



AlabamaAgCredit.com
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*For more information, contact
your local Federal Land Bank
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Administrative

7602 Halcyon Summit Drive
Montgomery, AL 36117
(334) 270-8687

Demopolis

923 Highway 80 West, Suite 5
Demopolis, AL 36732
(334) 289-0137

Dothan - NEW LOCATION

1001 Forest Drive
Dothan, AL 36303
(334) 793-9811

Enterprise

1032 Boll Weevil Circle, Suite D
Enterprise, AL 36330
(334) 347-6954

Gulf Coast

30181 State Highway 59, Suite 3A
Loxley, AL 36551
(251) 964-9770

Monroeville

36 North Alabama Avenue
Monroeville, AL 36460
(251) 743-2865

Montgomery

7602 Halcyon Summit Drive
Montgomery, AL 36117
(334) 270-8686

Opelika

1431 Gateway Drive
Opelika, AL 36801
(334) 749-3303

Selma

105 Samuel O. Moseley Drive
Suite B
Selma, AL 36701
(334) 874-7437

Tuscaloosa

2618 8th Street, Suite 10
Tuscaloosa, AL 35401
(205) 247-4475

Dear Stockholder:

Times are hard, and every day we hear experts on television or the radio express their varying views on the challenges posed by the economy. While their projections over the past year or two have usually been negative in nature, it's times like these when we need to recognize the opportunities we all have to enhance someone else's life.



At Alabama Ag Credit, we realize that difficult economic times continue to exist for many of our customers, but we continue to play a positive role in central and south Alabama. Instead of withdrawing from the lending environment, we are staying true to our mission — we are continuing to serve our customers by being a reliable source of credit for creditworthy borrowers in the agricultural industry and rural Alabama. These aren't just words. The evidence is demonstrated by the continued growth of our loan portfolio.

We have remained profitable and strongly capitalized during these difficult times, which has allowed us to stimulate the local economy by distributing a \$3 million all-cash patronage to our stockholders. We also continue to sponsor many events and activities in the area, such as the State FFA Convention, ALFA's Young Farm Family Contest, the SLE Rodeo and many more local community events too numerous to mention.

Our mission requires us to be a strong, available resource for our customers in both good times and bad. Thankfully, several months into 2010, most experts and federal officials seem to feel the economic situation may be showing signs of improvement, albeit slow and gradual. It was a good thing, though, that after more than 90 years in the business, we had experience weathering the ups and downs in the economy. We held steady, thanks in large part to the solid, conservative lending decisions by our board and staff and the cooperative business model upon which our organization is founded.

At Alabama Ag Credit, we look forward to better days ahead, even while we celebrate the successes we have had during this difficult period. As always, we thank you for your business and will strive to meet all of your rural financing needs.

Sincerely,

A handwritten signature in black ink, which appears to be 'Douglas Thiessen'.

Douglas Thiessen
CEO

New Board Members Elected at Annual

A record crowd packed the Legends Marriott ballroom for this year's Annual Stockholder's Meeting. Board Chairman Thomas Dozier III and CEO Douglas Thiessen presided over the meeting, which focused on the association's hard work and accomplishments during 2009.



Lyman W. Ramsay Jr.

More than 100 people were on hand as the meeting was called to order. This year's meeting featured the election of two new members of the Alabama Ag Credit Board of Directors: businessman Lyman "Woody" Ramsay Jr. and forestry consultant Larry H. Gibson Jr.

Ramsay, 66, resides in Grand Bay, Ala., and is the owner and manager of Gulf Equipment Corporation, a general contracting company. His current timber operation consists of 1,100 acres, and he owns 400 acres of rented pastureland. He serves on the board of directors of Gulf Equipment Corporation, Crowder-Gulf, Manning Trucking and Manning Construction companies.



Larry H. Gibson Jr.

In addition, Ramsay is a former supervisor of the Mobile County Soil and Water Conservation District and a member of the Alabama Farm Bureau and Mobile County Cattlemen. He also is vice presi-

dent of Grand Bay Cemetery Association. Ramsay obtained his bachelor of science degree in agronomy and soils from Auburn University.

Ramsay said he is ready to get to work and hopes to bring new energy and ideas to the board of directors.

"Thanks to all the stockholders who encouraged and supported my election to the board," Ramsay said. "I look forward to contributing to the future growth and strength of Alabama Ag Credit."

Gibson, 37, of Aliceville, Ala., is president of Gibson Forest Management, a forestry consulting firm. A graduate of Mississippi State University with a bachelor's degree in forest management, he owns approximately 1,000 acres of timberland, where timber and wildlife are the primary commodities. He manages approximately 40,000 acres of timberland for clients in west Alabama and east Mississippi, providing complete forest management services.

Gibson is a former board member of the Alabama Forestry Association and past state chair of the Society of American Foresters, and was a participant in the Farm Credit Young Leaders Program. He serves on the board of Alabama Farmer's Federation for Pickens County and on the board of Pickens Academy. He is a member of the Association of Consulting Foresters and Rotary International and is a trustee at Hebron United Methodist Church.

Gibson will contribute extensive knowledge of forestry and timber to the board of directors.



Stockholder's Meeting

"I started working with Alabama Ag Credit in 1998, and I have always been impressed with the association and its employees," Gibson said. "I am excited to have been elected as a board member and I look forward to helping the organization in any way that I can."

Following the election announcements, Dozier expressed his appreciation to the outgoing board members, William "Bill" Coaker and B. Phillip Martin, who both served on the board for more than 20 years.

"I would first like to recognize Mr. Coaker and Mr. Martin for their dedicated decades of service to our board. Both served with integrity and brought with them great experience. I wish them both well in their future endeavors," Dozier said. "I would also like to congratulate and welcome Mr. Gibson and Mr. Ramsay. They are joining a strong association, and I look forward to the new ideas and energy they will bring. Our stockholders should be very proud and impressed with these two new board members."

Sharing Success With Our Customers

Alabama Ag Credit, ACA, the premier ag lender in Alabama, is pleased to announce an all-cash patronage payout of \$3 million to its customers/stockholders.

Due to the excellent financial position of the association, the board of directors voted to return this cash payment to our customers from 2009 earnings. This patronage payment puts cash in our customers' pockets and also effectively lowers the interest rate they paid in 2009 by one half of one percent.

"This cash distribution not only benefits the customer, it also benefits our local communities," said Douglas Thiessen, CEO. "Customers can spend this distribution however they wish, whether they use it to buy new farm equipment, pay bills, add to their savings or shop in our local stores. Since 1996, we've sent back \$30 million in cash to the people of central and south Alabama, and we're very proud of this."

This year, the board had a lot to consider. The difficulties in the financial markets in 2009, coupled with extreme volatility in many agricultural commodity markets, negatively impacted the association. Our net income was reduced, and the risk in our credit portfolio increased. As a result, the board felt that it was in the long-term best interest of the association to preserve our capital position and retain a portion of our 2009 earnings.

However, Alabama Ag Credit is committed to paying patronage to you. It's the cooperative way. Paying patronage is a direct result of our cooperative structure. Because you, our customer, are a part-owner, you share in our earnings. That's the basic philosophy behind our patronage refund program. No other type of lender offers you such an advantage.



Mark Your Calendars for Our Customer Dinners



Come join us for our annual Alabama Ag Credit customer dinners! Not only will you enjoy a wonderful meal on us, but you can also win fabulous prizes like tools, cash, gift cards or something nice for your home. It's our chance to say thank you for being such wonderful customers, and it's your chance for a night on the town!

Montgomery	June 17	Alley Station
Tuscaloosa	July 15	Wintzell's
Demopolis	August 19	Ezells Fish Camp
Loxley	September 30	The Original Oyster House
Enterprise	October 14	New Brockton Farm Center
Dothan	October 21	Stokes Activity Barn (Landmark Park)
Opelika	October 28	<i>to be announced</i>
Monroeville	November 18	Monroeville Community House
Selma	TBA	St. James Hotel



You're Invited!

Join Alabama Ag Credit for a little SEC football and tailgating! Drop in for food, football and fun as we cheer on your favorite team. Tailgates begin two hours before kick-off.

- **Alabama vs. Florida** - October 2nd
Location: on the quad
- **Auburn vs. LSU** - October 23rd
Location: in new Campus Green in front of Jordan Hare stadium student entrance

Watch for more details on our website: www.AlabamaAgCredit.com