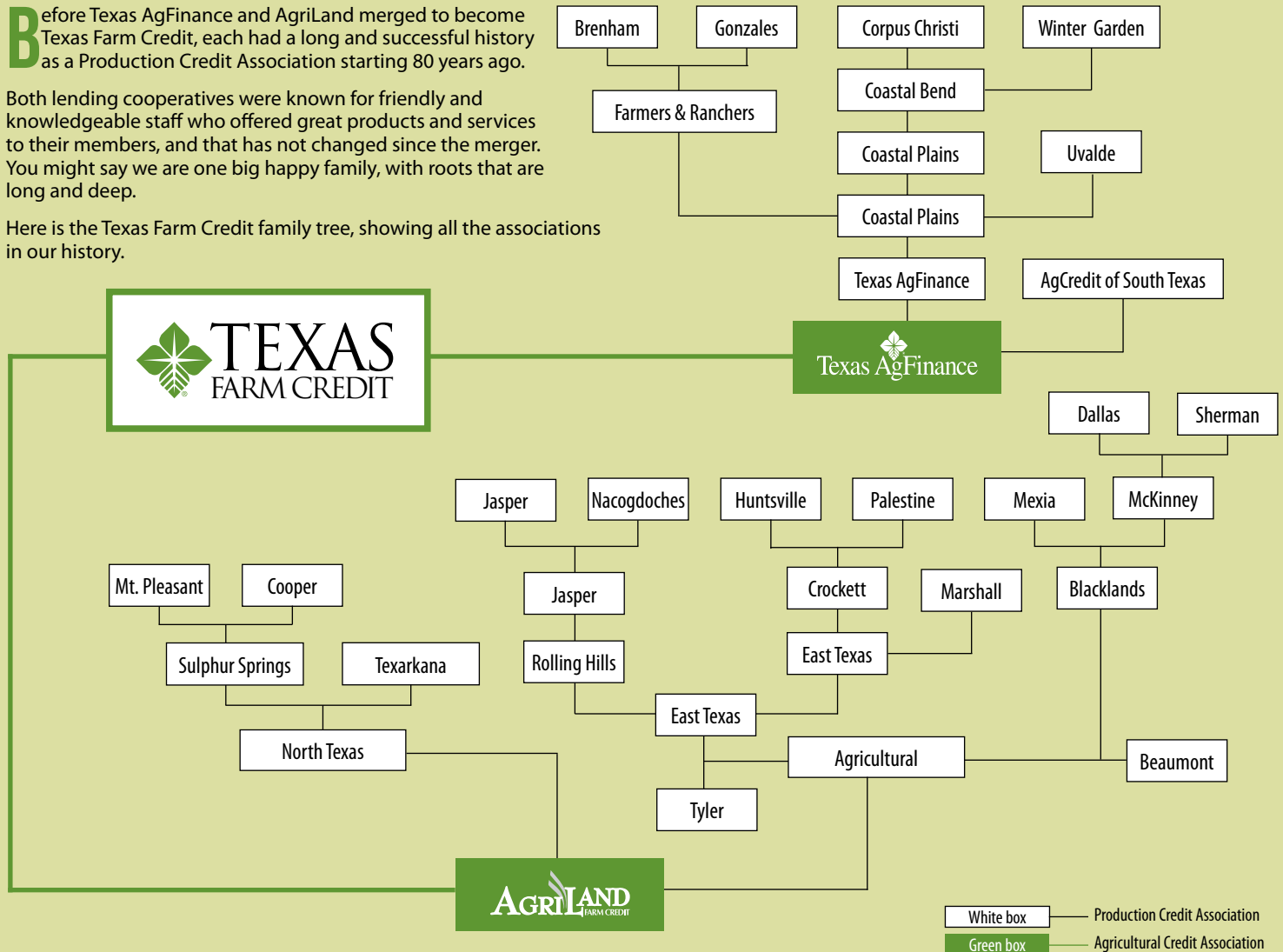
555 S. International Blvd.
Weslaco, Texas 78596
(956) 447-5500

ONE BIG FAMILY: The Texas Farm Credit Family Tree

Before Texas AgFinance and AgriLand merged to become Texas Farm Credit, each had a long and successful history as a Production Credit Association starting 80 years ago.

Both lending cooperatives were known for friendly and knowledgeable staff who offered great products and services to their members, and that has not changed since the merger. You might say we are one big happy family, with roots that are long and deep.

Here is the Texas Farm Credit family tree, showing all the associations in our history.



BANKING AT YOUR FINGERTIPS

Doing business with Texas Farm Credit has never been easier!

Our **Ag Banking Online service** and new **Ag Banking mobile application** offer two great ways to manage your accounts 24/7, whenever it's most convenient. All it takes is a computer or an Apple or Android smartphone or tablet to:

- **Make loan payments** from your business or personal checking account
- Set up **real-time, future or recurring transactions**
- Track your **account history**, including your loan payments, online transactions, patronage and stock in the association
- Send and receive **secure messages** regarding your accounts
- See **branch locations and hours**

If you already use Ag Banking Online, you can get access to the same features on your mobile device by downloading our free app at the iTunes App Store or the Google Play Store. To use either service for the first time, simply request access through your branch office or online at TexasFCS.com.

WHEN TEXAS FARM CREDIT GROWS, YOU BENEFIT

Earlier this year, Texas Farm Credit was formed by the merger of AgriLand Farm Credit and Texas AgFinance — two lending cooperatives with deep agricultural roots. Because patronage is a benefit of our cooperative structure, the newly merged Texas Farm Credit is pleased to continue the tradition of sharing earnings with our customers.

We were proud to return \$13.3 million in patronage to our borrowers this spring based on the solid 2013 financial results of both associations. Of this amount, \$4.65 million was returned to our customers as cash, and the remainder will be retained as allocated surplus. This patronage payment reduces our members' average interest rate by 190 basis points.

At Texas Farm Credit, we appreciate your business. Thank you for choosing Texas Farm Credit as your preferred lender. We look forward to continuing to serve you!