

# COLONIAL FARM CREDIT, ACA, PCA & FLCA OFFICIAL NOTICE AND INFORMATION STATEMENT

## 2019 Annual Stockholders' Meeting

Richlands Dairy Farm and Creamery • 460 Cox Road • Blackstone, VA

August 7, 2019 • 1:00 p.m.

*The following information is provided in accordance with Farm Credit Administration regulations.*

The purpose of the meeting is to elect directors and nominating committee members, review financial reports and transact any other necessary business.

No director attended fewer than 75% of board meetings during the last fiscal year. Hugh S. Jones attended fewer than 75% of committee meetings during the last fiscal year.

### BOARD OF DIRECTORS

The current Colonial Farm Credit (Association) Board is comprised of 12 stockholder-elected directors, two outside directors (someone who is not a director, officer, employee, agent, or stockholder of any Farm Credit System institution and who is appointed by the Board), and one appointed stockholder director (an Association stockholder who is appointed by the Board). There are three director terms expiring at this meeting.

The Association has had loans outstanding during the last full fiscal year and to date to its elected directors, director nominees, their immediate family members, and organizations with which such directors, or director nominees are affiliated. These loans were made in the ordinary course of business, and were made on the same terms, including interest rate, amortization schedule, and collateral, as those prevailing at the time for comparable transactions with other persons.

In October 2014 the Board approved a downsizing plan to reduce the number of stockholder-elected directors from 15 to 12 over several years in conjunction with one director deciding not to seek re-election when his term ended in 2015, another director position when his term ended in 2016, and the third position was eliminated in 2018 when a director was no longer eligible to serve due to age\*. Geographic election districts were re-drawn and reduced by one in conjunction with this downsizing plan. For position 1 in District 1, the director's primary residence or farming operation base must be in the Association's territory in Maryland.

No loan to a director, director nominee, or to any organization affiliated with such person, or any immediate family member who resides in the same household as such person or in whose loan or business operation such person has a material financial or legal interest, involved more than the normal risk of collectibility, or had any reportable transactions other than loans.

None of the director nominees during the past five years had any reportable litigation, bankruptcy, or criminal or civil proceedings.

Directors whose terms of office extend beyond this election are as follows:

### VOTING

Each voting stockholder of the Association is entitled to only one vote regardless of the number of single or joint loans the stockholder may have. A voting stockholder (Class B voting stock) is defined as the one person designated as having the power of attorney on the most recently executed membership application on file with the Association. (If you have any questions about this matter, you may contact the branch office servicing your account to determine the voting stockholder or if you desire to change this designation.) Class A stockholders and borrowers with rural home or farm-related business loans are not eligible to vote.

Director	Commodity	Age	Term	Served
John F. Davis	grain	72	2016-2020	2005-2019
Clarke E. Fox	cotton, timber, peanuts, grain, watermelons	59	2017-2021	1997-2019
Jeffrey W. Griffith	grain, hay, vegetables	59	2016-2020	2014-2019
Hugh S. Jones	dairy	62	2017-2021	2003-2019
Robert M. Jones	dairy	60	2017-2021	2013-2019
L. Wayne Kirby	grain	66	2016-2020	2005-2019
Paul W. Rogers, Jr	cotton, grain, peanuts, timber	70	2018-2022	1988-2019
Steven H. Walter	grain	58	2018-2022	2018-2019
Robert R. Womack	grain, poultry, cattle	46	2018-2022	2014-2019
<b>Appointed Directors:</b>				
R. Bertsch Cox	n/a	50	2017-2021	2017-2019
Jennifer U. Cuthbertson	watermelons, pumpkins, goats, cattle, grain, timber, hay	45	2017-2021	2007-2019
<b>Appointed Stockholder Director:</b>				
John E. Bickford	timber	63	2018-2022	2005-2013 2014-2019

As of the stockholder record date of June 28, 2019, the total number of stockholders entitled to vote was 4,655. The counties and number of voters per election district are as follows:

District	Counties	District Voters
1	Maryland Counties of Anne Arundel, Calvert, Charles, Prince George's, and St. Mary's; and Virginia Counties of King George, Lancaster, Northumberland, Richmond, and Westmoreland	721
2	Virginia Counties of Caroline, Charles City, Chesterfield, Essex, Gloucester, Henrico, James City, King and Queen, King William, Mathews, Middlesex, New Kent, and York and the Cities of Newport News and Petersburg	824
3	Virginia Counties of Amelia, Cumberland, Fluvanna, Goochland, Hanover, Louisa, and Powhatan	727

\*Maximum age limit dictated by Association bylaws.

<b>4</b>	Virginia Counties of Amherst, Appomattox, Buckingham, Campbell, Charlotte, and Prince Edward	747
<b>5</b>	Virginia Counties of Brunswick, Dinwiddie, Greensville, Lunenburg, Mecklenburg, Nottoway, and Southampton	605
<b>6</b>	Virginia Counties of Isle of Wight, Prince George, Surry, and Sussex; the Cities of Chesapeake, Hopewell, Suffolk, and Virginia Beach	609
<b>Other</b>	Voting stockholders with eligible loans with the Association; however, do not reside in one of the counties/cities above	422

Information in table is as of record date.

Each eligible voting stockholder may vote for all positions on the ballot. Voting by mail has been authorized by the Board of Directors, and ballots will be mailed after the Annual Meeting. Election results will be reported in the next edition of the Leader published after receipt of the Tellers Committee report.

If a tie occurs between only two candidates and the candidates agree, the tie will be broken by the flip of a coin. If the two stockholder-elected candidates do not agree, or if there is a tie among more than two candidates, the tie shall be broken by re-balloting by mail by those voting stockholders who voted at the Annual Meeting. The ballots will be cast by mail, counted by the Tellers Committee, and the results reported by notice in the Leader.

## NOMINEES

In accordance with Association Bylaws, Directors and Nominating Committee members are nominated by election district as described. The Board of Directors consists of two members per election district. The Nominating Committee consists of the two nominees receiving the most votes per election district with the third nominee serving as an alternate for his/her respective election district.

Nominations for all director and nominating committee positions will be accepted from the floor and must be specified as to election district.

Floor nominations may only be made after the Nominating Committee has provided its list of director nominees. No more than a second by a voting stockholder to a nomination from the floor is required. After receiving a floor nomination, the floor nominee must state if he or she accepts the nomination.

Floor nominees for director positions must be prepared to provide in writing, within five business days, the following information: name, age, city and state of residence, business address if any, business experience during the last five years, including principal occupation and employment during the past five years, a list of any business entities on whose board of directors the nominee serves or is otherwise employed in a position of authority and the principal business in which the entity is engaged, and any family relationship of the nominee that has a transaction relationship with the Association. Additionally, floor nominees must provide disclosure of transactions with senior officers and directors as well as disclosure of certain legal proceedings during the past five years as required by Farm Credit Administration regulations. Floor nominees must be eligible for the position for which they are nominated.

You will be asked to select one candidate per position. The individuals who have been nominated for the expiring terms to be filled are listed by election district on the following pages. The Board of Directors' terms are four years, and the Nominating Committee's terms are one year.

## NOMINEES FOR BOARD OF DIRECTORS

**ELECTION DISTRICT #2, term expires 2023**

### **John N. Mills, Jr.** (INCUMBENT)

**Residence:** Aylett, VA **Age:** 68

**Business Address:** Hanover, VA

**Education:** Attended Chowan College

**Contact Information if voting stockholder wishes to contact candidate:** jnmillsjr@aol.com; 804-337-8721 (cell); 804-994-5103 (home); 804-994-2966 (work)

**Business Experience During Last Five Years:** Partner of John N. Mills & Sons (farming operation; Hanover and King William counties), growing and marketing grain crops, beef cattle, and timber; partner of H & F, LLC (farming; wetland mitigation bank), creating and selling wetland and stream credits

**Acres Owned:** 3,900 **Acres Rented:** 1,400

**Crops:** Corn, wheat, barley, soybeans, grain, sorghum

**Counties:** Hanover and King William

**Livestock:** Beef cattle

**Other:** Solar lease

### **Director and Management Positions or Affiliations with other Organizations:**

Colonial Farm Credit, 1996-present, director and past chairman; member of Compensation Committee, Credit Review Committee, Executive Committee, and Governance Committee

King William Farm Bureau, director (agricultural insurance, service, and lobbying)

Virginia Identity Preserved Grain (VIPG), director (small grain promotion and marketing)

King William Ruritan Club, member

Sharon Baptist Church, member, deacon, and moderator

### **Family Members Having Reportable Transactions with Colonial Farm Credit:**

Spouse; son; daughter-in-law, brother

### **George David Black**

**Residence:** Charles City, VA **Age:** 59

**Business Address:** Same as residence

**Education:** Attended North Carolina State University

**Contact Information if voting stockholder wishes to contact candidate:** gdbheritagefarms@gmail.com; 804-306-2360 (cell)

**Business Experience During Last Five Years:** Co-owner, operator, and manager of Heritage Farms LLC (grain farming)

**Crops:** 1,300 acres of corn, soybeans, wheat

**County:** Charles City

### **Director and Management Positions or Affiliations with other Organizations:**

Virginia Identity Preserved Grain (VIPG), director (small grain promotion and marketing)

Charles City Ruritan Club, president

### **Family Members Having Reportable Transactions with Colonial Farm Credit:**

Spouse; parents

**ELECTION DISTRICT #4, term expires 2023****Frankie R. Large** (INCUMBENT)**Residence:** Dillwyn, VA **Age:** 41**Business Address:** Same as residence**Education:** Virginia Tech (Associate in Animal Science)**Contact Information if voting stockholder wishes to contact candidate:** cherryhillfarmva@gmail.com; 804-240-6662 (cell)**Business Experience During Last Five Years:** Owner and operator Cherry Hill Farm (cow/calf operation) and contract hog grower for Smithfield Foods**Acres Owned:** 800 **Acres Rented:** 500**Crops:** Hay**Counties:** Buckingham, Cumberland, and Mecklenburg**Livestock:** Hogs and cattle**Director and Management Positions or Affiliations with other Organizations:**

Colonial Farm Credit, 2017-present, director; member of Audit Committee and Governance Committee

Buckingham/Cumberland USDA Farm Service Agency County Committee, vice-chairman

Buckingham Farm Bureau, vice-president (agricultural insurance, service, and lobbying)

Buckingham Cattleman's Association, member

Virginia Cowboys Association, contractor

**Family Members Having Reportable Transactions with Colonial Farm Credit:** Spouse; mother**Norman D. Knight****Residence:** Gladstone, VA **Age:** 57**Business Address:** Same as residence**Contact Information if voting stockholder wishes to contact candidate:** nknightfarms@gmail.com; 434-841-1612 (cell)**Business Experience During Last Five Years:** Owner and operator Knight Farms (farming operation); President of Knight Timber Corp. (logging); Co-owner of Pamplin Forest Products LLC (lumber manufacturing)**Acres Owned:** 718 **Acres Rented:** 520**Crops:** Corn, soybeans, wheat, hay**Counties:** Amherst and Nelson (Virginia); Keokuk (Iowa)**Livestock:** Beef cattle**Director and Management Positions or Affiliations with other Organizations:**

Amherst Baptist Church, member

**Family Members Having Reportable Transactions with Colonial Farm Credit:** None**ELECTION DISTRICT #6, term expires 2023****A. Kevin Monahan** (INCUMBENT)**Residence:** Waverly, VA **Age:** 56**Business Address:** Same as residence**Contact Information if voting stockholder wishes to contact candidate:** kmbgf@aol.com; 804-731-5140 (cell)**Business Experience During Last Five Years:** Managing member of Bowling Green Farms, LLC (row crop, livestock, and timber operations); member of Monahan Farms, LLC (real estate and timber); partner in Springhill Farms Partnership (row crop farming operation)**Acres Owned:** 1,655 **Acres Rented:** 2,050**Counties:** Surry and Sussex**Crops:** Corn, cotton, peanuts, wheat, soybeans**Livestock:** Beef cattle**Director and Management Positions or Affiliations with other Organizations:**

Colonial Farm Credit: 2011-present, director; vice chairman; chairman of Governance Committee; member of Compensation Committee, Credit Review Committee, and Executive Committee

Colonial Agricultural Educational Foundation, Inc., director

Surry County Planning Commission, member

**Family Members Having Reportable Transactions with Colonial Farm Credit:** Spouse; sons**Joseph H. Wooden, Jr.****Residence:** Spring Grove, VA **Age:** 63**Business Address:** Same as residence**Contact Information if voting stockholder wishes to contact candidate:** 804-731-6876 (cell)**Business Experience During Last Five Years:** Self-employed farmer**Acres Owned:** 165 **Acres Rented:** 1,300**Crops:** Corn, peanuts, soybeans, wheat**Counties:** Surry and Prince George**Livestock:** Black Angus beef cattle**Director and Management Positions or Affiliations with other Organizations:**

Prince George Farm Bureau, director (agricultural insurance, service, and lobbying)

Prince George Farm Service Agency Board, member

Union Baptist Church, chairman of trustee board and member

**Family Members Having Reportable Transactions with Colonial Farm Credit:** Spouse



Colonial Farm Credit  
 7104 Mechanicsville Turnpike  
 Mechanicsville, VA 23111

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## NOMINEES FOR NOMINATING COMMITTEE

(Full-time Farmer = FT and Part-time Farmer = PT)

### DISTRICT #1:

Parran B. Briscoe; Calvert County MD; field corn; FT  
 James K. Raley, Jr.; St. Mary's County MD; commodity crop production  
 and greenhouse; FT  
 Joe-Sam C. Swann; Calvert County MD; general vegetables; FT

### DISTRICT #2:

Thomas O. Longest, Jr.; King and Queen County VA; field corn; FT  
 David M. Moore; Middlesex County VA; sweet potatoes; PT  
 Bruce G. Taylor; King and Queen County VA; soybeans/corn; FT

### DISTRICT #3:

Joel B. Gilman; Hanover County VA; cow/calf-comm herd; FT  
 Forrest C. Nuckols; Hanover County VA; dairy; FT  
 Susan H. Parrish; Goochland County VA; horses; PT

### DISTRICT #4:

Benjamin D. Cole; Appomattox County VA; corn/soybeans/timber; PT  
 Charles E. Fariss; Campbell County VA; feed-out cattle; FT  
 David K. Stratton; Appomattox County VA; dairy; FT

### DISTRICT #5:

Wayne C. Barnes; Dinwiddie County VA; soybeans; FT  
 Dixie Watts Dalton; Lunenburg County VA; cow/calf-comm herd; PT  
 Marvin Lewis Everett, III; Southampton County VA; cotton; FT

### DISTRICT #6:

Stephen W. Berryman; Surry County VA; strawberries; FT  
 Warren B. Clements; Prince George County VA; soybeans; FT  
 Charles H. Owen; Sussex County VA; peanuts; FT

## REPORT TO STOCKHOLDERS

The 2019 Colonial Farm Credit Annual Report was mailed to all stockholders of record as of December 31, 2018. Stockholders are encouraged to review this report. Copies of this report will be available at the meeting upon request and on the Association's website, [www.colonialfarmcredit.com](http://www.colonialfarmcredit.com).

## CERTIFICATION

The undersigned certify that this statement has been prepared in accordance with all applicable statutory and regulatory requirements and that the information contained herein is true, correct, accurate, and complete to the best of his or her knowledge and belief.

Paul B. Franklin, Sr., President and Chief Executive Officer

Diane S. Fowlkes, Chief Financial Officer

John E. Bickford, Chairman of the Board of Directors

June 28, 2019