



An AgSouth Farm Credit Member Publication

Spring 2016

WE'RE TURNING 100!

The Farm Credit System celebrates its 100th year of financing farmers and rural America on July 17. Through the good times and the bad, Farm Credit has been there to provide financing to support our rural communities, generation after generation.

AgSouth is proud to be a part of the Farm Credit System and is celebrating throughout the year with events and special advertising aimed at creating awareness of AgSouth and its heritage of helping rural America grow and prosper.

We'd love to highlight the transition of agriculture in our territory throughout the year as part of our celebration. If you have any mementos or photos showing your farm in transition, please send them in. We'll post these to our Facebook page and may even use some of them in future editions of the magazine and to showcase at our stockhold-

ers meetings. Send your photos to RJernigan@AgSouthFC.com. She'll send you a photo release form. Just sign it, return it, and then watch for your photos to be posted to our Facebook page!

And if you haven't yet checked out our Facebook page, just sign in and put AgSouth Farm Credit in your search bar and Like us! You'll see what your association is doing to promote agriculture, view upcoming events and promotions, see photos of your friends and neighbors, and get links to articles from industry experts about what's going on in agriculture. If you have an event you'd like us to consider for posting, send the information to Christy Smith at CSmith@AgSouthFC.com.


FARM CREDIT
100
ESTABLISHED 1916

AgSouth IMPORTANT DATES

Dates	Event
April 11-July 17	AgSouth's Branches Participating in 100 Days of Giving
May 4-7	Annie's Project Georgetown, SC
July 17	Farm Credit Turns 100!
Aug. 5	AGAware® Workshop Sylvania, GA
Aug. 22 New Date!	AgSouth Stockholders Meeting Statesboro, GA
Aug. 23 New Date!	AgSouth Stockholders Meeting Zebulon, GA
Aug. 29 New Date!	AgSouth Stockholders Meeting Orangeburg, SC
Aug. 30 New Date!	AgSouth Stockholders Meeting Clinton, SC
Sept. 16	AGAware Workshop Spartanburg, SC



Holiday Office Closings

May 30	Memorial Day
July 4	Independence Day
Sept. 5	Labor Day

WHO'S \$26 MILLION RICHER? OUR MEMBERS!



AgSouth's Merrill Folsom and Thomas James with members Randy and Rick George (center)



Dr. Christine White and Wilbur with Loan Officer Larabeth Smith



Jimmy Palmer with AgSouth's Tracie Kelly (L) and Lynne Christiansen (R)

In March AgSouth Farm Credit distributed approximately \$26 million in cash from patronage and allocated surplus to our members! Eight million originated from 2015 profits, and \$18 million was revolved from 2010 allocated surplus.

This marks the 25th consecutive year that AgSouth has distributed profits to our members.

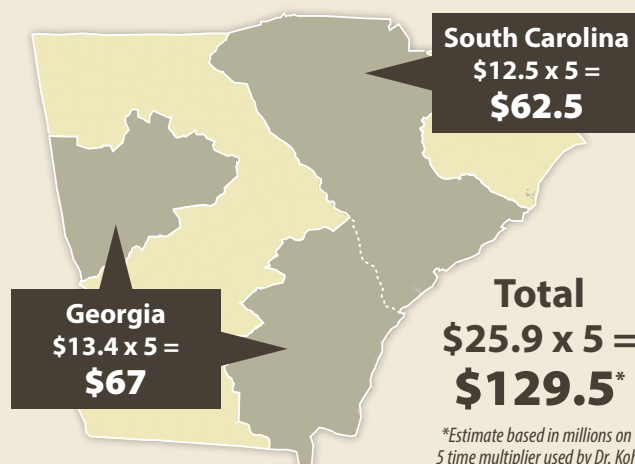
Since the association instituted the patronage program in 1991, we have returned more than \$433 million in cash to our members, proving that **We Put Our Profits in Your Pocket®!**

HOW DOES \$26 MILLION IN CASH AFFECT THE COMMUNITIES SERVED BY AGSOUTH?

We know that our patronage program puts dollars back in the hands of our member/borrowers. What you decide to do with your patronage refund is completely up to you: You might save it, purchase a new car or farm equipment, or use it to pay debts and expenses. Regardless of how you spend it, those dollars continue to work their way through your community.

Dr. David M. Kohl, Professor Emeritus of Agricultural Finance and Small Business Management and Entrepreneurship at Virginia Tech estimates that every dollar AgSouth returns to our customers has an estimated economic impact of five to ten dollars in our communities as a result of possible investment, spending, and employment.

Using those factors, \$26 million in cash distributions has an estimated impact of approximately \$129.5 million to more than a quarter of a billion dollars on the rural communities served by AgSouth.



No commercial bank pays you to borrow, but as a cooperative, AgSouth is able to send our profits to YOUR Street instead of WALL Street. For 25 consecutive years, we've proven that it really pays to do business with AgSouth, not just for you, but for you and the communities we serve.



Madison member Bill Killmer



Aaron McWhorter with AgSouth's Thomas James (L) and Merrill Folsom (R)



Mike McCravy and Merrill Folsom



AgSouth's Ricky Cochran with Everett Williams

WANT TO MAKE SURE YOU CONTINUE TO RECEIVE A PATRONAGE CHECK?

- Continue to borrow from AgSouth for all your farm, agribusiness, real estate, and equipment needs.
- Refinance loans you may have with other lenders through the cooperative you own and govern.
- Tell your friends and family about AgSouth.
- Use AgSouth Mortgages for your new home purchases or refinances. We offer competitive rates and a variety of loan programs to fit your particular needs.
- Use AgSouth for all of your leasing and crop insurance services. The more profits we make, the more we share with our customers!

See the total cash distributed to your county in 2016 and the estimated economic impact of that distribution at www.agsouthfc.com/about-us/patronage-program/patronage-cash-back-profits.aspx.



Former Atlanta Braves pitcher Pat Jarvis

Receive a FREE Gift!

AGSOUTH MEMBER REFERRAL PROGRAM

Win two ways! Strengthen your association and the potential for future patronage distributions, PLUS receive immediate cash or a commemorative barn coat in the process!

And another added bonus – you'll be entered into a drawing to win \$1,000 to be drawn July 20!*

Simply refer a customer to AgSouth Farm Credit, and if your referral results in a new business relationship (loan or lease of \$10,000 or more**), we'll mail you a check for \$100 or send you this commemorative jacket!

* Loan must close by July 17

** Most home loans and any other loans subject to RESPA are ineligible for this promotion.



Todd Turner with Merrill Folsom



PHOTO CALENDAR CONTEST REMINDER

Don't forget that the deadline to submit your photos for our 2017 Calendar Photo Contest is Tuesday, May 31! Submit your rural and ag-related photos online before midnight for an opportunity to win up to \$400 and be featured in our 2017 calendar. If you entered last year and your photo wasn't selected, you may enter it again. Visit AgSouthFC.com for contest rules or to enter your photos.



Two Growing Offices Get New Locations

Earlier this year AgSouth relocated its Jesup, Ga., and Allendale, S.C., offices to new, state-of-the-art facilities at more convenient locations. The new locations will allow room for the offices to accommodate staff to meet the needs of their growing customer base.

Jesup's office opened in January at 855 Odom Highway. The new building replaces the old AgSouth office located at 311 East Cherry Street. The office has had a 32 percent increase in volume over the past five years and a 41 percent increase in membership.

Allendale opened its new office doors at 4930 Burton's Ferry Road in March. The office was previously located on Highway 278. Allendale had a 18 percent increase in volume over the past five years and more than 3 percent increase in membership.

We invite you to stop by and tour our new facilities as we continue to grow.



AgSouth Regional Vice President Stacy Nobles cuts the ribbon of the new Jesup office joined by AgSouth Director Jerome Parker (Left of Stacy), AgSouth employees and members of the Jesup Chamber of Commerce and other community members.



The new Allendale office is open at 4930 Burton's Ferry Road

AGSOUTH AWARDS \$25,000 IN GRANTS to Area Farmers Markets

Earlier this year, AgSouth Farm Credit awarded 25 \$1,000 grants to community farmers markets in our area. Twelve South Carolina markets and 13 Georgia markets received funds to promote their venues. The markets also received 100 reusable Think Outside the Store® bags to give to customers who shop there. This is the 5th year the association has helped support our local markets in this manner.

To be eligible to receive a grant, applicants had to provide a vendor list and detailed marketing plan describing how they would use the grant funds to promote the market while incorporating the AgSouth name or logo in their promotions. We received a total of 55 grant applications and are very happy that the program continues to draw new applicants, as well as encourage previous winners to share their ideas and create new ways of advertising their markets.



CROP INSURANCE PATRONAGE

By: THERON ANDERSON, SMM & FINANCIALLY RELATED SERVICES DIRECTOR

Those who purchased crop insurance from AgSouth last year received \$169,945 in cash returns earlier this spring. Another \$396,539 was placed in an allocated surplus account in the members' name. Combined, the total crop insurance patronage equaled a return to crop insurance customers of 43 percent of total crop insurance commissions less expenses. AgSouth has had a crop insurance patronage program for 12 consecutive years. Theron Anderson, Director of SMM and Financially-Related Services, explained the benefits of purchasing crop insurance from AgSouth this way. "When members purchase crop insurance from AgSouth, they get a return of a portion of our crop insurance profits AND help strengthen the association's bottom line, increasing all of our members opportunities for a larger patronage return."

Would You Like an Opportunity to LEAD YOUR COOPERATIVE?

The AgSouth Farm Credit 2016 Nominating Committee will be meeting in May to come up with a slate of candidates for three (3) director positions. The following director regions will have board seats up for election at the annual stockholders' meetings:

Region I: 0 Seats

Representing Abbeville, Anderson, Cherokee, Chester, Edgefield, Fairfield, Greenville, Greenwood, Kershaw, Lancaster, Laurens, Lexington, McCormick, Newberry, Oconee, Pickens, Richland, Saluda, Spartanburg, Union, and York counties in South Carolina.

Region II: 0 Seats

Representing Butts, Carroll, Clayton, Coweta, DeKalb, Douglas, Fayette, Fulton, Greene, Gwinnett, Haralson, Harris, Heard, Henry, Jasper, Lamar, Meriwether, Monroe, Morgan, Muscogee, Newton, Oconee, Pike, Putnam, Rockdale, Spalding, Talbot, Troup, Upson, and Walton counties in Georgia.

Region III: 2 Seats

Representing Appling, Atkinson, Bacon, Brantley, Bryan, Bulloch, Camden, Candler, Charlton, Chatham, Clinch, Coffee, Effingham, Emanuel, Evans, Glynn, Jeff Davis, Jenkins, Liberty, Long, McIntosh, Montgomery, Pierce, Screven, Tattnall, Toombs, Ware, Wayne, and Wheeler counties in Georgia.

Region IV: 1 Seat

Representing Aiken, Allendale, Bamberg, Barnwell, Beaufort, Berkeley, Calhoun, Charleston, Colleton, Dorchester, Hampton, Jasper, and Orangeburg counties in South Carolina.

The success of the cooperative is tied to the grass roots leadership provided by the Association's Board of Directors. If you are interested in running for a director position, please contact your loan officer or Chief Financial Officer Lisa Gunter at 1-800-310-4805 ext. 6737 for contact information for one of our Nominating Committee Members below:

Region I

Samuel A. Milford
Baron R. Buzhardt
Charles W. Seltzer (Alternate)
Ryan Black (Alternate)

Region II

James Emmett Collins, Jr.
Thomas G. Vanhuss
Daryl F. Remick (Alternate)
Mike McDaniel (Alternate)

Region III

L. Anthony Cowart
Mark H. Brown
Jack A. Brannen, Jr. (Alternate)
Don I. Burke (Alternate)

Region IV

Adair M. McKoy, IV
David W. Cantley
Walter K. Pooser, Jr. (Alternate)
Bates R. Houck (Alternate)

AGAware[®]
Promoting & Educating the Next Generation of Farmers

AGAware[®] for Beginning Farmers!

AgSouth's national award winning educational training for young, beginning, and small (YBS) farmers is back for another year. The program is designed to promote agriculture throughout the association's territory and to help educate the next generation of farmers in the fields of finance and marketing.

Topics include: Balance Sheets, Income Statements, Family Finance & Family Budgeting, Risk Management, Accrual Income, Applying for Financing, Preparing a Business Plan, Technology & Record Keeping, Marketing Assistance Available through the Department of Agriculture, FSA/SBA, and other programs.

Applications for scholarships for continuing education through Farm Credit University will be available to graduates of AGAware. AGAware is certified for FSA Direct Borrower training credit.

Seminars are scheduled from 9:00 a.m. to 4:00 p.m. at the following locations, and a free lunch is provided:

Friday, August 5
Coop Extension Office
Sylvania, Ga.

Friday, September 16
Spartanburg Community College
Spartanburg, S.C.

Seating is limited, so register early at AgSouthFC.com or contact Rhonda Jernigan at 844-AGSOUTH or RJernigan@AgSouthFC.com.



BOARD OF DIRECTORS:

William T. Robinson (Chairman)
James C. Carter, Jr. (Vice Chairman)
Hugh F. Ables, Jr.
Arthur Q. Black
Thomas H. Coward
Loy D. Cowart, Jr.
Lee H. DeLoach
Walter W. Douglas
A. Harvey Lemmon
Philip E. Love, Jr.
Jimmy B. Metts
Jerome G. Parker
J. Jay Peay
Charles C. Rucks
Hugh E. Weathers
David H. Womack



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AgSouth's *Out in the Country* Newsletter is published for stockholders, directors and friends of AgSouth Farm Credit. Address changes, questions, comments or requests for copies of financial reports should be directed to AgSouth Farm Credit by writing Lisa Gunter, PO Box 4966, Spartanburg, SC 29305-4966 or calling 800-310-4805. If you prefer, you may send your request via email to lgunter@agsouthfc.com.

INTRODUCING THE NEW Construction-to-Perm Program

FARM CREDIT
100
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- Maximum loan amount of \$417,000.
- Single Family, owner-occupied, primary residences only.
- Construction periods of 6, 9 or 12 months.
- The Construction (C2P) Program permits a borrower to finance the purchase of the land and the construction of the home; in one loan; with one interest rate and one closing. This program is structured so that the borrower only makes interest payments through construction and based only on the dollar amount disbursed to date.*

The logo for AgSouth mortgages. It features a green house icon with a white roof and a green chimney, followed by the word "AgSouth" in a large, green, serif font, and the word "mortgages" in a smaller, green, sans-serif font.

844.AGSOUTH | AgSouthFC.com

A small icon of a house with an equals sign inside, followed by the text "NMLS#619788" in a small, black, sans-serif font.

* Some exclusions may apply