



Dear Farm Credit Customer-Owner:

As you know, being a member of Farm Credit of the Virginias (FCV) delivers many benefits not found with other lenders: relationships with knowledgeable, dedicated loan officers; access to the resources and education offered through our Knowledge Center; and a friendly, local financial cooperative that also has the strength and stability of the 100-year-old national Farm Credit System. One of the most significant benefits, though, is your opportunity to share in the profits Farm Credit distributes through patronage dividends.

Each year, your Board of Directors approves an appropriate level of patronage dividends, carefully balancing the operational goals of the cooperative with the desire to return as much cash patronage as possible. This year, I am extremely pleased to announce that we are delivering a record level of patronage to you, our customer-owners. The board voted to increase the amount of cash patronage to be paid to \$40 million, comprised of \$30 million in general patronage distribution with an additional \$10 million in "special" patronage as a result of a distribution that FCV received from our wholesale funding bank, AgFirst Farm Credit Bank.

We know that many involved in agriculture are facing challenging times. Many are suffering from the impact of extreme weather and prolonged commodity price weakness and volatility. We hope that this cash patronage distribution will be of assistance during this time and contribute to your continued success. Your individual success over the years is why our cooperative has experienced consistent growth and profitability. FCV's ability to pay patronage is a direct reflection of the trust and support you show by choosing Farm Credit as your lender.

As we are able to share profits through the patronage program, your effective cost of borrowing is decreased. Here are just a few benefits of working with Farm Credit:

- Our customer-owners get a competitive rate up front and, as an owner in the cooperative, the potential to further reduce their cost of borrowing through the patronage dividend distribution.
- The \$40 million in total patronage distribution, for this year, equates to having an interest free loan for more than 4 months.
- Since 2015, we've returned \$100 million in cash patronage payments to our customer-owners.
- We are the only lender in the area who returns a portion of its profits in cash!

We appreciate your business and look forward to serving your operation, home and personal credit needs in the future. If you know of others within the agriculture industry that could benefit from our knowledgeable team during these challenging times, please tell them about us. We are always looking to grow and strengthen the Association in responsible ways. Again, thank you for choosing Farm Credit of the Virginias as your lending partner, and for being a part of our 100-year legacy of support for rural communities and agriculture.

Sincerely,

Peery Heldreth

Chief Executive Officer